

SATELLOS BIOSCIENCE INC.

– and –

ICO THERAPEUTICS INC.

ARRANGEMENT AGREEMENT

DATED March 21, 2021

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated March 21, 2021,

BETWEEN:

SATELLOS BIOSCIENCE INC., a corporation existing under the federal laws of Canada ("**Satellos**")

- and -

ICO THERAPEUTICS INC., a corporation existing under the laws of the Province of British Columbia ("**iCo**")

WHEREAS:

A. The Satellos Board has determined that the Arrangement is in the best interests of Satellos and that the Consideration Shares to be received by the Satellos Shareholders pursuant to the Arrangement based on the Exchange Ratio is fair, from a financial point of view, to the Satellos Shareholders.

B. The Satellos Board has approved the transactions contemplated by this Agreement and determined to recommend approval of the Arrangement to the Satellos Shareholders.

C. The iCo Board has unanimously determined that the Arrangement is in the best interests of iCo. The iCo Board has approved the transactions contemplated by this Agreement and unanimously determined to recommend approval of the Arrangement to the iCo Shareholders.

D. Satellos and iCo intend that the Arrangement be effected by way of Plan of Arrangement under the provisions of the CBCA, and in furtherance of the Arrangement, the Satellos Board has agreed to submit the Arrangement Resolution to the Satellos Shareholders and the Court for approval and the iCo Board has agreed to submit the iCo Resolution to the iCo Shareholders for approval.

E. The directors, officers and certain shareholders of iCo have entered into Satellos Lock-Up Agreements pursuant to which, among other things, they have agreed to vote in favour of the iCo Resolution, on the terms and subject to the conditions set forth in the Satellos Lock-Up Agreements.

F. The directors, officers and certain shareholders of Satellos have entered into iCo Lock-Up Agreements pursuant to which, among other things, they have agreed to vote in favour of the Arrangement Resolution, on the terms and subject to the conditions set forth in the iCo Lock-Up Agreements.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

“Acceptable Confidentiality Agreement” has the meaning ascribed thereto in Section 7.1(c)(ii);

“Acquisition Proposal” means, other than the transactions involving the Parties contemplated by this Agreement, any offer, proposal, expression of interest, or inquiry from any Person or group of Persons acting jointly or in concert (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*), whether or not in writing and whether or not delivered to the shareholders of a Party, made after the date hereof and that relates to:

- (i) any acquisition, sale, disposition, alliance, joint venture or purchase, direct or indirect, whether in a single transaction or a series of related transactions, of: (a) the assets of the Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Party and its subsidiaries taken as a whole; or (b) 20% or more of any voting or equity securities of the Party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Party and its subsidiaries;
- (ii) any take-over bid, tender offer, exchange offer, treasury issuance or other transaction for any class of equity securities of the Party or any of its subsidiaries that, if consummated, would result in any such Person beneficially owning 20% or more of any equity securities of the Party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Party and its subsidiaries; or
- (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving the Party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Party and its subsidiaries; or
- (iv) any other similar transaction or series of transactions involving the Party or any of its subsidiaries;

“affiliate” has the meaning ascribed thereto in the Securities Act;

“Agreement” means this arrangement agreement, together with the schedules, appendices and exhibits attached hereto, as it may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

“Arm’s Length” has the meaning ascribed thereto in the Tax Act;

“Arrangement” means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments

or variations thereto in accordance with Section 9.1 hereof or Section 6.01 of the Plan of Arrangement or at the direction of the Court in the Interim Order or Final Order;

“Arrangement Resolution” means the special resolution of the Satellos Shareholders, approving the Plan of Arrangement, to be considered at the Satellos Meeting, substantially in the form attached as Schedule B, subject to any amendments or variations thereto in accordance with Section 9.1 hereof and Section 6.01 of the Plan of Arrangement or at the direction of the Court in the Interim Order or Final Order;

“Articles of Arrangement” means the articles of arrangement of Satellos to be filed in connection with the Arrangement and required by subsection 192(6) of the CBCA, such articles to be filed with the Registrar after the Final Order has been granted, giving effect to the Arrangement, and which shall be in a form and content satisfactory to Satellos and iCo, each acting reasonably;

“Business Day” means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia;

“CBCA” means the *Canada Business Corporations Act* and the regulations made thereunder, as promulgated or amended from time to time, and includes any successor thereto;

“CFPOA” means the *Corruption of Foreign Public Officials Act*, S.C. 1998, c. 34, as amended;

“Change in Recommendation” has the meaning ascribed thereto in Section 8.2(c)(ii);

“Concurrent Financing” means a private placement of subscription receipts of iCo at a price to be determined in the market for not less than \$6,000,000;

“Confidentiality Agreement” means the confidentiality agreement between Satellos and iCo dated September 23, 2020, as it may be amended from time to time in accordance with its terms;

“Consideration Shares” means the iCo Shares to be issued to the Satellos Shareholders pursuant to the Plan of Arrangement;

“Consolidation” means the consolidation of the iCo Shares at a ratio of 60 iCo Shares for every 1 post consolidation iCo Share;

“Continuation” means the continuation of iCo from the laws of the Province of British Columbia to the laws of Canada;

“Contract” means any contract, agreement, license, franchise, lease, arrangement or other contractual right or obligation to which a Party or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

“Convertible Note” means the convertible promissory note issued by Satellos, as set forth in the Satellos Disclosure Letter;

“Court” means the Supreme Court of British Columbia;

“Depository” means any nationally recognized trust company, bank or financial institution engaged by iCo and Satellos for the purpose of, among other things, receiving Letters of Transmittal (as defined in the Plan of Arrangement) receiving deposits of certificates formerly representing Satellos Shares and distributing certificates representing the Consideration Shares;

“Dissent Rights” means the rights of Satellos Shareholders to dissent in respect of the Arrangement described in the Plan of Arrangement;

“Effective Date” means the date upon which the Arrangement becomes effective, as set out in the Plan of Arrangement;

“Effective Time” means the time on the Effective Date that the Arrangement becomes effective, as set out in the Plan of Arrangement;

“Environmental Laws” means all applicable federal, provincial, state, local and foreign Laws, imposing liability or standards of conduct for, or relating to, the regulation of activities, materials, substances or wastes in connection with, or for, or to, the protection of human health, safety, the environment or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);

“Environmental Liabilities” means, with respect to any Person, all liabilities, reclamation costs, costs of remediation, investigation costs, capital costs, operation and maintenance costs, losses, damages, (including punitive damages, property damages and consequential damages), costs and expenses, fines, penalties and sanctions incurred as a result of, or related to, any claim, suit, action, administrative order, investigation, proceeding, demand or cost recovery action by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law arising under, or related to, any Environmental Laws, Environmental Permits, or in connection with any Release or threatened Release or presence of a Hazardous Substance whether on, at, in, under, from or about or in the vicinity of any real or personal property;

“Environmental Permits” means all Permits, licenses, written authorizations, certificates, approvals, program participation requirements, sign-offs, orders or registrations required by or available with or from any Governmental Entity under any Environmental Laws;

“Exchange Ratio” means 30.11 iCo Shares for each Satellos Share, which will result in the Satellos Shareholders immediately prior to the Effective Time owning, in aggregate, 370,000,000 of the issued and outstanding iCo Shares immediately after the Effective Time;

“Expense Reimbursement Fee” has the meaning ascribed thereto in Section 8.3(b);

“Expense Reimbursement Fee Event” has the meaning ascribed thereto in Section 8.3(b);

“FCPA” means the *Foreign Corrupt Practices Act of 1977*, of the United States;

“Final Application” has the meaning ascribed thereto in Section 2.2(b)(iv);

“Final Order” means the final order of the Court approving the Arrangement pursuant to Section 192 of the CBCA, after a hearing upon the fairness of the terms and conditions of the Arrangement, in a form acceptable to Satellos and iCo, acting reasonably, as such order may be amended by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

“Governmental Entity” means any applicable: (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) subdivision, agent, commission, board or authority of any of the foregoing; (c) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) the TSX-V;

“Hazardous Substance” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, or material, including petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material or contaminant deemed under any Environmental Law to be deleterious to the environment or worker or public health or safety;

“iCo Board” means the board of directors of iCo as the same is constituted from time to time;

“iCo Circular” means the notice of the iCo Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, and information incorporated by reference in such management information circular, to be sent to the iCo Shareholders in connection with the iCo Meeting, as amended, supplemented or otherwise modified from time to time, which for greater certainty may be a joint circular with the Satellos Circular;

“iCo Disclosure Letter” means the disclosure letter executed by iCo and delivered to Satellos on the date hereof in connection with the execution of this Agreement;

“iCo Fairness Opinion” has the meaning ascribed thereto in Section 3.1(a)(i);

“iCo Financial Statements” has the meaning ascribed thereto in Section 3.1(j);

“iCo IP” means: (a) all Intellectual Property relating to the iCo Products in which iCo and its subsidiaries have an ownership interest; (b) all other Intellectual Property which iCo and its subsidiaries use and exploit in connection with the manufacture, use, testing, sale, licence or other commercialization of the iCo Products; and (c) all Intellectual Property in which iCo and its subsidiaries have an ownership interest;

“iCo Lock-Up Agreements” means the lock-up agreements between iCo and each of the directors and officers and certain shareholders of Satellos, substantially in the form of Schedule E;

“iCo Meeting” means the special meeting of iCo Shareholders, including any adjournment or postponement thereof, to be held to consider, among other things, the iCo Resolution;

“iCo Nominee” means any one nominee to be selected by iCo prior to completion of the Arrangement, provided that such director nominee shall be selected from Persons that are directors and/or officers of iCo as of the date of this Agreement;

“iCo Options” means the outstanding options to purchase iCo Shares granted under or otherwise subject to the iCo Stock Option Plan, as set forth in the iCo Disclosure Letter;

“iCo Products” has the meaning set out in the iCo Disclosure Letter;

“iCo Public Disclosure Record” means all documents and information filed by iCo under applicable Securities Laws on the System for Electronic Document Analysis Retrieval (SEDAR), during the three years prior to the date hereof, which are publicly available as of the date hereof or as of the Effective Date;

“iCo Resolution” means the ordinary resolutions of the iCo Shareholders approving the Arrangement, the Consolidation, the Name Change and the Continuation, to be considered at the iCo Meeting;

“iCo Shareholder Approval” has the meaning ascribed to such term in Section 2.2(a)(ii);

“iCo Shareholders” means the holders of iCo Shares;

“iCo Shares” means the common shares in the authorized share structure of iCo, as currently constituted;

“iCo Stock Option Plan” means the Amended and Restated Stock Option Plan (2020) of iCo, as amended from time to time;

“iCo Warrants” means the outstanding warrants to purchase iCo Shares, as set forth in the iCo Disclosure Letter;

“IFRS” means International Financial Reporting Standards as developed and adopted by the International Accounting Standards Board from time to time;

“including” means including without limitation, and **“include”** and **“includes”** each have a corresponding meaning;

“Intellectual Property” means United States and Canadian, foreign and international patents, patent applications, including provisional applications, statutory invention registrations, invention disclosures, inventions, trademarks, service marks, trade names, domain names, URLs, trade dress, logos and other source identifiers, including registrations and applications for registration thereof, together with the goodwill symbolized by any of the foregoing, copyrights, including registrations and applications for registration thereof, software, formulae, trade secrets, know-how, methods, processes, protocols, specifications, techniques, and other forms of technology (whether or not embodied in any tangible form and including all tangible embodiments of the foregoing, such as laboratory notebooks, samples, studies and summaries), and all rights under, in or to any of the foregoing that may exist or be created under the Laws of any jurisdiction in the world;

“Interim Order” means the interim order of the Court made in connection with the Arrangement in a form acceptable to Satellos and iCo, acting reasonably, providing for, among other things, the calling and holding of the Satellos Meeting, as the same may be

amended, supplemented or varied by the Court with the consent of the Parties, acting reasonably;

“Key Regulatory Approvals” means those sanctions, rulings, consents, orders, exemptions, Permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities set out in Schedule C hereto;

“Key Third Party Consents” means those consents, approvals and notices required from any third party to proceed with the transactions contemplated by this Agreement and the Plan of Arrangement, set out in Schedule D hereto;

“Law” or **“Laws”** means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, and the term **“applicable”** with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to such Party or its business, undertaking, assets, property or securities and emanate from a Person having jurisdiction over the Party or Parties or its or their business, undertaking, assets, property or securities;

“Legal Proceeding” means any action, suit, litigation, arbitration, proceeding, (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Entity or any arbitrator or arbitration panel;

“Liens” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third Person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“Material Adverse Effect” means, in respect of a Party, any change, event, development or occurrence that is, or could reasonably be expected to be, either individually or in the aggregate with other such changes, events, developments or occurrences, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (including any contingent liabilities), operations or results of operations of that Party and its subsidiaries, taken as a whole, other than any change, event, development or occurrence resulting from or relating to: (i) the announcement of the execution of this Agreement or the transactions contemplated hereby; (ii) general political, economic or financial conditions in Canada or the United States; (iii) the state of securities or commodity markets in general; (iv) the commencement, continuation or worsening of any state of emergency, pandemic (including any worsening of the COVID-19 pandemic), epidemic, disease outbreak, health crisis, public health event, war, armed hostilities or acts of terrorism; (v) any decrease in the trading price or any decline in the trading volume of that Person’s securities (it being understood that the causes underlying such change in trading price or trading volume (other than those in items (i) to (iv) above and (vi) to (viii) below) may be taken into account in determining whether a Material Adverse Effect has occurred); (vi) any actions taken (or omitted to be taken) by a Party upon the written request

of any other Party; (vii) any changes in applicable Laws or IFRS, including authoritative interpretations thereof; or (viii) earthquakes, hurricanes, other natural disasters or acts of god, except in the case of (ii), (iii), (iv), (vii) and (viii) to the extent such event, change, development or occurrence has a material and disproportionate adverse effect on the business of the Party and its subsidiaries, taken as a whole, as compared to other companies of similar size operating in the industry in which it operates;

“**material change**” has the meaning ascribed thereto in the Securities Act;

“**Material Contracts**” means, in respect of either Party, any Contract: (i) which, if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect on such Party; (ii) under which such Party or any of its subsidiaries has directly or indirectly guaranteed any liabilities or obligations of a third party (other than ordinary course endorsements for collection) in excess of \$50,000; (iii) relating to indebtedness for borrowed money, whether incurred, assumed, guaranteed or secured by any asset, with an outstanding principal amount in excess of \$50,000; (iv) providing for the establishment, organization or formation of any partnership or joint venture; (v) under which such Party or any of its subsidiaries is obligated to make or expects to receive payments in excess of \$50,000 over the remaining term of the Contract; (vi) that limits or restricts such Party or any of its subsidiaries from engaging in any line of business or any geographic area in any material respect; (vii) any capital lease or any other lease or other Contract relating to tangible personal property providing for annual rental payments in excess of \$50,000; (viii) any lease in respect of real property; (ix) under which such Party is, or may become, obligated to pay any amount in respect of indemnification obligations, purchase price adjustment or otherwise in connection with any (a) acquisition or disposition of assets or securities (other than the sale of inventory in the ordinary course of business), (b) merger, consolidation or other business combination or (c) series or group of related transactions or events of the type specified in the immediately preceding clauses (a) and (b); (x) under which any other Person has guaranteed any debt of such Party; (xi) under which such Party is, or may become, obligated to incur or pay any severance payment or special compensation obligations which would become payable by reason of this Agreement or the transactions contemplated hereby; (xii) that is a profit sharing, equity option, equity purchase, equity appreciation, deferred compensation, severance or other plan or arrangement for the benefit of such Party’s current or former directors, shareholders, officers or employees, consultants or independent contractors; (xiii) in respect of any settlement, conciliation or similar arrangement or obligation imposing an obligation on such Party after the Effective Date; (xiv) relating to any Intellectual Property; or (xv) that is otherwise material to such Party and its subsidiaries, considered as a whole; and, for greater certainty, in respect of iCo includes the Material Contracts listed in Section 3.1(r) of the iCo Disclosure Letter, and in respect of Satellos, includes the Material Contracts listed in Section 4.1(r) of the Satellos Disclosure Letter;

“**material fact**” has the meaning ascribed thereto in the Securities Act;

“**MD&A**” has the meaning ascribed thereto in Section 3.1(j);

“**Name Change**” means the proposed name change of iCo from “iCo Therapeutics Inc.” to “Satellos Bioscience Inc.”, or such other name as may be agreed to by iCo and Satellos and accepted by relevant regulatory authorities;

“**Outside Date**” means June 30, 2021, or such later date as may be agreed to in writing by the Parties;

“Parties” means Satellos and iCo, and **“Party”** means any one of them;

“Permit” means any license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of and from any Governmental Entity;

“Person” includes an individual, partnership, association, body corporate, trust, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement, substantially in the form and on the terms set out in Schedule A hereto, and any amendments or variations thereto made in accordance with Section 9.1 or the Plan of Arrangement;

“Post-Closing Amalgamation” means the short form amalgamation of iCo and Satellos immediately following the Effective Time;

“Registered IP” means all Intellectual Property that is registered, filed or issued with, by or under the authority of any Governmental Entity, including all patents, registered copyrights, registered mask works, and registered trademarks and all applications for any of the foregoing;

“Registrar” has the meaning ascribed to such term in the CBCA;

“Release” means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, groundwater or property;

“Replacement Option” means an option to purchase iCo Shares granted by iCo in exchange for Satellos Options pursuant to the Plan of Arrangement;

“Representatives” means, collectively, in respect of a Person, (a) its directors, officers, employees, agents, representatives and any financial advisor, law firm, accounting firm or other professional firm retained to assist the Person in connection with the transactions contemplated in this Agreement, and (b) the Person’s affiliates and subsidiaries and the directors, officers, employees, agents and representatives and advisors thereof;

“Response Period” has the meaning ascribed to such term in Section 7.3(a);

“Returns” means all reports, forms, elections, designations, information statements and returns (whether in tangible, electronic or other form) including any amendments, schedules, attachments, supplements, appendices and exhibits thereto relating to, or required to be filed or prepared in connection with any Taxes;

“Satellos Board” means the board of directors of Satellos as the same is constituted from time to time;

“Satellos Circular” means the notice of the Satellos Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to the Satellos Shareholders in connection with the Satellos Meeting, as

amended, supplemented or otherwise modified from time to time, which for greater certainty may be a joint circular with the iCo Circular;

“Satellos Disclosure Letter” means the disclosure letter executed by Satellos and delivered to iCo on the date hereof in connection with the execution of this Agreement;

“Satellos Fairness Opinion” has the meaning ascribed thereto in Section 3.1(a)(i);

“Satellos Financial Statements” has the meaning ascribed thereto in Section 4.1(j);

“Satellos IP” means: (a) all Intellectual Property relating to the Satellos Products in which Satellos and its subsidiaries have an ownership interest; and (b) all other Intellectual Property which Satellos and its subsidiaries use and exploit in connection with the manufacture, use, testing, sale, licence or other commercialization of the Satellos Products;

“Satellos Lock-Up Agreements” means the lock-up agreements between Satellos and each of the directors and officers and certain shareholders of iCo, substantially in the form of Schedule F;

“Satellos Meeting” means the annual and special meeting of Satellos Shareholders, including any adjournment or postponement thereof, to be held to consider, among other things, the Arrangement Resolution;

“Satellos Nominees” means any six nominees to be selected by Satellos prior to completion of the Arrangement;

“Satellos Options” means the outstanding options to purchase Satellos Shares granted under or otherwise subject to the Satellos stock option plan, as set forth in the Satellos Disclosure Letter;

“Satellos Products” has the meaning set out in the Satellos Disclosure Letter;

“Satellos Shareholder Approval” has the meaning ascribed thereto in Section 2.2(a)(ii);

“Satellos Shareholders” means the holders of Satellos Shares;

“Satellos Shares” means the common shares in the authorized share capital of Satellos, as currently constituted;

“Satellos Warrants” means the outstanding warrants to purchase Satellos Shares, as set forth in the Satellos Disclosure Letter;

“Section 3(a)(10) Exemption” has the meaning ascribed thereto in Section 2.2(b);

“Securities Act” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“Securities Authorities” means the securities commissions in each of the provinces of British Columbia, Alberta and Ontario;

“Securities Laws” means the Securities Act, together with all other applicable provincial securities laws, rules, instruments and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time;

“Spin Out” means the transfer of all assets of iCo with respect to the “oral formulation of Amphotericin” from iCo to a wholly-owned subsidiary of iCo;

“subsidiary” means, with respect to any specified Person, any other Person of which such specified Person will, at the time, directly or indirectly through one or more subsidiaries, (a) own at least 50% of the outstanding shares, (b) hold at least 50% of the partnership, limited liability company, joint venture or similar interests or (c) be a general partner, managing member or joint venturer;

“Superior Proposal” means any bona fide Acquisition Proposal made in writing by a third party or third parties acting jointly or in concert with one another, who deal at Arm’s Length to iCo or Satellos, as the case may be, after the date hereof that, in the good faith determination of the iCo Board or the Satellos Board, as applicable, after receipt of advice from its outside financial advisor and legal counsel: (i) is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal; (ii) is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the iCo Board or Satellos Board, as the case may be, acting reasonably; (iii) is not subject to a due diligence or access condition; (iv) did not result from a material breach of Section 7.1 or Section 7.2 of this Agreement, by the receiving Party or its Representatives; (v) in the case of a transaction that involves the acquisition of common shares of a Party, is made available to all iCo Shareholders or Satellos Shareholders, as the case may be, on the same terms and conditions; (vi) failure to recommend such Acquisition Proposal to the iCo Shareholders or Satellos Shareholders, as the case may be, would be inconsistent with the iCo Board’s fiduciary duties or the Satellos Board’s fiduciary duties, respectively; (vii) complies with Securities Laws in all material respects; and (viii) taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), would result in a transaction more favourable to its shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by the other Party pursuant to Section 7.3(b) of this Agreement);

“Superior Proposal Notice” has the meaning ascribed thereto in Section 7.3(a);

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

“Taxes” in respect of a Party means: (a) any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, *ad valorem* taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business

license taxes, royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (*escheat*) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada, British Columbia and other government pension plan premiums or contributions and other governmental charges and other obligations of the same or of a similar nature to any of the foregoing, which such Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not; and (b) any liability for the payment of any amount described in clause (a) of this definition as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any Tax sharing or Tax allocation agreement, arrangement or understanding, or as a result of being liable to another Person's Taxes as a transferee or successor, by contract or otherwise;

"Termination Fee" has the meaning ascribed thereto in Section 8.3(b);

"Termination Fee Event" has the meaning ascribed thereto in Section 8.3(b);

"TSX-V" means the TSX Venture Exchange;

"U.S. Securities Act" means the *United States Securities Act* of 1933 as the same has been, and hereinafter from time to time may be, amended;

"U.S. Tax Code" means the *United States Internal Revenue Code* of 1986, as amended;

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

"Voluntary Escrow Agreement" means the escrow agreement to be entered into between iCo and the holders of Satellos Shares whereby such Satellos Shareholders shall voluntarily agree to a contractual escrow of all of the Consideration Shares that they receive in exchange for their Satellos Shares pursuant to the Arrangement for a twelve (12) month period, subject to the following release schedule: (i) 1/3 of the Consideration Shares on the date that is four (4) months following the Effective Date; (ii) 1/3 of the Consideration Shares on the date that is eight (8) months following the Effective Date; and, (iii) 1/3 of the Consideration Shares on the date that is twelve (12) months following the Effective Date.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section or Schedule by number or letter or both refer to the Article, Section or Schedule, respectively, bearing that designation in this Agreement.

1.3 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and *vice versa*, and words importing gender include all genders.

1.4 Date for Any Action

If the date on or by which any action is required or permitted to be taken hereunder by a Party is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada and "\$" or "CAD\$" refers to Canadian dollars.

1.6 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS consistently applied.

1.7 Knowledge

In this Agreement:

- (a) references to "the knowledge of iCo" mean the actual collective knowledge of William Jarosz, Michael Liggett, Susan Koppy and Peter Hnik in their capacities as officers of iCo, each of whom will be deemed to additionally have knowledge of all such matters as he or she would have discovered, had he or she made reasonable inquiries, including reasonable inquiries of the officers and directors of iCo and its subsidiaries; and
- (b) references to "the knowledge of Satellos" mean the actual collective knowledge of Frank Gleeson, Dr. Michael Rudnicki and John Holyoake in their capacities as officers of Satellos, each of whom will be deemed to additionally have knowledge of all such matters as he would have discovered, had he made reasonable inquiries, including reasonable inquiries of the officers and directors of Satellos and its subsidiaries.

1.8 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

- Schedule A - Plan of Arrangement
- Schedule B - Arrangement Resolution
- Schedule C - Key Regulatory Approvals
- Schedule D - Key Third Party Consents
- Schedule E - Form of iCo Lock-Up Agreement
- Schedule F - Form of Satellos Lock-Up Agreement

ARTICLE 2

THE ARRANGEMENT

2.1 Arrangement and Meetings

Satellos and iCo agree that:

- (a) the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement; and
- (b) unless one or both of the Satellos Meeting and the iCo Meeting is postponed or adjourned in accordance with the terms of this Agreement, the Satellos Meeting and the iCo Meeting shall be held on the same day and at the same time, and the Parties agree to take such actions from time to time as may be necessary in order to ensure that this occurs.

2.2 Court Orders

Satellos shall apply to the Court, in a manner acceptable to iCo, acting reasonably, pursuant to Section 192 of the CBCA for the Interim Order and the Final Order as follows:

- (a) As soon as reasonably practicable following the date of execution of this Agreement, but in any event not later than April 30, 2021, Satellos shall prepare, file, proceed with and diligently prosecute an application to the Court for the Interim Order which shall provide, among other things:
 - (i) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the Satellos Meeting and the manner in which such notice is to be provided;
 - (ii) that the requisite approval for the Arrangement Resolution shall be at least 66 $\frac{2}{3}$ % of the votes cast on the Arrangement Resolution by Satellos Shareholders, present in person or represented by proxy at the Satellos Meeting (the "**Satellos Shareholder Approval**");
 - (iii) that in all other respects, other than as ordered by the Court, the terms, conditions and restrictions of the Satellos constating documents, including quorum requirements and other matters, shall apply in respect of the Satellos Meeting;
 - (iv) for the grant of the Dissent Rights to registered holders of Satellos Shares, which Dissent Rights shall provide for written objection to any Arrangement Resolution to be sent to Satellos by such Satellos Shareholders who wish to dissent at least two days before the Satellos Meeting;
 - (v) for notice requirements with respect to the presentation of the application to the Court for the Final Order;
 - (vi) that the Satellos Meeting may be adjourned or postponed from time to time by management of Satellos without the need for additional approval of the Court; and

- (vii) that the record date for Satellos Shareholders entitled to notice of and to vote at the Satellos Meeting will not change in respect of any adjournment(s) or postponement(s) of the Satellos Meeting, unless required by applicable Laws.

- (b) The Parties agree that the Arrangement will be carried out with the intention that all Consideration Shares issued to the Satellos Shareholders and Replacement Options issued to the holders of the Satellos Options pursuant to the Arrangement will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof (the “**Section 3(a)(10) Exemption**”). In order to ensure the availability of the Section 3(a)(10) Exemption, the Parties agree that the Arrangement will be carried out on the following basis:
 - (i) the Arrangement will be subject to the approval of the Court;
 - (ii) the Court will be advised as to the intention of the Parties to rely on the Section 3(a)(10) Exemption based on the Court’s approval of the Arrangement prior to the hearing of the Court required to approve the Arrangement;
 - (iii) the Court will be invited to satisfy itself and find, prior to approving the Arrangement, that the Arrangement is fair and reasonable, both procedurally and substantively, to the Satellos Shareholders;
 - (iv) Satellos will ensure that: each Satellos Shareholder entitled to receive Consideration Shares pursuant to the Arrangement will be given adequate notice advising such Satellos Shareholder of his or her right to attend the hearing of the Court with respect to the application for the Final Order (the “**Final Application**”) and provide each with sufficient information necessary for him or her to exercise that right;
 - (v) each Satellos Shareholder in the United States entitled to receive Consideration Shares will be advised that the Consideration issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued by iCo in reliance on the Section 3(a)(10) Exemption, and may be subject to restrictions on resale under the applicable securities laws of the United States, including Rule 144 under the U.S. Securities Act with respect to affiliates of Satellos and iCo;
 - (vi) the Interim Order will specify that each Satellos Shareholder have the right to appear before the Court at the Final Application so long as they enter an appearance within a reasonable time;
 - (vii) the Final Order shall include statements substantially to the following effect:

in the preamble to the Final Order:

“AND UPON BEING ADVISED by counsel for Satellos Bioscience Inc. that this Court’s approval of the arrangement and its determination that the arrangement and the procedures followed by Satellos Bioscience Inc. are fair to the persons to be issued securities or to have securities made

issuable to them pursuant to the arrangement will serve as the basis of a claim to an exemption from the registration requirements of the United States Securities Act of 1933, as amended, pursuant to Section 3(a)(10) thereof, regarding the distribution of securities of iCo Therapeutics Inc. pursuant to the Plan of Arrangement”; and

as a term of the Final Order:

“The Arrangement is fair and reasonable, both procedurally and substantively, to the Satellos Shareholders.”;

- (viii) under no circumstances shall iCo offer cash consideration to any Satellos Shareholders for Satellos Shares.
- (c) iCo shall take all steps as may be required to cause the securities to be issued under the Plan of Arrangement to be issued pursuant to an exemption from the prospectus and registration requirements of applicable Securities Laws and not be subject to resale restrictions under applicable Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of National Instrument 45-102 – *Resale of Securities*).

2.3 Satellos Meeting

Subject to receipt of the Interim Order and the terms of this Agreement:

- (a) Satellos agrees to convene and conduct the Satellos Meeting for the purposes of considering the Arrangement Resolution in accordance with the Interim Order, Satellos’ constating documents and applicable Laws as soon as reasonably practicable and in any event on or before May 31, 2021; provided, however, that if Satellos receives an Acquisition Proposal within seven Business Days prior to the date scheduled for the Satellos Meeting, then the Satellos Board shall be permitted to postpone or adjourn that meeting for a period of up to 15 days in order to review and consider such Acquisition Proposal and, if the Satellos Board ultimately determines it to be a Superior Proposal, to observe and satisfy the Response Period, all as contemplated in Article 7 and Article 9 hereof (and to postpone the Satellos Meeting to a day not more than five Business Days following the expiry of the Response Period, if requested by iCo to do so); and provided further that, in exercising the right to postpone or adjourn set out in this Section 2.3(a), Satellos shall not be permitted to change the record date for its meeting, unless required by applicable Law. For purposes of this Section 2.3(a), all references to “20%” in the definition of “Acquisition Proposal” shall instead be references to “51%”.
- (b) Satellos will schedule the Satellos Meeting on the same day and at the same time as the iCo Meeting. Satellos will not adjourn, postpone or cancel the Satellos Meeting without the prior written consent of iCo, not to be unreasonably withheld, except as required to align with the iCo Meeting or as otherwise permitted herein or as required for quorum purposes (in which case, the Satellos Meeting shall be adjourned and not cancelled) or as required by applicable Laws or a Governmental Entity.
- (c) Subject to the terms of this Agreement, and compliance by the directors and officers of Satellos with their fiduciary duties, Satellos will use all commercially reasonable

efforts to solicit proxies in favour of the approval of the Arrangement Resolution in compliance with any Laws applicable to the solicitation of proxies. Satellos shall advise iCo as iCo may reasonably request, and on a daily basis on each of the last ten (10) Business Days prior to the Satellos Meeting, as to the aggregate tally of the proxies received by Satellos in respect of the Arrangement Resolution.

- (d) Satellos will promptly advise iCo of any written notice of dissent or purported exercise by any Satellos Shareholder of Dissent Rights received by Satellos in relation to the Arrangement Resolution and any withdrawal of Dissent Rights received by Satellos and, subject to applicable Law, any written communications sent by or on behalf of Satellos to any Satellos Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution. Subject to applicable Law, Satellos shall provide a copy of any written communication it proposes to send to any Satellos Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution and provide iCo and its Representatives a reasonable period of time to review and comment on such written communication prior to Satellos' transmitting such communication to such Satellos Shareholder, and Satellos shall give reasonable and good faith consideration to all additions, deletions or changes suggested thereto by iCo and its Representatives.
- (e) Within three days of execution of this Agreement and as soon as practicable after the record date for the Satellos Meeting, Satellos will deliver to iCo a list of the holders of Satellos Shares, and will deliver to iCo thereafter on demand supplemental lists setting out any changes thereto.

2.4 Satellos Circular

- (a) Subject to iCo's compliance with Section 2.4(c), Satellos shall prepare the Satellos Circular in compliance with all applicable Laws and file the Satellos Circular on a timely basis, after obtaining the Interim Order and in any event on or before April 30, 2021, in all jurisdictions where the same is required to be filed and mail the same as required by the Interim Order and in accordance with all applicable Laws, in all jurisdictions where the same is required.
- (b) Subject to iCo's compliance with Section 2.4(c), Satellos shall ensure that the Satellos Circular complies with applicable Laws, and, without limiting the generality of the foregoing, that the Satellos Circular does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than in each case with respect to any information relating to iCo and provided by iCo in writing) and shall provide Satellos Shareholders with information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the Satellos Meeting. Subject to Sections 7.1 to 7.3, the Satellos Circular will include a copy of the Satellos Fairness Opinion, a statement that the Satellos Board has received the Satellos Fairness Opinion, the recommendation of all of the members of the Satellos Board, other than those directors that recused themselves due to conflicts, that Satellos Shareholders vote in favour of the Arrangement Resolution, and a statement that each director, officer and certain shareholders of Satellos intends to vote all of such director's, officer's and shareholder's Satellos Shares in favour of

the Arrangement Resolution, subject to the other terms of this Agreement and the Satellos Lock-Up Agreements.

- (c) iCo will, in a timely manner, furnish to Satellos all such information regarding iCo its affiliates and its securities as may be reasonably required by Satellos in the preparation of the Satellos Circular and other documents related thereto. iCo shall ensure that no such information will include any untrue statement of a material fact or omit to state a material fact required to be stated in the Satellos Circular in order to make any information so furnished or any information concerning iCo, its affiliates and its securities not misleading in light of the circumstances in which it is disclosed. iCo shall use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the Satellos Circular and to the identification in the Satellos Circular of each such advisor.
- (d) iCo and its Representatives shall be given a reasonable opportunity to review and comment on the Satellos Circular, prior to the Satellos Circular being printed and mailed to Satellos Shareholders, and Satellos shall give reasonable consideration to all additions, deletions or changes suggested thereto by iCo and its Representatives; provided that all information relating to iCo included in the Satellos Circular shall be in form and content satisfactory to iCo, acting reasonably. Satellos shall provide iCo with a final copy of the Satellos Circular prior to mailing to the Satellos Shareholders.
- (e) iCo and Satellos shall each promptly notify the other if at any time before the Effective Date, any of them becomes aware (in the case of iCo only with respect to iCo and in the case of Satellos only with respect to Satellos) that the Satellos Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Satellos Circular, and the Parties shall cooperate in the preparation of any amendment or supplement to the Satellos Circular, as required or appropriate, and Satellos shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Satellos Circular to Satellos Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities or any other Governmental Entity and as otherwise required.

2.5 iCo Meeting

Subject to the terms of this Agreement:

- (a) iCo agrees to convene and conduct the iCo Meeting for the purposes of considering the iCo Resolution in accordance with iCo's constating documents and applicable Laws as soon as reasonably practicable and in any event on or before May 31, 2021; provided, however, that if iCo receives an Acquisition Proposal within seven Business Days prior to the date scheduled for the iCo Meeting, then the iCo Board shall be permitted to postpone or adjourn that meeting for a period of up to 15 days in order to review and consider such Acquisition Proposal and, if the iCo Board ultimately determines it to be a Superior Proposal, to observe and satisfy the Response Period, all as contemplated in Article 7 and Article 9 hereof (and to postpone the iCo Meeting to a day not more than five Business Days following the

expiry of the Response Period, if requested by Satellos to do so); and provided further that, in exercising the right to postpone or adjourn set out in this Section 2.5(a), iCo shall not be permitted to change the record date for its meeting, unless required by applicable Law. For purposes of this Section 2.5(a), all references to “20%” in the definition of “Acquisition Proposal” shall instead be references to “51%”.

- (b) iCo will schedule the iCo Meeting on the same day and at the same time as the Satellos Meeting. iCo will not adjourn, postpone or cancel the iCo Meeting without the prior written consent of Satellos, not to be unreasonably withheld, except as required to align with the Satellos Meeting or as otherwise permitted herein or as required for quorum purposes (in which case, the iCo Meeting shall be adjourned and not cancelled) or as required by applicable Laws or a Governmental Entity.
- (c) Subject to the terms of this Agreement, and compliance by the directors and officers of iCo with their fiduciary duties, iCo will use all commercially reasonable efforts to solicit proxies in favour of the approval of the iCo Resolution, including, if so requested by Satellos and at Satellos’ cost, by using proxy solicitation services, designated by Satellos, in compliance with any Laws applicable to the solicitation of proxies. iCo shall instruct iCo’s transfer agent and any such proxy solicitation agents to report to Satellos concurrently with their reports to iCo, and to advise Satellos as Satellos may reasonably request, and on a daily basis on each of the last ten (10) Business Days prior to the iCo Meeting, as to the aggregate tally of the proxies received by iCo in respect of the iCo Resolution.
- (d) Within three days of execution of this Agreement and as soon as practicable after the record date for the iCo Meeting, iCo will deliver or cause to be delivered by its transfer agent and provided to Satellos a list of the holders of iCo Shares, and will deliver to Satellos thereafter on demand supplemental lists setting out any changes thereto.

2.6 iCo Circular

- (a) Subject to Satellos’ compliance with Section 2.6(c), iCo shall prepare the iCo Circular in compliance with applicable Laws and file the iCo Circular on a timely basis, and in any event on or before April 30, 2021 in all jurisdictions where the same is required to be filed and mail the same as required by the Interim Order and in accordance with all applicable Laws, in all jurisdictions where the same is required. Without limiting the generality of the foregoing, iCo shall, in consultation with Satellos, use all commercially reasonable efforts to abridge the timing contemplated by National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, as provided in Section 2.20 thereof.
- (b) Subject to Satellos’ compliance with Section 2.6(c), iCo shall ensure that the iCo Circular complies with applicable Laws, and, without limiting the generality of the foregoing, that the iCo Circular does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than in each case with respect to any information relating to Satellos and provided by Satellos in writing) and shall provide iCo Shareholders with information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the iCo Meeting.

Subject to Sections 7.1 to 7.3, the iCo Circular will include a copy of the iCo Fairness Opinion, a statement that the iCo Board has received the iCo Fairness Opinion, and the unanimous recommendation of the iCo Board that iCo Shareholders vote in favour of the Arrangement Resolution, and a statement that each director, officer and certain shareholders of iCo intends to vote all of such director's, officer's and shareholder's iCo Shares in favour of the iCo Resolution, subject to the other terms of this Agreement and the iCo Lock-Up Agreements.

- (c) Satellos will, in a timely manner, furnish to iCo all such information regarding Satellos, its affiliates and its securities as may be reasonably required by iCo in the preparation of the iCo Circular and other documents related thereto. Satellos shall ensure that no such information will include any untrue statement of a material fact or omit to state a material fact required to be stated in the iCo Circular in order to make any information so furnished or any information concerning Satellos, its affiliates and its securities not misleading in light of the circumstances in which it is disclosed. Satellos shall also provide iCo with disclosure regarding Satellos that is reasonably sufficient to allow iCo to rely upon the Section 3(a)(10) Exemption with respect to the distribution of the Consideration Shares and Replacement Options pursuant to the transactions described herein, and iCo shall include such disclosure in the form provided by Satellos in the iCo Circular.
- (d) Satellos and its Representatives shall be given a reasonable opportunity to review and comment on the iCo Circular, prior to the iCo Circular being printed and mailed to iCo Shareholders and filed with the Securities Authorities, and iCo shall give reasonable consideration to all additions, deletions or changes suggested thereto by Satellos and its Representatives; provided that all information relating to Satellos included in the iCo Circular shall be in form and content satisfactory to Satellos, acting reasonably. iCo shall provide Satellos with a final copy of the iCo Circular prior to mailing to the iCo Shareholders.
- (e) iCo and Satellos shall each promptly notify the other if at any time before the Effective Date, any of them becomes aware (in the case of iCo only with respect to iCo and in the case of Satellos only with respect to Satellos) that the iCo Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the iCo Circular, and the Parties shall cooperate in the preparation of any amendment or supplement to the iCo Circular, as required or appropriate, and iCo shall promptly mail or otherwise publicly disseminate any amendment or supplement to the iCo Circular to iCo Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities or any other Governmental Entity and as otherwise required.

2.7 Final Order

If (i) the Interim Order is obtained, and (ii) the Arrangement Resolution is passed at the Satellos Meeting by the Satellos Shareholders as provided for in the Interim Order and as required by applicable Law, subject to the terms of this Agreement, Satellos shall as soon as reasonably practicable thereafter and in any event within three (3) Business Days thereafter take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 192 of the CBCA.

2.8 Court Proceedings

Subject to the terms of this Agreement, iCo will cooperate with, assist and consent to Satellos seeking the Interim Order and the Final Order, including by providing Satellos on a timely basis any information required to be supplied by iCo in connection therewith. Satellos will provide legal counsel to iCo with a reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments. Satellos will also provide legal counsel to iCo on a timely basis with copies of any notice of appearance or notice of intent to oppose and any evidence served on Satellos or its legal counsel in respect of the application for the Interim Order or the Final Order or any appeal therefrom. Subject to applicable Law, Satellos will not file any material with the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated hereby or with iCo's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require iCo to agree or consent to any modifications or amendments to such filed or served materials that expand or increase iCo's obligations set forth in this Agreement. In addition, Satellos will not object to legal counsel to iCo making submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate; *provided that*, Satellos is advised of the nature of any submissions prior to the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement.

2.9 Effect on the Arrangement and Effective Date

Subject to the satisfaction or, where not prohibited by applicable Law, the waiver of the conditions set forth in Article 6 by the applicable Party for whose benefit such conditions exist (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited by applicable Law, the waiver of those conditions as of the Effective Date by the applicable Party for whose benefit such conditions exist), upon the Arrangement Resolution having been approved by the Satellos Shareholders at the Satellos Meeting, in accordance with the Interim Order, the iCo Resolution having been approved by the iCo Shareholders at the iCo Meeting, and Satellos obtaining the Final Order, the Arrangement shall be effective at the Effective Time on the Effective Date, whereupon, the transactions comprising the Arrangement shall be deemed to occur in the order set out in the Plan of Arrangement without any further act or formality. From and after the Effective Time, the Plan of Arrangement shall have all the effects provided by applicable Law, including the CBCA.

2.10 Payment of Consideration

iCo shall, prior to the filing by Satellos of the Articles of Arrangement with the Registrar: (i) provide or cause to be provided the Depositary with an irrevocable direction for the issuance of the Consideration Shares (the terms and conditions of such escrow and direction to be satisfactory to Satellos and iCo, acting reasonably) and any treasury directions addressed to iCo's transfer agent as may be necessary, in order to pay and deliver the Consideration Shares as provided in the Plan of Arrangement; and (ii) issue and deliver the Replacement Options to the holders of Satellos Options as provided in the Plan of Arrangement. .

2.11 Preparation of Filings

The Parties shall cooperate in the preparation of any application for the Key Regulatory Approvals and any other orders, registrations, consents, filings, rulings, exemptions, no-action letters and approvals and the preparation of any documents reasonably deemed by either of them

to be necessary to discharge its respective obligations or otherwise advisable under applicable Laws in connection with this Agreement or the Plan of Arrangement.

2.12 Announcement and Shareholder Communications

iCo and Satellos shall issue a joint press release with respect to this Agreement and the Arrangement promptly following the execution of this Agreement, the text of such announcement to be in a form approved by each of iCo and Satellos in advance, acting reasonably and without delay. Each Party shall consult with the other Party prior to issuing any other press releases or otherwise making public written statements with respect to the Arrangement or this Agreement and shall provide the other Party with a reasonable opportunity to review and comment on all such press releases or public written statements prior to the release thereof. iCo and Satellos agree to cooperate in the preparation of presentations, if any, to Satellos Shareholders regarding the Plan of Arrangement; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under applicable Laws or stock exchange rules, and the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. For the avoidance of doubt, the foregoing shall not prevent either Party from making internal announcements to employees and having discussions with shareholders and financial analysts and other stakeholders so long as such statements and announcements are consistent with the most recent news releases, public disclosures or public statements made by the Parties. Without limiting the generality of the foregoing and for greater certainty, Satellos acknowledges and agrees that iCo shall file, in accordance with Securities Laws, this Agreement, together with a material change report related thereto, under iCo's profile on SEDAR.

2.13 Withholding Taxes

iCo, Satellos and the Depositary shall be entitled to deduct and withhold from all dividends, distributions, other payments or other consideration payable to any Person such amounts as iCo, Satellos or the Depositary is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the U.S. Tax Code or any provision of any applicable federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

2.14 iCo Board

iCo shall take all necessary actions to ensure that upon the completion of the Arrangement the iCo Board will be reconstituted such that the iCo Board will be comprised solely of the Satellos Nominees and the iCo Nominee and shall ensure that the Satellos Nominees and the iCo Nominee are nominated for election as directors of iCo at the iCo next annual general meeting of iCo Shareholders.

2.15 Adjustment of Consideration Shares

If on or after the date hereof, either Party, with the prior written consent of the other Party: (a) splits, consolidates or reclassifies any of its common shares; (b) undertakes any other capital reorganization; or (c) declares, sets aside or pays any dividend or other distribution to its

shareholders of record as of a time prior to the Effective Date, the Parties hereto shall make such adjustments to the Arrangement, including the number or fraction of Consideration Shares deliverable per Satellos Share under the Arrangement, as they determine acting in good faith to be necessary to restore the original intention of the Parties in the circumstances and to provide to Satellos Shareholders the same economic effect as contemplated by this Agreement and the Plan of Arrangement prior to such action.

ARTICLE 3 **REPRESENTATIONS AND WARRANTIES OF ICO**

3.1 Representations and Warranties

iCo hereby represents and warrants to and in favour of Satellos as follows, except to the extent that such representations and warranties are qualified by the iCo Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), and acknowledges that Satellos is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Fairness Opinion and Board Approval. As of the date hereof:
 - (i) the iCo Board has received the opinion of Evans & Evans, Inc. to the effect that, as of the date of such opinion, based upon and subject to the assumptions, qualifications, limitations and other matters considered in connection with the preparation of such opinion, the Exchange Ratio is fair to iCo (the “**iCo Fairness Opinion**”); and
 - (ii) the iCo Board, after consultation with its financial and legal advisors, has determined that the Arrangement is in the best interests of iCo and that the Exchange Ratio is fair to iCo and accordingly has resolved unanimously to recommend to the iCo Shareholders that they vote in favour of the iCo Resolution. The iCo Board has approved the Arrangement and the execution and performance of this Agreement.

- (b) Organization and Qualification; Subsidiaries. Each of iCo and its subsidiaries is a corporation duly incorporated, amalgamated, continued or created and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or legal power and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. A true and complete copy of the constating documents of iCo has been provided to Satellos. Each of iCo and its subsidiaries is duly registered, licensed or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities, makes such qualification necessary, except where the failure to be so registered or in good standing or to have such Permits would not have, or be expected to have, a Material Adverse Effect on iCo. No steps or proceedings have been taken by any Person, voluntary or otherwise, requiring or authorizing the dissolution or winding up of iCo.

- (c) Authority Relative to this Agreement. iCo has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by iCo as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and

instruments. The execution and delivery of this Agreement by iCo and the performance by iCo of its obligations under this Agreement have been duly authorized by the iCo Board and except for obtaining iCo Shareholder Approval in the manner contemplated herein, no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by iCo and, constitutes a legal, valid and binding obligation of iCo, enforceable against iCo in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

- (d) No Violations. Neither the authorization, execution and delivery of this Agreement by iCo nor the completion of the transactions contemplated by this Agreement or the Arrangement, nor the performance of its obligations hereunder or thereunder, nor the compliance by iCo with any of the provisions hereof will:
- (i) result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:
 - (A) its or any iCo subsidiary's notice of articles, articles or other comparable organizational documents;
 - (B) any material Permit or Material Contract to which iCo or any of the iCo subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which iCo or any of the iCo subsidiaries is bound; or
 - (C) any Laws, regulation, order, judgment or decree applicable to iCo or the iCo subsidiaries, or any of their respective properties or assets;
 - (ii) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or any restrictions or limitations under any material note, bond, mortgage, indenture, Material Contract, license, franchise or Permit to which iCo or its subsidiaries is a party;
 - (iii) give rise to any termination or acceleration of indebtedness, or cause any third party indebtedness to come due before its stated maturity or cause any available credit to cease to be available;
 - (iv) result in the imposition of any Lien upon any of the property or assets of iCo or its subsidiaries or restrict, hinder, impair or limit the ability of either iCo or its subsidiaries to conduct its business as and where it is now being conducted which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on iCo; or

- (v) result in any material payment (including retention, severance, unemployment compensation, golden parachute, bonus or otherwise) becoming due to any director, officer or employee of iCo or any of the iCo subsidiaries, or increase any benefit payable to such director, officer or employee by iCo or any of the iCo subsidiaries, or result in the acceleration of the time of payment or vesting of any such benefits.
- (e) Required Consents. No consents, approvals or notices are required from any third party under any Material Contracts of iCo or any of the iCo subsidiaries in order for iCo and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement.
- (f) Capitalization. The authorized share capital of iCo consists of an unlimited number of iCo Shares. As of the close of business on March 17, 2021, there were issued and outstanding 174,027,713 iCo Shares. As of the close of business on March 17, 2021, an aggregate of up to 3,285,000 iCo Shares were issuable upon the exercise of iCo Options and an aggregate of up to 46,974,000 iCo Shares were issuable upon the exercise of iCo Warrants. Section 3.1(f) of the iCo Disclosure Letter sets forth with respect to each iCo Options and iCo Warrant outstanding as of the date of this Agreement, (i) the number of iCo Shares issuable therefor; (ii) the purchase price payable therefor upon the exercise thereof, as applicable; and (iii) the date on which such security was granted or issued. Except for the iCo Options, iCo Warrants and the Plan of Arrangement, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by iCo of any securities of iCo (including iCo Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of iCo (including iCo Shares) or any subsidiary of iCo. All outstanding iCo Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all iCo Shares issuable upon the exercise of iCo Options and iCo Warrants in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights or any applicable rules or policies of the TSX-V. All securities of iCo (including the iCo Shares, the iCo Options and the iCo Warrants) have been issued in compliance with all applicable Laws and Securities Laws. Other than the iCo Options and iCo Warrants, there are no securities of iCo or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the iCo Shareholders on any matter. There are no outstanding contractual or other obligations of iCo or any of its subsidiaries to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of iCo or any of its subsidiaries having the right to vote with the holders of the outstanding iCo Shares on any matters. iCo has provided Satellos with a true and complete copy of the iCo Stock Option Plan and there are no contracts, commitments, agreements, arrangements or understandings between (A) iCo or any of its subsidiaries on the one hand and (B) any current holder of iCo Options, warrants and other convertible securities of iCo on the other, which would

result in any such security vesting solely as a result of the Arrangement. All dividends or distributions on securities of iCo that have been declared or authorized have been paid.

- (g) Ownership of Subsidiaries. Section 3.1(g) of the iCo Disclosure Letter lists, as of the date hereof, each iCo subsidiary (including its jurisdiction of incorporation or formation). Other than as set out in the iCo Disclosure Letter, all of the outstanding shares of, or other equity interests in, each iCo subsidiary is, directly or indirectly, owned by iCo. All the issued and outstanding shares of, or other equity interests in, each such iCo subsidiary owned by iCo, to the extent applicable, have been validly issued and are fully paid and non-assessable and are owned directly or indirectly by iCo free and clear of all Liens, free of any restriction on the right to vote, sell or otherwise dispose of such shares or other equity or similar interests, and no Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of any iCo subsidiaries or any other security convertible into or exchangeable for any such shares. Except as set forth in Section 3.1(g) of the iCo Disclosure Letter, iCo does not own, directly or indirectly any shares of, or other voting securities or equity or similar interests in, any corporation, partnership, joint venture, association, limited liability company or other entity or Person.
- (h) Reporting Status and Securities Laws Matters. iCo is a “reporting issuer” and not on the list of reporting issuers in default under applicable Canadian provincial Securities Laws in each of the Provinces of British Columbia, Alberta and Ontario. The iCo Shares are listed on the TSX-V, and iCo is in compliance with the rules and policies of the TSX-V and of applicable Securities Laws in all material respects. iCo is not subject to regulation by any other stock exchange. No delisting, suspension of trading in or cease trading order with respect to any securities of iCo and, to the knowledge of iCo, no inquiry or investigation (formal or informal) of any Securities Authority or the TSX-V is in effect or ongoing or, to the knowledge of iCo, expected to be implemented or undertaken. As of the date of this Agreement, iCo has not taken any action to cease to be a reporting issuer in any province or territory of Canada nor has iCo received notification from any Securities Authority to revoke the reporting issuer status of iCo.
- (i) Public Filings. iCo has filed all material documents required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities and the TSX-V. All such documents and information comprising the iCo Public Disclosure Record, as of their respective dates (or, if amended, as of the date of such amendment), (1) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (2) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the iCo Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities and the TSX-V. iCo has not filed any confidential material change report with any Securities Authorities or the TSX-V that at the date of this Agreement remains confidential. To the knowledge of iCo, neither iCo nor any of the iCo Public Disclosure Record is subject to an ongoing audit, review, comment or investigation by any Securities Authorities or the TSX-V.

- (j) iCo Financial Statements. iCo's audited consolidated financial statements as at and for the fiscal year ended December 31, 2019 (including the notes thereto), the auditor's report thereon and related management's discussion and analysis ("MD&A") and iCo's unaudited consolidated financial statements as at and for the nine months ended September 30, 2020 (collectively, the "**iCo Financial Statements**") were prepared in accordance with IFRS consistently applied (except as such statements are otherwise indicated in such financial statements and the notes thereto and subject to normal period-end adjustments (none of which are material, individually or in the aggregate) and may omit notes which are not required by applicable Laws in the unaudited statements) and present fairly in all material respects the consolidated financial condition, results of operations, changes in financial position of iCo and its subsidiaries as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal period-end adjustments, none of which are material, individually or in the aggregate) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of iCo and its subsidiaries on a consolidated basis. There has been no material change in iCo's accounting policies, except as described in the notes to the iCo Financial Statements, since December 31, 2019.
- (k) Financial Reporting. iCo has not failed to disclose any information regarding any event, circumstance or action taken or failed to be taken within the knowledge of iCo as at the date of this Agreement which could reasonably be expected to have a Material Adverse Effect on iCo. To the knowledge of iCo, prior to the date of this Agreement there is and has been no fraud, whether or not material, involving management or any other employees who have a significant role in the financial reporting of iCo. Since December 31, 2019, iCo has received no: (x) complaints from its auditors, the TSX-V or any Governmental Entity regarding accounting, internal accounting controls or auditing matters; or (y) expressions of concern from employees of iCo or any iCo subsidiary regarding questionable accounting or auditing matters.
- (l) Books and Records. The financial books, records and accounts of iCo and its subsidiaries: (i) have been maintained in all material respects in accordance with applicable Laws and IFRS on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of iCo and its subsidiaries in all material respects; and (iii) accurately and fairly reflect the basis for iCo Financial Statements.
- (m) Minute Books. The corporate minute books of iCo and its subsidiaries contain minutes of all meetings and resolutions of its board of directors, committees of such board of directors and shareholders, as applicable, other than those reflecting discussions of the Arrangement, and are complete and accurate in all material respects. No material meeting, resolution or proceeding of any such shareholders, directors or committees of the board of directors of iCo or any of its subsidiaries has been held or passed that has not been reflected in such minute books.
- (n) No Undisclosed Liabilities. iCo and its subsidiaries have no outstanding indebtedness, liability or obligation (including liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations,

liabilities or indebtedness of any Person, other than those (i) fully disclosed or reflected or reserved in the iCo Financial Statements, (ii) disclosed in Schedule 3.1(n) of the iCo Disclosure Letter or (iii) pursuant to this Agreement or the Plan of Arrangement.

- (o) No Material Change. Since September 30, 2020, except as contemplated by this Agreement or as set out in the iCo Disclosure Letter:
- (i) Each of iCo and its subsidiaries has conducted its business only in the ordinary and regular course of business;
 - (ii) there has not occurred any event that constituted or with the passage of time would constitute a Material Adverse Effect in respect of iCo and its subsidiaries taken as a whole;
 - (iii) other than in connection with this Agreement and the Plan of Arrangement and the Consolidation, iCo has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding iCo Shares;
 - (iv) iCo has not effected any material change in its accounting methods, principles or practices;
- (i) there has been no dividend or distribution of any kind declared, paid or made by iCo on any iCo Shares or any other securities of iCo;
- (ii) the business and property of iCo and its subsidiaries conform in all material respects to the description thereof contained in the iCo Public Disclosure Record and there has not been any acquisition or sale by iCo or any of its subsidiaries of any material property or assets;
- (iii) other than in the ordinary course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by iCo or any of its subsidiaries of any debt for borrowed money, any creation or assumption by iCo or any of its subsidiaries of any Lien or any making by iCo or any of its subsidiaries of any loan, advance or capital contribution to or investment in any other Person; and
- (iv) there has not been any material increase in or modification of the compensation payable to or to become payable by iCo or any of its subsidiaries to any of their respective directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any material increase in severance or termination pay or any material increase or modification of any bonus, pension, insurance or benefit arrangement (including the granting of iCo Options pursuant to the iCo Stock Option Plan) made to, for or with any of such directors, officers, employees or consultants.
- (p) Litigation. There is no claim, action, suit, grievance, complaint, proceeding or investigation that has been commenced or, to the knowledge of iCo, is threatened affecting iCo or the iCo subsidiaries or affecting any of their respective property or assets or Intellectual Property at law or in equity before or by any Governmental

Entity, including matters arising under Environmental Laws, which, individually or in the aggregate, if determined adversely to iCo or the iCo subsidiaries, as the case may be, has or could reasonably be expected to result in liability to iCo in excess of \$50,000. Neither iCo nor any of the iCo subsidiaries nor their respective assets or properties is subject to any outstanding judgment, order, writ, injunction or decree.

(q) Taxes.

- (i) iCo has filed or caused or will cause to be filed all Returns required to be filed by applicable Law on or before the Effective Date. All such Returns are or will be correct and complete in all material respects. iCo has timely paid all Taxes that are due and payable by iCo, including all instalments on account of taxes for the current year that are due and payable by iCo whether or not assessed (or reassessed) by the appropriate Governmental Entity, and has, as applicable, timely remitted such Taxes to the appropriate Governmental Entity under applicable Law. iCo and its subsidiaries have no liability for unpaid Taxes that, in the aggregate, would be expected to have a Material Adverse Effect on iCo. There are no Liens for Taxes upon any of the assets or properties of iCo except Liens for current Taxes not yet due and payable.
- (ii) There is no material dispute or claim, including any audit, investigation or examination by any Governmental Entity, actual, pending or, to the knowledge of iCo, threatened, concerning any Tax liability of iCo, no written notice of such an audit, investigation, examination, material dispute or claim has been received by iCo.
- (iii) iCo has not requested, or entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which:
 - (A) to file any Return (which has not since been filed) in respect of any Taxes for which iCo is or may be liable;
 - (B) to file any elections, designations or similar filings relating to Taxes (which have not since been filed) for which iCo is or may be liable;
 - (C) iCo is required to pay or remit any Taxes or amounts on account of Taxes (which have not since been paid or remitted); or
 - (D) any Governmental Entity may assess or collect Taxes for which iCo is liable.
- (iv) iCo has duly and timely deducted, collected or withheld from any amount paid or credited by it to or for the account or benefit of any Person and has duly and timely remitted the same (or is properly holding for such remittance) to the appropriate Governmental Entity all Taxes and amounts it is required by applicable Law to so deduct or collect and remit.
- (v) iCo has not acquired property or services from, or disposed of property or provided services to, any Person with whom it does not deal at Arm's Length

for an amount that is other than the fair market value of such property or services.

- (vi) For all transactions between iCo and any Person who is not resident in Canada for purposes of the Tax Act with whom iCo was not dealing at Arm's Length, iCo has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act.
- (vii) To iCo's knowledge, no claim has ever been made by any Governmental Entity in a jurisdiction where iCo does not file Returns that iCo is or may be subject to Taxes or is required to file Returns in that jurisdiction.
- (viii) There are no rulings or closing agreements relating to iCo which could affect iCo's liability for Taxes for any taxable period after the Effective Date. iCo has not requested an advance tax ruling from the Canada Revenue Agency or comparable rulings from other Governmental Entities.
- (ix) iCo has maintained and continues to maintain in all material respects at its place of business in Canada all records and books of account required to be maintained under the Tax Act, the Excise Tax Act (Canada) and any comparable Law of any province or territory in Canada, including Laws relating to sales and use taxes.
- (x) The terms and conditions made or imposed in respect of every transaction (or series of transactions) between iCo and any Person that is (i) a non-resident of Canada for purposes of the Tax Act, and (ii) not dealing at Arm's Length with iCo, do not differ from those that would have been made between Persons dealing at Arm's Length.
- (xi) iCo is not party to or bound by any tax sharing agreement or tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Entity). Without limiting the generality of the foregoing, iCo has not entered into an agreement contemplated in Section 80.04 or 191.3, or subsection 18(2.3), 125(3), 127(13) to (17) or 127(20) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
- (xii) iCo will not be required to include in a tax period ending after the Effective Date any amount of net taxable income (after taking into account deductions claimed for such a period that relate to a prior period) attributable to income that accrued, or that was required to be reported for financial accounting purposes in a prior taxable period but that was not included in taxable income for that or another prior tax period.
- (xiii) There are no transactions or events that have resulted, and no circumstances existing which could result, in the application of Sections 80, 80.01, 80.02, 80.03, 80.04 of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
- (xiv) iCo has not incurred any deductible outlay or expense owing to a Person not dealing at Arm's Length with iCo, the amount of which would, in the

absence of an agreement filed under paragraph 78(1)(b) of the Tax Act, be included in iCo's income for Canadian income tax purposes for any taxation year or fiscal period beginning on or after the Effective Date under paragraph 78(1)(a) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.

- (xv) iCo has not acquired property from a Person not dealing at Arm's Length with it in circumstances that would result in iCo becoming liable to pay Taxes of such Person under subsection 160(1) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
 - (xvi) iCo is a "Canadian corporation" as defined in subsection 89(1) of the Tax Act.
- (r) Material Contracts. With respect to the Material Contracts of iCo:
- (i) Section 3.1(r) of the iCo Disclosure Letter includes a complete and accurate list of all Material Contracts to which iCo or its subsidiaries are bound, and that are currently in force and iCo and its subsidiaries have made available to Satellos for inspection true and complete copies of all such Material Contracts;
 - (ii) All of the Material Contracts of iCo and its subsidiaries are in full force and effect, and iCo and its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. iCo and its subsidiaries have not waived any material rights under any Material Contracts and no material default or breach exists in respect thereof on the part of iCo or its subsidiaries or, to the knowledge of iCo or its subsidiaries, on the part of any other party thereto, and to the knowledge of iCo no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of such Material Contracts;
 - (iii) All of the Material Contracts of iCo and its subsidiaries are valid and binding obligations of iCo and its subsidiaries, as applicable, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction;
 - (iv) As at the date hereof, iCo and its subsidiaries have not received written notice that any party to a Material Contract of iCo or its subsidiaries intends to cancel, terminate or otherwise modify or not renew such Material Contract, and to the knowledge of iCo and its subsidiaries, no such action has been threatened; and
 - (v) iCo and its subsidiaries are not a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of iCo or its subsidiaries.

- (s) Intellectual Property.
- (i) iCo does not own any Registered IP other than as identified on Section 3.1(s) of the iCo Disclosure Letter.
 - (ii) iCo has delivered or made available to Satellos an accurate and complete copy of each standard form of the following documents and Contracts used by iCo at any time, to the extent applicable: (A) terms and conditions with respect to the clinical testing, distribution, sale, or provisioning of any iCo Product; (B) employee agreement or similar Contract containing any assignment or license of Intellectual Property or any confidentiality provision; or (C) consulting or independent contractor agreement or similar Contract containing any assignment or license of Intellectual Property or any confidentiality provision. Section 3.1(s) of the iCo Disclosure Letter accurately identifies each Contract concerning the subject matter of (A), (B) or (C) that is material to iCo and that deviates in any material respect from the corresponding standard form described above.
 - (iii) iCo exclusively owns all right, title and interest to and in the iCo IP (other than Intellectual Property licensed to iCo, as identified in Section 3.1(s) of the iCo Disclosure Letter or pursuant to commercially available third party software and material transfer agreements entered into in the ordinary course of business) free and clear of any Liens. Without limiting the generality of the foregoing:
 - (A) all documents and instruments required to perfect the rights of iCo in the registered trademarks identified on Section 3.1(s) of the iCo Disclosure Letter have been validly executed, delivered and filed in a timely manner with the appropriate Governmental Entity;
 - (B) no current or former officer or other employee, or any individual who is a current or former independent contractor, consultant or director, of iCo or its subsidiaries, to the knowledge of iCo, has any claim, right (whether or not currently exercisable) or interest to or in any iCo IP and each such individual who is or was involved in the creation or development of any Intellectual Property for or on behalf of iCo has signed a valid, enforceable agreement containing an assignment of all rights in and to such Intellectual Property to iCo and confidentiality provisions protecting the iCo IP;
 - (C) iCo and its subsidiaries have taken all reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all proprietary information held by iCo and its subsidiaries, or purported to be held by iCo and its subsidiaries, as a trade secret;
 - (D) none of iCo and its subsidiaries is now or has ever been a member or promoter of, or a contributor to, any industry standards body or any similar organization that would reasonably be expected to require or Satellos and its subsidiaries to grant or offer to any other Person any license or right to any iCo IP; and

- (E) iCo and its subsidiaries own or otherwise have, and after the completion of the transactions contemplated by this Agreement, will continue to have, the right, through ownership, license or otherwise, to all Intellectual Property reasonably necessary to conduct the business of iCo and its subsidiaries as conducted as of the date of this Agreement.
- (iv) All iCo IP that is material to the business of iCo and its subsidiaries is valid, subsisting and, to the knowledge of iCo, enforceable.
- (v) Neither the execution, delivery or performance of this Agreement nor the consummation of any of the transactions contemplated by this Agreement will, or would reasonably be expected to, with or without notice or the lapse of time, result in or give any other Person the right or option to cause, create, impose or declare: (A) a loss of, or Lien on, any iCo IP; (B) the release, disclosure or delivery of any iCo IP by or to any escrow agent or other Person; or (C) the grant, assignment or transfer to any other Person of any license or other right or interest under, to or in any of the iCo IP.
- (vi) To the knowledge of iCo, no Person has infringed, misappropriated or otherwise violated, and no Person is infringing, misappropriating or otherwise violating, any iCo IP. Section 3.1(s) of the iCo Disclosure Letter: (A) accurately identifies (and iCo has made available to Satellos an accurate and complete copy of) each letter or other written or electronic communication or correspondence that has been sent or otherwise delivered by or to iCo and its subsidiaries or any Representative of iCo and its subsidiaries regarding any alleged or suspected infringement or misappropriation of any iCo IP, as of the date of this Agreement; and (B) provides a brief description of the current status of the matter referred to in such letter, communication or correspondence.
- (vii) To the knowledge of iCo, the conduct of the business of iCo and its subsidiaries as previously conducted or as currently conducted including, without limitation, the development, manufacture, use, import, export, offer for sale, sale or other commercialization of any of the iCo Products, does not and has not infringed (directly, contributorily, by inducement or otherwise), misappropriated or otherwise violated any valid Intellectual Property of any other Person. Section 3.1(s) of the iCo Disclosure Letter: (A) accurately identifies (and iCo has made available to Satellos an accurate and complete copy of) each letter or other written or electronic communication or correspondence that has been sent or otherwise delivered by or to iCo and its subsidiaries or any Representative of any of iCo and its subsidiaries, as of the date of this Agreement regarding any alleged or suspected infringement or misappropriation of any Intellectual Property of any other Person by iCo and its subsidiaries or any of the iCo Products; and (B) provides a brief description of the current status of the matter referred to in such letter, communication or correspondence.
- (viii) No written notice of infringement, misappropriation or similar claim or Legal Proceeding involving infringement or misappropriation of any Intellectual Property of any other Person is or has been pending and served or, to the knowledge of iCo, pending and not served or threatened against any of iCo

and its subsidiaries or against any other Person who is, or has asserted or would reasonably be expected to assert that it is, entitled to be indemnified, defended, held harmless or reimbursed by iCo and its subsidiaries with respect to such claim or proceeding (including any claim or Legal Proceeding that has been settled, dismissed or otherwise concluded).

- (ix) Except as set forth in Section 3.1(s) of the iCo Disclosure Letter, none of iCo and its subsidiaries have transferred title to, or granted any exclusive license, or granted an option to acquire title or an exclusive license, with respect to, any material iCo IP.
 - (x) Section 3.1(s) of the iCo Disclosure Letter lists all proceedings or actions known to iCo before any court or tribunal related to any iCo IP. No iCo IP is the subject of any outstanding decree, order, judgment, settlement agreement, or stipulation restricting in any manner the use, transfer, or licensing thereof by iCo and its subsidiaries, or that may affect the validity, use or enforceability of such iCo IP.
 - (xi) iCo and its subsidiaries have not taken any action or failed to take any action that reasonably could be expected to result in the abandonment, cancellation, forfeiture, relinquishment, invalidation or unenforceability of any registered trademarks identified on Section 3.1(s) of the iCo Disclosure Letter.
 - (xii) Neither iCo nor its subsidiaries has entered into any services agreements relating to development, testing, manufacture or formulation of any iCo Product under which the party performing such services has obtained rights to Intellectual Property covering such iCo Products or their manufacture, formulation or use.
- (t) Status of iCo Products.
- (i) Section 3.1(t) of the iCo Disclosure Letter sets out a complete list of all products or services that are (a) designed, manufactured, marketed, licensed, leased, sold, performed, made available or otherwise distributed or disposed of by iCo or any of its subsidiaries or in connection with its business currently or in the past five years (including, to the extent included in the intellectual property owned by iCo, any part of any product or service that iCo or its subsidiaries of iCo designs, manufactures, markets, licenses, sells, performs, makes available or, in connection with iCo's business, otherwise distributes or disposes of), or (b) is currently the subject of service or maintenance obligations provided by iCo (the "**iCo Products**").
 - (ii) iCo or its subsidiaries have the Permits and approvals to market, use, import, export, distribute, offer for sale, sale or other commercialization of the iCo Products.
 - (iii) There have been no adverse regulatory actions taken (nor, to the knowledge of iCo, threatened in writing) by any Governmental Entity with respect to any iCo Products.

(u) Environmental Matters.

- (i) iCo and its subsidiaries have carried on their respective businesses and operations in compliance in all material respects with all applicable Environmental Laws and all terms and conditions of all Environmental Permits.
- (ii) neither iCo nor its subsidiaries has received any written order, request or notice from any Person alleging a material violation of any Environmental Law.
- (iii) neither iCo nor its subsidiaries (a) is a party to any litigation or administrative proceeding, or is any litigation or administrative proceeding, or to the knowledge of iCo, threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, (b) is subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and (c) is involved in remediation operations and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that, in the case of each of the foregoing clauses (a), (b) and (c) would reasonably be expected to result in any material Environmental Liabilities.

(v) Compliance with Laws.

- (i) iCo and its subsidiaries have complied in all material respects with and none are in material violation of, any applicable Laws and have not received any written notices or other correspondence from any Governmental Entity regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material license, Permit, authorization, approval, registration or consent of a Governmental Entity relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of iCo and its subsidiaries to operate their businesses in a manner which would have, or would reasonably be expected to have, a Material Adverse Effect on iCo.
- (ii) To the knowledge of iCo, the studies, tests and nonclinical, preclinical, safety, and clinical studies and testing, if any, conducted by iCo and its subsidiaries relating to any iCo Product and product of its subsidiaries, and, if still pending, are being conducted in all material respects in accordance with standard and accepted medical and professional scientific research procedures and all applicable Laws; the descriptions of the results of such studies, tests and trials provided to Satellos are accurate in all material respects; none of iCo and its subsidiaries have received any written notices or correspondence from any applicable Governmental Entity requiring the

termination, suspension, material modification or clinical hold of any such studies, tests or trials conducted by or on behalf of iCo and its subsidiaries, which termination, suspension, material modification or clinical hold would reasonably be expected to result in a Material Adverse Effect on iCo. Research involving human subjects conducted by or on behalf of iCo and its subsidiaries: (i) was approved by an institutional review board, if required, (ii) had the informed consent of the subjects, if required, and (iii) to knowledge of iCo, did not involve any investigator who has been disqualified as a clinical investigator by the United States Food and Drug Administration or any other Governmental Entity or has been found by any agency with jurisdiction to have engaged in scientific misconduct.

(w) Employment Matters.

- (i) Section 3.1(w) of the iCo Disclosure Letter sets forth a complete list of all employees and consultants of iCo, together with their titles, salaries and bonus (whether monetary or otherwise), and a list of the directors and the terms of their compensation. Other than as set forth in Section 3.1(w) of the iCo Disclosure Letter, no such employee is on long-term disability leave, extended absence or workers' compensation leave.
- (ii) Other than as set forth in Section 3.1(w) of the iCo Disclosure Letter, iCo is not:
 - (A) a party to any written or oral agreement, arrangement, plan, obligation, policy or understanding providing for severance or termination payments to, or any employment or consulting agreement with, any director or officer of iCo;
 - (B) a party to any collective bargaining agreement or multiemployer plan nor, to the knowledge of iCo, subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement nor are there any current, or to the knowledge of iCo, pending or threatened strikes or lockouts at iCo; and
 - (C) subject to any claim for wrongful dismissal, constructive dismissal or any other tort claim, actual or, to the knowledge of iCo, threatened, or any litigation, actual or, to the knowledge of iCo, threatened, relating to its employees or independent contractors (including any termination of such individuals).
- (iii) iCo has been and is now in compliance, in all material respects, with all applicable Laws with respect to employment and labour and there are no current, pending, or, to the knowledge of iCo, threatened proceedings before any Governmental Entity with respect to employment or labour.
- (iv) Other than the iCo Stock Option Plan or as disclosed in the iCo Disclosure Letter, iCo has not, and is not subject to any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or share purchase plan, profit sharing plan, bonus

plan, employee benefit plan or policy, employee group insurance plan, program policy or practice, formal or informal, with respect to its employees.

- (x) Related Party Transactions. With the exception of any contracts related to iCo Options or as disclosed in Section 3.1(x) of the iCo Disclosure Letter, there are no Contracts or other transactions currently in place between iCo or its subsidiaries, on the one hand, and: (i) any officer or director of iCo or the iCo subsidiaries; (ii) any holder of record or, to the knowledge of iCo, beneficial owner of 10% or more of the iCo Shares; or (iii) to the knowledge of iCo, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.
- (y) Registration Rights. No Person has any right to compel iCo to register or otherwise qualify the iCo Shares (or any of them) or any other securities of iCo or any of its subsidiaries for public sale or distribution.
- (z) Rights of Other Persons. Other than as set out in Section 3.1(z) of the iCo Disclosure Letter, no Person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by iCo or its subsidiaries, or any part thereof.
- (aa) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon iCo or its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct by of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect on iCo.
- (bb) Brokers. Except set out in Section 3.1(bb) to the iCo Disclosure Letter, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of iCo, and the aggregate amount of such fees that may become payable in respect of all such arrangements is set out in Section 3.1(bb) to the iCo Disclosure Letter.
- (cc) Insurance. As of the date hereof, iCo has such policies of insurance as are listed in Section 3.1(cc) of the iCo Disclosure Letter. All insurance maintained by iCo is in full force and effect and in good standing and is in amounts and in respect of such risks as are normal and usual for companies of similar size operating in the same industry and in the locations in which iCo operates.
- (dd) No Cease Trade. iCo is not subject to any cease trade or other order of any applicable Securities Authority and, to the knowledge of iCo, no investigation or other proceedings involving iCo which may operate to prevent or restrict trading of any securities of iCo are currently in progress or pending before any applicable Securities Authority.
- (ee) Certain Business Practices. To the knowledge of iCo, neither iCo, the iCo subsidiaries nor any director, officer, agent or employee of iCo or the iCo subsidiaries (in their capacities as such) has:

- (i) used or agreed to use funds for contributions, gifts, entertainment or other purposes relating to political activity in violation of Law including the CFPOA or the FCPA; or
 - (ii) made or agreed to make any payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns in violation of Law, including the CFPOA or the FCPA.
- (ff) Expropriation. No part of the property or assets of iCo or its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does iCo know of any intent or proposal to give such notice or commence any such proceedings.
- (gg) Permits.
 - (i) Each of iCo and its subsidiaries has obtained and is in material compliance with all material Permits required by applicable Laws, necessary to conduct its current business as now being conducted;
 - (ii) there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with such material Permits as are necessary to conduct the business of iCo and its subsidiaries as it is currently being conducted; and
 - (iii) the execution, delivery and performance by iCo of its obligations under this Agreement and the consummation of the Arrangement do not require any other Permits or other action by or in respect of, or filing with, or notification to, any Governmental Entity other than: (i) any actions or filings with the Securities Authorities and TSX-V; and (ii) any consents, waivers, approvals or actions or filings or notifications, the absence of which would not reasonably be expected to materially impede or delay the ability of iCo to consummate the Arrangement.
- (hh) Residence of iCo. iCo is not a non-resident of Canada within the meaning of the Tax Act.
- (ii) Consideration Shares. The Consideration Shares to be issued pursuant to the Arrangement, the iCo Shares issuable upon the exercise from time to time of the Replacement Options in accordance with their respective terms, the iCo Shares issuable upon the exercise from time to time of the Satellos Warrants in accordance with their respective terms, and the iCo Shares issuable upon the conversion of the Convertible Note in accordance with its terms, will, when issued and delivered, be duly and validly issued by iCo on their respective dates of issue as fully paid and non-assessable shares and will not subject to a hold period under Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of National Instrument 45-102 – *Resale of Securities*) or be issued in violation of the terms of any agreement or other understanding binding upon iCo at the time that such shares are issued and will be issued in compliance with the constating documents of iCo and all applicable Laws. As of the Effective Date, all of the Replacement Options will be outstanding as duly authorized and validly existing options to acquire

iCo Shares, which will not be issued in violation of the terms of any agreement or other understanding binding upon iCo at the time at which they are issued.

- (jj) Significant Shareholder. Except as disclosed in Section 3.1(jj) of the iCo Disclosure Letter, to the knowledge of iCo, no Person beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to the iCo Shares.
- (kk) Shareholders' and Similar Agreements. Neither iCo nor any of its subsidiaries is subject to any unanimous shareholders' agreement and is not a party to any shareholder, pooling, voting, voting trust or other similar arrangement or agreement relating to the ownership or voting of any of the securities of iCo or of any of its subsidiaries or pursuant to which any Person may have any right or claim in connection with any existing or past equity interest in iCo or in any of its subsidiaries and iCo has not adopted a shareholders' rights plan or any similar plan or agreement.
- (ll) Auditors. To the knowledge of iCo, iCo's auditors, who audited the iCo Financial Statements and provided their audit report, were, at the relevant time, independent public accountants as required under the Securities Laws and there has never been a reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) between iCo and such auditors or any former auditors of iCo or its subsidiaries.
- (mm) Sufficient Funds. iCo has, or reasonably expects to have, sufficient immediately available funds (through existing credit arrangements or otherwise) to pay when due the aggregate of all of its fees and expenses related to the transactions contemplated by this Agreement, including, without limitation, the Expense Reimbursement Fee.
- (nn) Material Facts not Withheld. iCo has not withheld and will not withhold from Satellos prior to the Effective Time, any material facts relating to iCo or its subsidiaries.
- (oo) Insolvency. No act or proceeding has been taken by or against iCo or any of its subsidiaries in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of iCo or any of its subsidiaries or for the appointment of a trustee, receiver, manager or other administrator of iCo or any of its subsidiaries or any of its properties or assets nor, to the knowledge of iCo, is any such act or proceeding threatened. iCo (nor any of its subsidiaries) has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation. Neither iCo nor any of its subsidiaries nor any of their respective properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of iCo or any of its subsidiaries to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (pp) Real Property and Leased Properties. iCo and its subsidiaries do not own any real property and do not lease any real or immovable property.

- (qq) Personal Property. iCo and its subsidiaries have valid, good and marketable title to all personal property owned by them, except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.
- (rr) Material Assets and Property. iCo and each of its subsidiaries owns or has the right to use all material assets and properties currently owned or used in the business, including: (i) all Material Contracts; and (ii) all material assets and properties necessary to enable it to carry on its business as now conducted and as presently proposed to be conducted.
- (ss) No Pending Acquisitions. iCo (or any of its subsidiaries) has not approved, is not contemplating, nor has it entered into any agreement in respect of, and to the knowledge of iCo (or any of its subsidiaries): (i) the purchase of any property material to iCo or material assets or any interest therein or the sale, transfer or other disposition of any material property of iCo or material assets or any interest therein currently owned, directly or indirectly, by iCo, whether by asset sale, transfer or sale of shares or otherwise; or (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of iCo) of iCo (or any of its subsidiaries).

3.2 Survival of Representations and Warranties

The representations and warranties of iCo contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. Any investigation by Satellos and its Representatives shall not mitigate, diminish or affect the representations and warranties of iCo pursuant to this Agreement.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES OF SATELLOS**

4.1 Representations and Warranties

Satellos hereby represents and warrants to and in favour of iCo as follows, except to the extent that such representations and warranties are qualified by the Satellos Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), and acknowledges that iCo is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Fairness Opinion and Board Approval. As of the date hereof:
 - (i) the Satellos Board has received the opinion of Leede Jones Gable Inc. to the effect that, as of the date of such opinion, based upon and subject to the assumptions, qualifications, limitations and other matters considered in connection with the preparation of such opinion, the Exchange Ratio is fair to Satellos (the "**Satellos Fairness Opinion**"); and
 - (ii) the Satellos Board, after consultation with its financial and legal advisors, has determined that the Arrangement is in the best interests of Satellos and that the Exchange Ratio is fair to Satellos and accordingly has resolved to recommend to the Satellos Shareholders that they vote in favour of the

Satellos Resolution. The Satellos Board has approved the Arrangement and the execution and performance of this Agreement.

- (b) Authority Relative to this Agreement. Satellos has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Satellos as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement by Satellos and the performance by it of its obligations under this Agreement have been duly authorized by its board of directors and except for obtaining Satellos Shareholder Approval, the Interim Order and the Final Order in the manner contemplated herein, no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Satellos and constitutes a legal, valid and binding obligation of Satellos, enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) Organization and Qualification; Subsidiaries. Each of Satellos and its subsidiaries is a corporation duly incorporated, amalgamated, continued or created and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or legal power and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. A true and complete copy of the constating documents of Satellos has been provided to iCo. Each of Satellos and its subsidiaries is duly registered, licensed or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so registered or in good standing or to have such Permits would not have, or be expected to have, a Material Adverse Effect on Satellos. No steps or proceedings have been taken by any Person, voluntary or otherwise, requiring or authorizing the dissolution or winding up of Satellos.
- (d) No Material Change. Since December 31, 2020, except as contemplated by this Agreement or as set out in the Satellos Disclosure Letter:
- (i) Each of Satellos and its subsidiaries has conducted its business only in the ordinary and regular course of business;
 - (ii) there has not occurred any event that constituted or with the passage of time would constitute a Material Adverse Effect in respect of Satellos and its subsidiaries taken as a whole;
 - (iii) Satellos has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Satellos Shares;
 - (iv) Satellos has not effected any material change in its accounting methods, principles or practices;

- (v) there has been no dividend or distribution of any kind declared, paid or made by Satellos on any Satellos Shares;
 - (vi) the business and property of Satellos and its subsidiaries conform in all material respects to the description thereof contained in the documents made available to iCo and there has not been any acquisition or sale by Satellos or its subsidiaries of any material property or assets; and
 - (vii) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Satellos or its subsidiaries of any debt for borrowed money, any creation or assumption by Satellos or its subsidiaries of any Lien or any making by Satellos of any loan, advance or capital contribution to or investment in any other Person.
- (e) No Violations. Neither the authorization, execution and delivery of this Agreement by Satellos nor the completion of the transactions contemplated by this Agreement or the Arrangement, nor the performance of its obligations hereunder or thereunder, nor compliance by Satellos with any of the provisions hereof will:
- (i) result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:
 - (A) the articles of incorporation, by-laws or other constating documents of Satellos or its subsidiaries,
 - (B) any material Permit or Material Contract to which Satellos or its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which Satellos or its subsidiaries is bound, or
 - (C) any Law, regulation, order, judgment or decree applicable to Satellos, its subsidiaries or any of their respective properties or assets.
 - (ii) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or any restrictions or limitations under any material note, bond, mortgage, indenture, Material Contract, license, franchise or Permit to which Satellos or its subsidiaries is a party;
 - (iii) give rise to any termination or acceleration of indebtedness, or cause any third party indebtedness to come due before its stated maturity or cause any available credit to cease to be available;
 - (iv) result in the imposition of any Lien upon any of the property or assets of Satellos or its subsidiaries or restrict, hinder, impair or limit the ability of either Satellos or its subsidiaries to conduct its business as and where it is

now being conducted which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Satellos; or

- (v) result in any material payment (including retention, severance, unemployment compensation, golden parachute, bonus or otherwise) becoming due to any director, officer or employee of Satellos or any of the Satellos subsidiaries, or increase any benefit payable to such director, officer or employee by Satellos or any of the Satellos subsidiaries, or result in the acceleration of the time of payment or vesting of any such benefits.
- (f) Required Consents. No consents, approvals or notices are required from any third party under any Material Contracts of Satellos or its subsidiaries in order for Satellos or its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement.
- (g) Capitalization. The authorized share capital of Satellos consists of an unlimited number of Satellos Shares. As of the close of business on March 17, 2021, there were issued and outstanding 12,208,834 Satellos Shares. As of the close of business on March 17, 2021, an aggregate of up to 387,500 Satellos Shares were issuable upon the exercise of Satellos Options, an aggregate of up to 142,610 Satellos Shares were issuable upon the exercise of Satellos Warrants and an aggregate of up to approximately 13,300,000 iCo Shares shall become issuable upon the conversion of the Convertible Note upon completion of the Arrangement and the closing of the Concurrent Financing (assuming the Concurrent Financing is completed at a price of C\$0.084 per iCo subscription receipt and the Arrangement is completed prior to June 1, 2021). Section 4.1(g) of the Satellos Disclosure Letter sets forth: (i) a summary of the Convertible Note and (ii) with respect to each Satellos Option and Satellos Warrant outstanding as of the date of this Agreement, (A) the number of Satellos Shares issuable therefor; (B) the purchase price payable therefor upon the exercise thereof, as applicable; and (C) the date on which such security was granted or issued. Except for the Satellos Options, Satellos Warrants, Convertible Notes, and the Plan of Arrangement, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by Satellos of any securities of Satellos (including Satellos Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of Satellos (including Satellos Shares) or any subsidiary of Satellos. All outstanding Satellos Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Satellos Shares issuable upon the exercise of Satellos Options and Satellos Warrants and the conversion of the Convertible Note in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. All securities of Satellos (including the Satellos Shares, the Satellos Options, the Satellos Warrants and the Convertible Note) have been issued in compliance with all applicable Laws and Securities Laws. Other than the Satellos Options, Satellos Warrants and Convertible Notes, there are no securities of Satellos or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to

vote generally) with the Satellos Shareholders on any matter. There are no outstanding contractual or other obligations of Satellos or any of its subsidiaries to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of Satellos or any of its subsidiaries having the right to vote with the holders of the outstanding Satellos Shares on any matters. All dividends or distributions on securities of Satellos that have been declared or authorized have been paid.

- (h) Ownership of Subsidiaries. Section 4.1(h) of the Satellos Disclosure Letter lists, as of the date hereof, each of Satellos' subsidiaries (including its jurisdiction of incorporation or formation). All of the outstanding shares of, and any other equity interests in, each Satellos' subsidiary is, directly or indirectly, owned by Satellos. All the issued and outstanding shares of, or other equity interests in, Satellos' subsidiaries, to the extent applicable, have been validly issued and are fully paid and non-assessable and are owned directly or indirectly by Satellos free and clear of all Liens, and free of any restriction on the right to vote, sell or otherwise dispose of such shares or other equity or similar interests, and no Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of any Satellos subsidiaries or any other security convertible into or exchangeable for any such shares. Except as set forth in Section 4.1(h) of the Satellos Disclosure Letter, Satellos does not own, directly or indirectly any shares of, or other voting securities or equity or similar interests in, any corporation, partnership, joint venture, association, limited liability company or other entity or Person.
- (i) Reporting Status. Satellos is not and is not required to be a "reporting issuer" or the equivalent under the applicable Securities Laws of any jurisdiction.
- (j) Satellos Financial Statements. Satellos' audited consolidated financial statements as at and for the fiscal years ended **2019 and 2020** (including the notes thereto) (collectively, the "**Satellos Financial Statements**") were prepared in accordance with IFRS consistently applied (except as otherwise indicated in such financial statements and the notes thereto, and such statements are otherwise subject to normal period-end adjustments (none of which are material, individually or in the aggregate) and may omit notes which are not required by applicable Laws in the unaudited statements) and present fairly in all material respects the financial condition, results of operations and changes in financial position of Satellos as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal period-end adjustments, none of which are material, individually or in the aggregate) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of Satellos and, to the extent applicable, its subsidiaries on a consolidated basis. There has been no material change in Satellos' accounting policies, except as described in the notes to the Satellos Financial Statements, since December 31, 2020.
- (k) Financial Reporting. Satellos has not failed to disclose any information regarding any event, circumstance or action taken or failed to be taken within the knowledge of Satellos as at the date of this Agreement which could reasonably be expected to have a Material Adverse Effect on Satellos. To the knowledge of Satellos, prior to the date of this Agreement there is and has been no fraud, whether or not material,

involving management or any other employees who have a significant role in the financial reporting of Satellos. Since December 31, 2020 Satellos has received no: (x) complaints from its auditors or any Governmental Entity regarding accounting, internal accounting controls or auditing matters; or (y) expressions of concern from employees of Satellos or any Satellos subsidiary regarding questionable accounting or auditing matters.

- (l) Books and Records. The financial books, records and accounts of Satellos and its subsidiaries: (i) have been maintained in all material respects in accordance with applicable Laws and IFRS on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of Satellos and its subsidiaries in all material respects; and (iii) accurately and fairly reflect the basis for the Satellos Financial Statements.
- (m) Minute Books. The corporate minute books of Satellos and its subsidiaries contain minutes of all meetings and resolutions of its board of directors, committees of such board of directors and shareholders, as applicable, other than those reflecting discussions of the Arrangement, and are complete and accurate in all material respects. No material meeting, resolution or proceeding of any such shareholders, directors or committees of the board of directors of Satellos or any of its subsidiaries has been held or passed that has not been reflected in such minute books.
- (n) No Undisclosed Liabilities. Satellos and its subsidiaries have no outstanding indebtedness, liability or obligation (including liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person other than those (i) fully disclosed or reflected or reserved in the Satellos Financial Statements, (ii) disclosed in Schedule 4.1(n) of the Satellos Disclosure Letter or (iii) pursuant to this Agreement or the Plan of Arrangement.
- (o) Taxable Canadian Corporation. Satellos is a “Taxable Canadian corporation” as defined in subsection 89(1) of the Tax Act.
- (p) Taxes. Except as set forth in Section 4.1(p) of the Satellos Disclosure Letter:
 - (i) Satellos has filed or caused or will cause to be filed all Returns required to be filed by applicable Law on or before the Effective Date. All such Returns are or will be correct and complete in all material respects. Satellos has timely paid all Taxes that are due and payable by Satellos, including all instalments on account of taxes for the current year that are due and payable by Satellos whether or not assessed (or reassessed) by the appropriate Governmental Entity, and has, as applicable, timely remitted such Taxes to the appropriate Governmental Entity under applicable Law. Satellos and its subsidiaries have no liability for unpaid Taxes that, in the aggregate, would be expected to have a Material Adverse Effect on Satellos. There are no Liens for Taxes upon any of the assets or properties of Satellos except Liens for current Taxes not yet due and payable.

- (ii) There is no material dispute or claim, including any audit, investigation or examination by any Governmental Entity, actual, pending or, to the knowledge of Satellos, threatened, concerning any Tax liability of Satellos, no written notice of such an audit, investigation, examination, material dispute or claim has been received by Satellos.
- (iii) Satellos has not requested, or entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which:
 - (A) to file any Return (which has not since been filed) in respect of any Taxes for which Satellos is or may be liable;
 - (B) to file any elections, designations or similar filings relating to Taxes (which have not since been filed) for which Satellos is or may be liable;
 - (C) Satellos is required to pay or remit any Taxes or amounts on account of Taxes (which have not since been paid or remitted); or
 - (D) any Governmental Entity may assess or collect Taxes for which Satellos is liable.
- (iv) Satellos has duly and timely deducted, collected or withheld from any amount paid or credited by it to or for the account or benefit of any Person and has duly and timely remitted the same (or is properly holding for such remittance) to the appropriate Governmental Entity all Taxes and amounts it is required by applicable Law to so deduct or collect and remit.
- (v) Satellos has not acquired property or services from, or disposed of property or provided services to, any Person with whom it does not deal at Arm's Length for an amount that is other than the fair market value of such property or services.
- (vi) For all transactions between Satellos and any Person who is not resident in Canada for purposes of the Tax Act with whom Satellos was not dealing at Arm's Length, Satellos has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act.
- (vii) To Satellos' knowledge, no claim has ever been made by any Governmental Entity in a jurisdiction where Satellos does not file Returns that Satellos is or may be subject to Taxes or is required to file Returns in that jurisdiction.
- (viii) There are no rulings or closing agreements relating to Satellos which could affect Satellos' liability for Taxes for any taxable period after the Effective Date. Satellos has not requested an advance tax ruling from the Canada Revenue Agency or comparable rulings from other Governmental Entities.
- (ix) Satellos has maintained and continues to maintain in all material respects at its place of business in Canada all records and books of account required to be maintained under the Tax Act, the Excise Tax Act (Canada) and any

comparable Law of any province or territory in Canada, including Laws relating to sales and use taxes.

- (x) The terms and conditions made or imposed in respect of every transaction (or series of transactions) between Satellos and any Person that is (i) a nonresident of Canada for purposes of the Tax Act, and (ii) not dealing at Arm's Length with Satellos, do not differ from those that would have been made between Persons dealing at Arm's Length.
 - (xi) Satellos is not party to or bound by any tax sharing agreement or tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Entity). Without limiting the generality of the foregoing, Satellos has not entered into an agreement contemplated in Section 80.04 or 191.3 or subsection 18(2.3), 125(3), 127(13) to (17) or 127(20) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
 - (xii) Satellos will not be required to include in a tax period ending after the Effective Date any amount of net taxable income (after taking into account deductions claimed for such a period that relate to a prior period) attributable to income that accrued, or that was required to be reported for financial accounting purposes in a prior taxable period but that was not included in taxable income for that or another prior tax period.
 - (xiii) There are no transactions or events that have resulted, and no circumstances existing which could result, in the application of Sections 80, 80.01, 80.02, 80.03 or 80.04 of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
 - (xiv) Satellos has not incurred any deductible outlay or expense owing to a Person not dealing at Arm's Length with Satellos, the amount of which would, in the absence of an agreement filed under paragraph 78(1)(b) of the Tax Act, be included in Satellos's income for Canadian income tax purposes for any taxation year or fiscal period beginning on or after the Effective Date under paragraph 78(1)(a) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
 - (xv) Satellos has not acquired property from a Person not dealing at Arm's Length with it in circumstances that would result in Satellos becoming liable to pay Taxes of such Person under subsection 160(1) of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
- (q) Litigation. Except as set forth in Section 4.1(q) of the Satellos Disclosure Letter, there are no claims, actions, suits, grievances, complaints, investigations or proceedings commenced, pending or, to the knowledge of Satellos, threatened affecting Satellos or its subsidiaries or affecting any of their respective material property or assets or Intellectual Property at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws which, individually or in the aggregate, if determined adversely to Satellos or the Satellos

subsidiaries, as the case may be, has or could reasonably be expected to result in liability to Satellos in excess of \$50,000. Neither Satellos nor its subsidiaries nor any of their respective assets or properties is subject to any outstanding judgment, order, writ, injunction or decree.

- (r) Material Contracts. With respect to the Material Contracts of Satellos:
- (i) Section 4.1(r) of the Satellos Disclosure Letter includes a complete and accurate list of all Material Contracts to which Satellos or its subsidiaries are bound, and that are currently in force and Satellos and its subsidiaries have made available to iCo for inspection true and complete copies of all such Material Contracts.
 - (ii) All of the Material Contracts of Satellos and its subsidiaries are in full force and effect, and Satellos and its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. Satellos and its subsidiaries have not waived any material rights under any Material Contract and no material default or breach exists in respect thereof on the part of Satellos or its subsidiaries or, to the knowledge of Satellos or its subsidiaries, on the part of any other party thereto, and to the knowledge of Satellos no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of such Material Contracts.
 - (iii) All of the Material Contracts of Satellos and its subsidiaries are valid and binding obligations of Satellos and its subsidiaries, as applicable, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
 - (iv) As at the date hereof, Satellos and its subsidiaries have not received written notice that any party to a Material Contract of Satellos or its subsidiaries intends to cancel, terminate or otherwise modify or not renew such Material Contract, and to the knowledge of Satellos and its subsidiaries, no such action has been threatened.
 - (v) Satellos and its subsidiaries are not a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of Satellos or its subsidiaries.
- (s) Permits.
- (i) Each of Satellos and its subsidiaries has obtained and is in material compliance with all material Permits required by applicable Laws, necessary to conduct its current business as now being conducted; and
 - (ii) there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with such material Permits as are necessary to conduct the business of Satellos and its subsidiaries as it is currently being conducted.

- (iii) the execution, delivery and performance by Stellos of its obligations under this Agreement and the consummation of the Arrangement do not require any other Permits or other action by or in respect of, or filing with, or notification to, any Governmental Entity other than: (i) any consents, waivers, approvals or actions or filings or notifications, the absence of which would not reasonably be expected to materially impede or delay the ability of Satellos to consummate the Arrangement.
- (t) Expropriation. No part of the property or assets of Satellos or its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does Satellos know of any intent or proposal to give such notice or commence any such proceedings.
- (u) Rights of Other Persons. No Person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by Satellos or its subsidiaries, or any part thereof, except as disclosed in the Satellos Financial Statements.
- (v) Environmental Matters.
 - (i) Satellos and its subsidiaries have carried on their respective businesses and operations in compliance in all material respects with all applicable Environmental Laws and all terms and conditions of all Environmental Permits;
 - (ii) neither Satellos nor its subsidiaries has received any written order, request or notice from any Person alleging a material violation of any Environmental Law; and
 - (iii) neither Satellos nor its subsidiaries (a) is a party to any litigation or administrative proceeding, or is any litigation or administrative proceeding, or to the knowledge of Satellos, threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, (b) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws and (c) is involved in remediation operations and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that, in the case of each of the foregoing clauses (a), (b) and (c) would reasonably be expected to result in any material Environmental Liabilities.

- (w) Intellectual Property.
- (i) Satellos does not own any Registered IP other than as identified on Section 4.1(w) of the Satellos Disclosure Letter;
 - (ii) Satellos has delivered or made available to iCo an accurate and complete copy of each standard form of the following documents and Contracts used by Satellos at any time, to the extent applicable: (A) terms and conditions with respect to the clinical testing, distribution, sale, or provisioning of any Satellos Product; (B) employee agreement or similar Contract containing any assignment or license of Intellectual Property or any confidentiality provision; or (C) consulting or independent contractor agreement or similar Contract containing any assignment or license of Intellectual Property or any confidentiality provision. Section 4.1(w) of the Satellos Disclosure Letter accurately identifies each Contract concerning the subject matter of (A), (B) or (C) that is material to Satellos and that deviates in any material respect from the corresponding standard form described above;
 - (iii) Satellos exclusively owns all right, title and interest to and in the Satellos IP (other than Intellectual Property licensed to Satellos, as identified in Section 4.1(w) of the Satellos Disclosure Letter or pursuant to commercially available third party software and material transfer agreements entered into in the ordinary course of business) free and clear of any Liens. Without limiting the generality of the foregoing:
 - (A) all documents and instruments required to perfect the rights of Satellos in the registered trademarks identified on Section 4.1(w) of the Satellos Disclosure Letter have been validly executed, delivered and filed in a timely manner with the appropriate Governmental Entity;
 - (B) no current or former officer or other employee, or any individual who is a current or former independent contractor, consultant or director, of Satellos or its subsidiaries, to the knowledge of Satellos, has any claim, right (whether or not currently exercisable) or interest to or in any Satellos IP and each such individual who is or was involved in the creation or development of any Intellectual Property for or on behalf of Satellos has signed a valid, enforceable agreement containing an assignment of all rights in and to such Intellectual Property to Satellos and confidentiality provisions protecting the Satellos IP;
 - (C) Satellos and its subsidiaries have taken all reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all proprietary information held by Satellos and its subsidiaries, or purported to be held by Satellos and its subsidiaries, as a trade secret;
 - (D) none of Satellos and its subsidiaries is now or has ever been a member or promoter of, or a contributor to, any industry standards body or any similar organization that would reasonably be expected

to require or Satellos and its subsidiaries to grant or offer to any other Person any license or right to any Satellos IP; and

- (E) Satellos and its subsidiaries own or otherwise have, and after the completion of the transactions contemplated by this Agreement, will continue to have, the right, through ownership, license or otherwise, to all Intellectual Property reasonably necessary to conduct the business of Satellos and its subsidiaries as conducted as of the date of this Agreement;
- (iv) all Satellos IP that is material to the business of Satellos and its subsidiaries is valid, subsisting and, to the knowledge of Satellos, enforceable;
- (v) neither the execution, delivery or performance of this Agreement nor the consummation of any of the transactions contemplated by this Agreement will, or would reasonably be expected to, with or without notice or the lapse of time, result in or give any other Person the right or option to cause, create, impose or declare: (A) a loss of, or Lien on, any Satellos IP; (B) the release, disclosure or delivery of any Satellos IP by or to any escrow agent or other Person; or (C) the grant, assignment or transfer to any other Person of any license or other right or interest under, to or in any of the Satellos IP;
- (vi) to the knowledge of Satellos, no Person has infringed, misappropriated or otherwise violated, and no Person is infringing, misappropriating or otherwise violating, any Satellos IP. Section 4.1(w) of the Satellos Disclosure Letter: (A) accurately identifies (and Satellos has made available to iCo an accurate and complete copy of) each letter or other written or electronic communication or correspondence that has been sent or otherwise delivered by or to Satellos and its subsidiaries or any Representative of Satellos and its subsidiaries regarding any alleged or suspected infringement or misappropriation of any Satellos IP, as of the date of this Agreement; and (B) provides a brief description of the current status of the matter referred to in such letter, communication or correspondence;
- (vii) to the knowledge of Satellos, the conduct of the business of Satellos and its subsidiaries as previously conducted or as currently conducted including, without limitation, the development, manufacture, use, import, export, offer for sale, sale or other commercialization of any of the Satellos Products, does not and has not infringed (directly, contributorily, by inducement or otherwise), misappropriated or otherwise violated any valid Intellectual Property of any other Person. Section 4.1(w) of the Satellos Disclosure Letter: (A) accurately identifies (and Satellos has made available to iCo an accurate and complete copy of) each letter or other written or electronic communication or correspondence that has been sent or otherwise delivered by or to Satellos and its subsidiaries or any Representative of any of Satellos and its subsidiaries, as of the date of this Agreement regarding any alleged or suspected infringement or misappropriation of any Intellectual Property of any other Person by Satellos and its subsidiaries or any of the Satellos Products; and (B) provides a brief description of the current status of the matter referred to in such letter, communication or correspondence;

- (viii) no written notice of infringement, misappropriation or similar claim or Legal Proceeding involving infringement or misappropriation of any Intellectual Property of any other Person is or has been pending and served or, to the knowledge of Satellos, pending and not served or threatened against any Satellos and its subsidiaries or against any other Person who is, or has asserted or would reasonably be expected to assert that it is, entitled to be indemnified, defended, held harmless or reimbursed by Satellos and its subsidiaries with respect to such claim or proceeding (including any claim or Legal Proceeding that has been settled, dismissed or otherwise concluded);
 - (ix) except as set forth in Section 4.1(w) of the Satellos Disclosure Letter, none of Satellos and its subsidiaries have transferred title to, or granted any exclusive license, or granted an option to acquire title or an exclusive license, with respect to, any material Satellos IP;
 - (x) Section 4.1(w) of the Satellos Disclosure Letter lists all proceedings or actions known to Satellos before any court or tribunal related to any Satellos IP. No Satellos IP is the subject of any outstanding decree, order, judgment, settlement agreement, or stipulation restricting in any manner the use, transfer, or licensing thereof by Satellos and its subsidiaries, or that may affect the validity, use or enforceability of such Satellos IP;
 - (xi) Satellos and its subsidiaries have not taken any action or failed to take any action that reasonably could be expected to result in the abandonment, cancellation, forfeiture, relinquishment, invalidation or unenforceability of any registered trademarks identified on Section 4.1(w) of the Satellos Disclosure Letter; and
 - (xii) neither Satellos nor its subsidiaries has entered into any services agreements relating to development, testing, manufacture or formulation of any Satellos Product under which the party performing such services has obtained rights to Intellectual Property covering such Satellos Products or their manufacture, formulation or use.
- (x) Status of Satellos Products.
- (i) Section 4.1(x) of the Satellos Disclosure Letter sets out a complete list of all products or services that are (a) designed, manufactured, marketed, licensed, leased, sold, performed, made available or otherwise distributed or disposed of by Satellos or any of its subsidiaries or in connection with its business currently or in the past five years (including, to the extent included in the intellectual property owned by Satellos, any part of any product or service that Satellos or its subsidiaries of Satellos designs, manufactures, markets, licenses, sells, performs, makes available or, in connection with Satellos' business, otherwise distributes or disposes of), or (b) is currently the subject of service or maintenance obligations provided by Satellos (the "**Satellos Products**").
 - (ii) Satellos or its subsidiaries have the Permits and approvals to market, use, import, export, distribute, offer for sale, sale or other commercialization of the Satellos Products.

- (iii) There have been no adverse regulatory actions taken (nor, to the knowledge of Satellos, threatened in writing) by any Governmental Entity with respect to any Satellos Products.

(y) Compliance with Laws.

- (i) Satellos and its subsidiaries have complied in all material respects with and are not in material violation of any applicable Laws and have not received any written notices or other correspondence from any Governmental Entity regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, modification of, or a refusal to issue, any material license, Permit, authorization, approval, registration or consent of a Governmental Entity relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Satellos and its subsidiaries to operate their businesses in a manner which would have, or would reasonably be expected to have, a Material Adverse Effect on Satellos.
- (ii) To the knowledge of Satellos, the studies, tests and nonclinical, preclinical, safety, and clinical studies and testing, if any, conducted by Satellos and its subsidiaries relating to any Satellos Product and product of its subsidiaries, and, if still pending, are being conducted in all material respects in accordance with standard and accepted medical and professional scientific research procedures and all applicable Laws; the descriptions of the results of such studies, tests and trials provided to iCo are accurate in all material respects; none of Satellos and its subsidiaries have received any written notices or correspondence from any applicable Governmental Entity requiring the termination, suspension, material modification or clinical hold of any such studies, tests or trials conducted by or on behalf of Satellos and its subsidiaries, which termination, suspension, material modification or clinical hold would reasonably be expected to result in a Material Adverse Effect on Satellos. Research involving human subjects conducted by or on behalf of Satellos and its subsidiaries: (i) was approved by an institutional review board, if required, (ii) had the informed consent of the subjects, if required, and (iii) to knowledge of Satellos, did not involve any investigator who has been disqualified as a clinical investigator by the United States Food and Drug Administration or any other Governmental Entity or has been found by any agency with jurisdiction to have engaged in scientific misconduct.

(z) Employment Matters.

- (i) Section 4.1(z) of the Satellos Disclosure Letter sets forth a complete list of all employees and consultants of Satellos, together with their titles, salaries and bonus (whether monetary or otherwise), and a list of the directors and the terms of their compensation. Other than set forth in Section 4.1(z) of the Satellos Disclosure Letter, no such employee is on long-term disability leave, extended absence or workers' compensation leave.
- (ii) Other than set forth in Section 4.1(z) of the Satellos Disclosure Letter, Satellos is not:

- (A) a party to any written or oral agreement, arrangement, plan, obligation, policy or understanding providing for severance or termination payments to, or any employment or consulting agreement with, any director or officer of Satellos;
 - (B) a party to any collective bargaining agreement or multiemployer plan nor, to the knowledge of Satellos, subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement nor are there any current, or to the knowledge of Satellos, pending or threatened strikes or lockouts at Satellos; and
 - (C) subject to any claim for wrongful dismissal, constructive dismissal or any other tort claim, actual or, to the knowledge of Satellos, threatened, or any litigation, actual or, to the knowledge of Satellos, threatened, relating to its employees or independent contractors (including any termination of such individuals).
- (iii) Satellos has been and is now in compliance, in all material respects, with all applicable Laws with respect to employment and labour and there are no current, pending, or, to the knowledge of Satellos, threatened proceedings before any Governmental Entity with respect to employment or labour.
 - (iv) Satellos has not, and is not subject to any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or share purchase plan, profit sharing plan, bonus plan, employee benefit plan or policy, employee group insurance plan, program policy or practice, formal or informal, with respect to its employees.
- (aa) Related Party Transactions. Except as set forth in Section 4.1(aa) of the Satellos Disclosure Letter, there are no Contracts or other transactions currently in place between Satellos or its subsidiaries, on the one hand, and: (i) any officer or director of Satellos or its subsidiaries; (ii) any holder of record or, to the knowledge of Satellos, beneficial owner of 10% or more of the Satellos Shares; and (iii) to the knowledge of Satellos, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.
 - (bb) Registration Rights. No Person has any right to compel Satellos to register or otherwise qualify the Satellos Shares (or any of them) or any other securities of Satellos or any of its subsidiaries for public sale or distribution.
 - (cc) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon Satellos or its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect on Satellos.
 - (dd) Brokers. Except as set out in Section 4.1(dd) of the Satellos Disclosure Letter, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in

connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Satellos, and the aggregate amount of such fees that may become payable in respect of all such arrangements is set out in Section 4.1(dd) to the Satellos Disclosure Letter.

- (ee) Insurance. As of the date hereof, Satellos has such policies of insurance as are listed in Section 4.1(ee) of the Satellos Disclosure Letter. All insurance maintained by Satellos is in full force and effect and is in amounts and in respect of such risks as are normal and usual for companies of similar size operating in the same industry and in the location in which Satellos operates.
- (ff) No Cease Trade. Satellos is not subject to any cease trade or other order of any applicable Securities Authority and, to the knowledge of Satellos, no investigation or other proceedings involving Satellos which may operate to prevent or restrict trading of any securities of Satellos are currently in progress or pending before any applicable Securities Authority.
- (gg) Certain Business Practices. To the knowledge of Satellos, neither Satellos, its subsidiaries nor any director, officer, agent or employee of Satellos or its subsidiaries (in their capacities as such) has:
 - (i) used or agreed to use funds for contributions, gifts, entertainment or other purposes relating to political activity in violation of Law; or
 - (ii) made or agreed to make any payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns in violation of Law.
- (hh) Material Facts not Withheld. Satellos has not withheld and will not withhold from iCo prior to the Effective Time, any material facts relating to Satellos or its subsidiaries.
- (ii) Insolvency. No act or proceeding has been taken by or against Satellos or any of its subsidiaries in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of Satellos or any of its subsidiaries or for the appointment of a trustee, receiver, manager or other administrator of Satellos or any of its subsidiaries or any of its properties or assets nor, to the knowledge of Satellos, is any such act or proceeding threatened. Satellos (nor any of its subsidiaries) has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation. Neither Satellos nor any of its subsidiaries nor any of their respective properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of Satellos or any of its subsidiaries to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (jj) Real Property and Leased Properties. Real Property and Leased Properties.
 - (i) Satellos does not own any real or immovable property.

- (ii) Satellos has provided to iCo complete and accurate copies of all leases and subleases for real and immovable property leased or subleased by Satellos or any of its subsidiaries (the "Satellos Leased Properties").
- (iii) With respect to all Satellos Leased Properties: (A) each lease or sublease in respect thereof is in good standing, legal, valid, binding and in full force and effect and is a legal, valid, binding obligation of, and is enforceable against, each other party thereto in accordance with its terms subject to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies, such as specific performance and injunction; and (B) there is no event of breach or default, or any event which, with the giving of notice, the lapse of time or both, would become an event of default, under any such lease or sublease and, to the knowledge of Satellos, none of Satellos or any of its subsidiaries has received or delivered any notice of any material breach of, or default under, any such lease or sublease.
- (kk) Personal Property. Satellos and its subsidiaries have valid, good and marketable title to all personal property owned by them, except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.
- (ll) Material Assets and Property. Satellos and each of its subsidiaries owns or has the right to use all material assets and properties currently owned or used in the business, including: (i) all Material Contracts; and (ii) all material assets and properties necessary to enable it to carry on its business as now conducted and as presently proposed to be conducted.
- (mm) No Pending Acquisitions. Satellos (or any of its subsidiaries) has not approved, is not contemplating, nor has it entered into any agreement in respect of, and to the knowledge of Satellos (or any of its subsidiaries): (i) the purchase of any property material to Satellos or material assets or any interest therein or the sale, transfer or other disposition of any material property of Satellos or material assets or any interest therein currently owned, directly or indirectly, by Satellos, whether by asset sale, transfer or sale of shares or otherwise; or (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of Satellos) of Satellos (or any of its subsidiaries).

4.2 Survival of Representations and Warranties

The representations and warranties of Satellos contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. Any investigation by iCo and its Representatives shall not mitigate, diminish or affect the representations and warranties of Satellos pursuant to this Agreement.

ARTICLE 5
COVENANTS OF ICO AND SATELLOS

5.1 Covenants of iCo Regarding the Conduct of Business

- (a) iCo covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required or permitted by this Agreement, required by applicable Laws or any Governmental Entities or consented to by Satellos in writing (which consent shall not be unreasonably withheld or delayed), iCo shall, and shall cause each of its subsidiaries to conduct its business in the ordinary course of business consistent with past practice, and use commercially reasonable efforts to maintain and preserve their respective business organization, assets, employees, goodwill and business relationships. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required or permitted by this Agreement or as disclosed in Section 5.1(a) of the iCo Disclosure Letter, iCo shall not, and shall cause each of its subsidiaries not to, directly or indirectly, without the prior written consent of Satellos (such consent not to be unreasonably withheld, conditioned or delayed):
- (i) take any action other than in the ordinary course of business or as otherwise required or permitted pursuant to this Agreement;
 - (ii) (i) amend its or its subsidiaries notice of articles, articles or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of iCo or any of its subsidiaries; (iii) issue, grant, deliver, sell or pledge, or agree to issue, grant, deliver, sell or pledge, any shares of iCo or its subsidiaries, or any rights convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares or other securities of iCo or its subsidiaries, other than the issuance of iCo Shares pursuant to the terms of the outstanding iCo Options and iCo Warrants; (iv) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of iCo or any of its subsidiaries, (v) amend the terms of any of its securities; (vi) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of iCo or any of the iCo subsidiaries; (vii) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS; or (viii) enter into any agreement with respect to any of the foregoing;
 - (iii) (i) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets or otherwise), directly or indirectly, any assets, securities, properties, interests, business, corporation, partnership or other business organization or division thereof, or make any investment either by the purchase of securities, contribution of capital, property transfer, or purchase of any other property or assets of any other Person other than pursuant to a Contract in existence on the date hereof; (ii) incur, create, assume or otherwise become liable for or its subsidiaries become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other

Person, or make any loans, capital contributions, investments or advances other than pursuant to a Contract in existence on the date hereof; (iii) waive, release, grant or transfer any rights of material value; or (iv) authorize or propose any of the foregoing or enter into any agreement to do any of the foregoing;

- (iv) except in the ordinary course of business (i) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of or encumber or otherwise transfer any assets, tangible or intangible, securities, properties, interests or businesses of iCo or its subsidiaries; (ii) pay, discharge or satisfy any material liabilities or obligations; or (iii) authorize or propose any of the foregoing or enter into any agreement to do any of the foregoing;
- (v) other than as is necessary to comply with applicable Laws or Material Contracts, or in accordance with the iCo Stock Option Plan: (i) grant to any officer, employee, consultant or director of iCo or any of its subsidiaries an increase in compensation in any form, or grant any general salary increase; (ii) make any loan to any officer, employee, consultant or director of iCo or any of its subsidiaries; (iii) take any action with respect to the grant of any severance, change of control, bonus or termination pay to, or enter into any employment agreement, deferred compensation or other similar agreement (or amend any such existing agreement) with, or hire or terminate employment (except for just cause) of, any officer, employee, consultant or director of iCo or any of its subsidiaries; (iv) increase any benefits payable under any existing severance or termination pay policies or employment agreements, or adopt or materially amend any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of directors, officers, employees, consultants or former directors, officers, employees or consultants of iCo or any of its subsidiaries; (v) increase bonus levels or other benefits payable to any director, executive officer, consultant or employee of iCo or any of its subsidiaries; (vi) provide for accelerated vesting, removal of restrictions or an exercise of any share based or share related awards (including stock options, share appreciation rights, deferred share units, performance units and restricted share awards) upon a change of control occurring on or prior to the Effective Time; or (vii) establish, adopt or amend (except as required by applicable Law) any collective bargaining agreement or similar agreement;
- (vi) settle, pay, discharge, satisfy, compromise, waive, assign or release (i) any material action, claim or proceeding brought against iCo and/or any of its subsidiaries; or (ii) any action, claim or proceeding brought by any present, former or purported holder of its securities in connection with the transactions contemplated by this Agreement or the Plan of Arrangement;
- (vii) declare any dividend, or make any other distribution whatsoever to its securityholders;
- (viii) enter into any agreement or arrangement that limits or otherwise restricts in any material respect iCo or its subsidiaries or any successor thereto, or that

would, after the Effective Time, limit or restrict in any material respect iCo or its subsidiaries from competing in any manner;

- (ix) waive, release or assign any material rights, claims or benefits of iCo or its subsidiaries;
- (x) (i) enter into any agreement that if entered into prior to the date hereof would be a Material Contract; (ii) modify or amend in any material respect, transfer or terminate any Material Contract, or waive, release or assign any material rights or claims thereto or thereunder; or (iii) enter into or modify any Contract or series of Contracts resulting in a new Contract or series of related new Contracts or enter into any modifications to an existing Contract or series of related existing Contracts outside of the ordinary course of business;
- (xi) amend or change any of its methods of reporting income deductions or accounting for Tax purposes, make, amend or rescind any Tax election, amend any Return, settle or compromise any Tax claim, action, litigation, proceeding, arbitration, investigation, audit, controversy, assessment, reassessment or liability, agree to an extension or waiver of the limitation period with respect to the assessment, reassessment or determination of Taxes, enter into any closing agreement with respect to any Tax or surrender any right to claim a Tax abatement, reduction, deduction, exemption, credit or refund;
- (xii) make a request for a Tax ruling or enter into any material agreement with a Governmental Entity with respect to Taxes.
- (xiii) fail to reasonably defend all claims or other Legal Proceedings against Satellos or any of its subsidiaries challenging or affecting iCo IP;
- (xiv) take any action or fail to take any action which action or failure to act would result, under any Securities Laws or any rules of the TSX-V, in the material loss, expiration or surrender of any right of iCo, or the loss of any material benefit of iCo, or that would reasonably be expected to cause any Governmental Entity to institute proceedings for the suspension, revocation or limitation of any rights of iCo necessary to conduct its businesses as now conducted and as proposed to be conducted upon completion of the Arrangement, or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for Permits or approvals including with respect to Intellectual Property;
- (xv) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of iCo to consummate the Arrangement or the other transactions contemplated by this Agreement;
- (xvi) enter into a new line of business or abandonment or discontinuance of existing lines of business;

- (xvii) dispose of, transfer or allow to lapse any material rights in any of the iCo IP, other than in the ordinary course of business consistent with past practice, or disclose any material trade secrets to a third party; or
- (xviii) agree, resolve or commit to do any of the foregoing.
- (b) iCo shall use commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by iCo or any of its subsidiaries, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or reinsurance companies of nationally recognized standing having comparable deductibles and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect; provided that, subject to Section 7.5, none of iCo or any of its subsidiaries shall obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months.
- (c) iCo shall promptly notify Satellos in writing of any circumstance or development that, to the knowledge of iCo, is or could reasonably be expected to constitute a Material Adverse Effect.
- (d) iCo shall be in compliance with the rules and policies of the TSX-V and the iCo Shares shall be listed for trading thereon.

5.2 Covenants of iCo Relating to the Arrangement

iCo shall and shall cause its subsidiaries to perform all obligations required or desirable to be performed by iCo or any of its subsidiaries under this Agreement, co-operate with Satellos in connection therewith, and do or cause to be done all such further acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement, including the execution and delivery of such documents as Satellos may reasonably require. Without limiting the generality of the foregoing, iCo shall and, where applicable, shall cause its subsidiaries to:

- (a) provide to Satellos at least seven (7) Business Days prior to the Effective Date a reasonable estimate of the cash that will be held by iCo and its subsidiaries immediately before the Effective Time;
- (b) subject to obtaining confirmation that insurance coverage is maintained as contemplated in Section 7.5 and subject to Section 5.5, it shall use commercially reasonable efforts to cause to be delivered to Satellos on the Effective Date resignations, effective on the Effective Date or at such other time and in the manner requested by Satellos, of the directors, officers and employees of iCo agreed to by the Parties, with nominees of Satellos to be appointed to the iCo Board immediately after each such resignation;
- (c) apply for and use commercially reasonable efforts to obtain all required approvals from Governmental Entities, including the Key Regulatory Approvals, relating to iCo or its subsidiaries which are typically applied for by iCo and, in doing so, keep Satellos informed as to the status of the proceedings related to obtaining such approvals, including providing Satellos with copies of all related applications and

notifications, in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to Satellos' outside counsel on an "external counsel" basis), in order for Satellos to provide its comments thereon, which shall be given due and reasonable consideration;

- (d) upon reasonable notice and subject to the Confidentiality Agreement and applicable Laws, until the earlier of the Effective Date and termination of this Agreement, iCo shall provide Satellos and its Representatives reasonable access (without disruption of the conduct of iCo's business), during normal business hours, to the, books, contracts and records as well as to the management personnel of iCo and its subsidiaries on an as reasonably requested basis as well as reasonable access to iCo's and its subsidiaries' properties for the purpose of confirming the representations and warranties of iCo contained herein;
- (e) use commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any of the Material Contracts, including all Key Third Party Consents, as applicable;
- (f) defend all lawsuits or other legal, regulatory or other proceedings against iCo or any of its subsidiaries challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (g) allow Representatives of Satellos (including legal and financial advisors) to attend the iCo Meeting; and
- (h) use all commercially reasonable efforts to obtain the TSX-V's conditional approval of the Arrangement and the listing of the Consideration Shares and the iCo Shares underlying the Replacement Options, Satellos Warrants and the Convertible Note.

5.3 Covenants of iCo Regarding Employees

Any severance obligations of iCo or other payments payable to employees, consultants and directors of iCo or its subsidiaries resulting from the change of control of iCo as a result of the Arrangement shall be a responsibility of and paid by iCo. From and after the Effective Date, iCo shall be responsible for and shall satisfy all obligations with respect to the employment of all employees, consultants and directors of iCo and its subsidiaries, including with respect to all notice of termination and severance pay in accordance with applicable Law (including employment standards), and contract, if applicable, and for all unpaid wages, accrued vacation pay and other amounts owing to employees, consultants and directors of iCo or its subsidiaries and for all claims of any nature or kind relating to employment or engagement by iCo or its subsidiaries up to the Effective Time, including for breach of contract or wrongful dismissal. The obligations contained in this Section 5.3 shall survive the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement, including the Arrangement.

5.4 Covenants of Satellos Regarding the Conduct of Business

- (a) Satellos covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required or permitted by this Agreement, required by applicable Laws or any Governmental Entities or

consented to by iCo in writing (which consent shall not be unreasonably withheld or delayed), Satellos shall, and shall cause its subsidiaries to, conduct its business in the ordinary course of business consistent with past practice, and use commercially reasonable efforts to maintain and preserve their respective business organization, assets, employees, goodwill and business relationships. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required or permitted by this Agreement or as disclosed in Section 5.4(a) of the Satellos Disclosure Letter, Satellos shall not, and shall cause each of its subsidiaries not to, directly or indirectly, without the prior written consent of iCo (such consent not to be unreasonably withheld, conditioned or delayed):

- (i) take any action other than in the ordinary course of business or as otherwise required or permitted pursuant to this Agreement;
- (ii) (i) amend its articles or by-laws or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of Satellos or its subsidiaries; (iii) issue, grant, deliver, sell or pledge, or agree to issue, grant, deliver, sell or pledge, any shares of Satellos or its subsidiaries, or any rights convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares or other securities of Satellos or its subsidiaries, other than the issuance of Satellos Shares pursuant to the terms of the outstanding Satellos Options and Satellos Warrants; (iv) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of Satellos or its subsidiaries, (v) amend the terms of any of its securities; (vi) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of Satellos or its subsidiaries; (vii) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS; or (viii) enter into any agreement with respect to any of the foregoing;
- (iii) (i) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets or otherwise), directly or indirectly, any assets, securities, properties, interests, business, corporation, partnership or other business organization or division thereof, or make any investment either by the purchase of securities, contribution of capital, property transfer, or purchase of any other property or assets of any other Person other than pursuant to a Contract in existence on the date hereof; (ii) incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person, or make any loans, capital contributions, investments or advances other than pursuant to a Contract in existence on the date hereof; (iii) waive, release, grant or transfer any rights of material value; or (iv) authorize or propose any of the foregoing or enter into any agreement to do any of the foregoing;
- (iv) except in the ordinary course of business (i) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of or encumber or otherwise transfer any assets, tangible or intangible, securities, properties, interests or businesses of Satellos or its subsidiaries; (ii) pay, discharge or

satisfy any material liabilities or obligations; or (iii) authorize or propose any of the foregoing or enter into any agreement to do any of the foregoing;

- (v) other than as is necessary to comply with applicable Laws or Material Contracts: (i) grant to any officer, employee, consultant or director of Satellos or its subsidiaries an increase in compensation in any form, or grant any general salary increase; (ii) make any loan to any officer, employee, consultant or director of Satellos or its subsidiaries; (iii) take any action with respect to the grant of any severance, change of control, bonus or termination pay to, or enter into any employment agreement, deferred compensation or other similar agreement (or amend any such existing agreement) with, or hire or terminate employment (except for just cause) of, any officer, employee, consultant or director of Satellos or its subsidiaries; (iv) increase any benefits payable under any existing severance or termination pay policies or employment agreements, or adopt or materially amend any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of directors, officers, employees, consultants or former directors, officers, employees or consultants of Satellos or its subsidiaries; (v) increase bonus levels or other benefits payable to any director, executive officer, consultant or employee of Satellos or its subsidiaries; (vi) provide for accelerated vesting, removal of restrictions or an exercise of any share based or share related awards (including stock options, share appreciation rights, deferred share units, performance units and restricted share awards) upon a change of control occurring on or prior to the Effective Time; or (vii) establish, adopt or amend (except as required by applicable Law) any collective bargaining agreement or similar agreement;
- (vi) settle, pay, discharge, satisfy, compromise, waive, assign or release (i) any material action, claim or proceeding brought against Satellos or its subsidiaries; or (ii) any action, claim or proceeding brought by any present, former or purported holder of its securities in connection with the transactions contemplated by this Agreement or the Plan of Arrangement;
- (vii) declare any dividend, or make any other distribution whatsoever to its securityholders;
- (viii) enter into any agreement or arrangement that limits or otherwise restricts in any material respect Satellos or its subsidiaries or any successor thereto, or that would, after the Effective Time, limit or restrict in any material respect Satellos or its subsidiaries from competing in any manner;
- (ix) waive, release or assign any material rights, claims or benefits of Satellos or its subsidiaries;
- (x) (i) enter into any agreement that if entered into prior to the date hereof would be a Material Contract; (ii) modify or amend in any material respect, transfer or terminate any Material Contract, or waive, release or assign any material rights or claims thereto or thereunder; or (iii) enter into or modify any Contract or series of Contracts resulting in a new Contract or series of related new Contracts or enter into any modifications to an existing Contract

or series of related existing Contracts outside of the ordinary course of business;

- (xi) change any method of Tax accounting, make or change any Tax election, file any amended Return, settle or compromise any Tax liability, agree to an extension or waiver of the limitation period with respect to the assessment, reassessment or determination of Taxes, enter into any closing agreement with respect to any Tax or surrender any right to claim a Tax refund;
 - (xii) fail to reasonably defend all claims or other Legal Proceedings against Satellos or any of its subsidiaries challenging or affecting Satellos IP;
 - (xiii) take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of any right of Satellos, or the loss of any material benefit of Satellos, or that would reasonably be expected to cause any Governmental Entity to institute proceedings for the suspension, revocation or limitation of any rights of Satellos necessary to conduct its businesses as now conducted and as proposed to be conducted upon completion of the Arrangement, or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for approvals including with respect to Intellectual Property;
 - (xiv) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of Satellos to consummate the Arrangement or the other transactions contemplated by this Agreement;
 - (xv) enter into a new line of business or abandonment or discontinuance of existing lines of business;
 - (xvi) dispose of, transfer, or allow to lapse any material rights in any of the Satellos IP, other than in the ordinary course of business consistent with past practice, or disclose any material trade secrets to a third party; or
 - (xvii) agree, resolve or commit to do any of the foregoing.
- (b) Satellos shall promptly notify iCo in writing of any circumstance or development that, to the knowledge of Satellos, constitutes, or could reasonably be expected to constitute, a Material Adverse Effect.

5.5 Covenants of Satellos Relating to the Arrangement

Satellos shall, and shall cause its subsidiaries to, perform all obligations required or desirable to be performed by Satellos or its subsidiaries under this Agreement, co-operate with iCo in connection therewith, and do or cause to be done all such further acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement, including the execution and delivery of such documents as iCo may reasonably require. Without limiting the generality of the foregoing, Satellos shall and, where applicable shall cause its subsidiaries to:

- (a) apply for and use commercially reasonable efforts to obtain all required approvals from Governmental Entities, including the Key Regulatory Approvals relating to

Satellos or its subsidiaries which are typically applied for by Satellos and, in doing so, keep iCo informed as to the status of the proceedings related to obtaining such approvals, including providing iCo with copies of all related applications and notifications in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to iCo's outside counsel on an "external counsel" basis), in order for iCo to provide its comments thereon, which shall be given due and reasonable consideration;

- (b) upon reasonable notice and subject to the Confidentiality Agreement and applicable Laws, until the earlier of the Effective Date and termination of this Agreement, Satellos shall provide iCo and its Representatives reasonable access (without disruption of the conduct of Satellos' business), during normal business hours, to the, books, contracts and records as well as to the management personnel of Satellos and its subsidiaries on an as reasonably requested basis as well as reasonable access to Satellos' and its subsidiaries' properties for the purpose of confirming the representations and warranties of Satellos contained herein;
- (c) use commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any of the Material Contracts, including all Key Third Party Consents;
- (d) allow Representatives of iCo (including legal and financial advisors) to attend the Satellos Meeting; and
- (e) use commercially reasonable efforts to assist and cooperate with iCo in fulfilling all of the requirements of the TSX-V related to the Arrangement, including promptly providing any information related to Satellos or iCo following completion of the Arrangement that is requested by the TSX-V;
- (f) defend all lawsuits or other legal, regulatory or other proceedings against Satellos or any of its subsidiaries challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; and
- (g) use commercially reasonable efforts to cause all Satellos Shareholders to enter into the Voluntary Escrow Agreement.

5.6 Mutual Covenants

Each of the Parties covenants and agrees that, except as contemplated in this Agreement, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms:

- (a) it shall, and shall cause its subsidiaries to, use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in Article 6 to the extent the same is within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Plan of Arrangement, including using commercially reasonable efforts to: (i) obtain all Key Regulatory Approvals required to be obtained by it; (ii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Plan of Arrangement; (iii) oppose, lift or rescind any injunction or restraining order against it or other order or

action against it seeking to stop, or otherwise adversely affecting its ability to make and complete, the Plan of Arrangement; and (iv) co-operate with the other Party in connection with the performance by it and its subsidiaries of their obligations hereunder; in addition, subject to the terms and conditions of this Agreement, none of the Parties shall knowingly take or cause to be taken any action which would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby; and

- (b) it shall not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to, individually or in the aggregate, materially delay or materially impede the making or completion of the Arrangement except as permitted by this Agreement.
- (c)

ARTICLE 6 **CONDITIONS**

6.1 Mutual Conditions Precedent

The obligations of the Parties to complete the transactions contemplated by this Agreement, including the Arrangement, are subject to the fulfillment, on or before the Effective Time, of each of the following conditions precedent, each of which may be waived only with the mutual consent of the Parties:

- (a) the Arrangement Resolution shall have been approved and adopted by the Satellos Shareholders at the Satellos Meeting in accordance with the Interim Order;
- (b) the iCo Resolution shall have been approved and adopted by the iCo Shareholders at the iCo Meeting;
- (c) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to Satellos or iCo, acting reasonably, on appeal or otherwise;
- (d) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, and there shall not have been any action taken under any Law or by any Governmental Entity or other regulatory authority, that makes it illegal or otherwise directly or indirectly restrains, enjoins, prevents or prohibits the consummation of the Arrangement;
- (e) the distribution of the securities pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale restrictions under applicable Securities Laws (other than as applicable to control Persons or pursuant to Section 2.6 of National Instrument 45-102);
- (f) the iCo Shares and Replacement Options to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act

pursuant to Section 3(a)(10) thereof and will not be subject to resale restrictions under the U.S. Securities Act, subject to restrictions applicable to affiliates (as defined in Rule 405 of the U.S. Securities Act) of iCo following the Effective Date;

- (g) the TSX-V shall have approved the Arrangement and conditionally approved for listing, subject to the payment of fees and the filing of customary required documents, the iCo Shares issuable pursuant to the Arrangement and the iCo Shares issuable upon exercise of the Replacement Options, Satellos Warrants and the Convertible Note;
- (h) the Key Regulatory Approvals shall have been obtained;
- (i) the Key Third Party Consents shall have been obtained; and
- (j) this Agreement shall not have been terminated pursuant to Article 8.

6.2 Additional Conditions Precedent to the Obligations of Satellos

The obligations of Satellos to complete the transactions contemplated by this Agreement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Date or such other time as specified below (each of which is for the exclusive benefit of Satellos and may be waived by Satellos in whole or in part at any time):

- (a) all covenants of iCo under this Agreement to be performed on or before the Effective Date shall have been duly performed by iCo in all material respects, and Satellos shall have received a certificate of iCo addressed to Satellos and dated the Effective Date, signed by a senior executive officer of iCo (on behalf of iCo and without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of iCo set forth in this Agreement shall be true and correct in all respects as at the Effective Date as though made on and as of the Effective Date (except for representations and warranties made as at a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on iCo and Satellos shall have received a certificate of iCo addressed to Satellos and dated the Effective Date, signed on behalf of iCo by a senior executive officer of iCo (on behalf of iCo and without personal liability), confirming the same as at the Effective Date;
- (c) since the date of this Agreement, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public) any Material Adverse Effect in respect of iCo, and iCo shall have provided to Satellos a certificate of a senior executive officer of iCo certifying the same as at the Effective Date;
- (d) on the Effective Date, the outstanding securities of iCo shall be as set out in Section 6.2 of the iCo Disclosure Letter;
- (e) at the Effective Time, iCo shall have completed the Concurrent Financing for gross proceeds of not less than \$6,000,000; and

- (f) at the Effective Time, iCo shall have completed the incorporation of a wholly owned subsidiary for the purposes of the Spin Out.

6.3 Additional Conditions Precedent to the Obligations of iCo

The obligations of iCo to complete the transactions contemplated by this Agreement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Date or such other time as specified below (each of which is for the exclusive benefit of iCo and may be waived by iCo in whole or in part at any time):

- (a) all covenants of Satellos under this Agreement to be performed on or before the Effective Date shall have been duly performed by Satellos in all material respects, and iCo shall have received a certificate of Satellos, addressed to iCo and dated the Effective Date, signed by a senior executive officer of Satellos (on behalf of Satellos and without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of Satellos set forth in this Agreement shall be true and correct in all respects as at the Effective Date as though made on and as at the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Satellos; and iCo shall have received a certificate of Satellos addressed to iCo and dated the Effective Date, signed by a senior executive officer of Satellos (on behalf of Satellos and without personal liability), confirming the same as at the Effective Date;
- (c) since the date of this Agreement there shall not have occurred any Material Adverse Effect in respect of Satellos, and iCo shall have received a certificate of, addressed to iCo and dated the Effective Date, signed by a senior executive officer of Satellos (on Satellos' behalf and without personal liability), confirming the same as at the Effective Date;
- (d) on the Effective Date, the outstanding securities of Satellos shall be as set out in Section 6.3 of the Satellos Disclosure Letter;
- (e) holders of no more than 5% of the total issued and outstanding Satellos Shares shall have exercised Dissent Rights (and not withdrawn such exercise) and iCo shall have received a certificate of a senior executive officer of Satellos confirming the same as at the Effective Date; and
- (f) there shall be no outstanding indebtedness of Satellos other than as set out in the Satellos Disclosure Letter.

6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time.

6.5 Notice and Cure Provisions

Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Effective Time of any event or state of facts which occurrence or failure would, or would be likely to:

- (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Effective Time; or
- (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party hereunder prior to the Effective Time.

Satellos may not exercise its rights to terminate this Agreement pursuant to Section 8.2(c)(iii) and iCo may not exercise its right to terminate this Agreement pursuant to Section 8.2(d)(iii) unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of 10 Business Days from such notice, and then only if such matter has not been cured by such date. If such notice has been delivered prior to the making of the application for the Final Order or the iCo Meeting, such application and/or such filing shall be postponed until the expiry of such period.

ARTICLE 7 ADDITIONAL COVENANTS

7.1 Non-Solicitation

- (a) On and after the date hereof until the date upon which this Agreement is terminated, and except as otherwise expressly provided in this Section 7.1, neither Party shall, directly or indirectly, or through any of its Representatives, and shall cause its subsidiaries and their Representatives not to:
 - (i) solicit, initiate, encourage or facilitate (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals whatsoever which would constitute an Acquisition Proposal;
 - (ii) participate in any discussions or negotiations with any Person (other than the other Party hereto or its Representatives) regarding an Acquisition Proposal;
 - (iii) approve, accept, endorse or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal;
 - (iv) accept or enter into or publicly propose to accept or enter into, any agreement, understanding or arrangement or other contract in respect of an Acquisition Proposal; or

- (v) make a Change in Recommendation, unless (A) it does not relate to an Acquisition Proposal, (B) it is in response to any fact, event, change, development or circumstances not known by the iCo Board or Satellos Board, as applicable, as of the date hereof and (C) in the opinion of the iCo Board or Satellos Board, as applicable, acting in good faith and after receiving advice from its outside financial advisors and outside legal counsel, the iCo Board or Satellos Board is required to make a Change in Recommendation in order to comply with the fiduciary duties of such directors under applicable Law.
- (b) Except as otherwise provided in this Section 7.1, each Party shall, and shall cause its subsidiaries and its and their Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any Persons (other than the other Party and its Representatives) conducted heretofore by the Party, its subsidiaries or its or their respective Representatives with respect to any potential Acquisition Proposal and, in connection therewith, each Party will discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request (and exercise all rights it has to require) the return or destruction of all confidential information (including all material including or incorporating or otherwise reflecting any material confidential information) regarding the Party and its subsidiaries previously provided to any such Person or any other Person. Each Party agrees that, except as permitted by Section 7.1(c), neither it nor any of its subsidiaries shall terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to a potential Acquisition Proposal or any standstill agreement to which it or any of its subsidiaries is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into an announcement of this Agreement by the Parties, pursuant to the express terms of any such agreement, shall not be a violation of this Section 7.1(b)) and each of the Parties undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it or any of its subsidiaries have entered into prior to the date hereof; provided, however, that the foregoing shall not prevent the board of directors of a Party from considering an Acquisition Proposal that is reasonably likely to lead to a Superior Proposal and accepting a Superior Proposal that might be made by any such third party, in each case subject to the terms of this Agreement.
- (c) Notwithstanding Sections 7.1(a) and 7.1(b) and any other provision of this Agreement or of any other agreement between Satellos and iCo, if at any time following the date of this Agreement and prior to obtaining the iCo Shareholder Approval of the iCo Resolution at the iCo Meeting or the Satellos Shareholder Approval of the Arrangement Resolution at the Satellos Meeting, a Party (the "**Solicited Party**") receives a written Acquisition Proposal (that was not solicited after the date hereof in contravention of Section 7.1(a) and provided that the Solicited Party is in compliance with Sections 7.1(b) and 7.2(a)), the Solicited Party may (directly or through its advisors or Representatives):
 - (i) if it believes, acting in good faith, that the Acquisition Proposal would reasonably be expected to lead to a Superior Proposal, contact the Person(s) making such Acquisition Proposal and its advisors solely for the

purpose of clarifying such Acquisition Proposal and any material terms thereof and the conditions thereto and likelihood of consummation so as to determine whether such proposal is a Superior Proposal; and

- (ii) if, in the opinion of the Board of Directors of the Solicited Party, acting in good faith and after receiving advice from its outside financial advisors and outside legal counsel, the Acquisition Proposal constitutes, if consummated in accordance with its terms, a Superior Proposal, then, and only in such case, the Solicited Party may:
 - (A) furnish information with respect to such Party and its subsidiaries to the Person making such Acquisition Proposal; and/or
 - (B) participate in discussions or negotiations with, the Person making such Acquisition Proposal; and/or
 - (C) waive any standstill provision or agreement that would otherwise prohibit such Person from making an Acquisition Proposal,

provided that the Solicited Party shall not, and shall not allow its Representatives to, disclose any non-public information with respect to the Party to such Person (i) if such non-public information has not been previously provided to, or is not concurrently provided to, the other Party; (ii) without entering into a confidentiality and standstill agreement (if one has not already been entered into) which is customary in such situations and which is no less favourable to the other Party and no more favourable to the counterparty than the confidentiality and standstill provisions contained in the Confidentiality Agreement (an “**Acceptable Confidentiality Agreement**”); and (iii) without providing to the other Party a copy of such Acceptable Confidentiality Agreement and any information provided to the Person making such Acquisition Proposal.

7.2 Notification of Acquisition Proposals

- (a) A Solicited Party shall promptly notify the other Party, at first orally and then in writing within 24 hours of receipt of any proposal, inquiry, offer or request received by the Party or its Representatives after the date hereof (i) relating to an Acquisition Proposal or potential Acquisition Proposal or inquiry that could reasonably lead to or be expected to lead to an Acquisition Proposal; (ii) for discussions or negotiations in respect of an Acquisition Proposal or potential Acquisition Proposal; or (iii) for non-public information relating to the Solicited Party or its subsidiaries, access to properties, books and records or a list of the Solicited Party’s shareholders. Such notice shall indicate the identity of the Person making such proposal, inquiry or request, include a copy of the Acquisition Proposal and include a copy of any other documentation received by the Solicited Party or its Representatives and such other details of the Acquisition Proposal known to the Solicited Party as the other Party may reasonably request. The Solicited Party shall keep the other Party promptly and fully informed of the status, including any change to the material terms, of such proposal, inquiry, offer or request and shall respond promptly to all reasonable inquiries by the other Party with respect thereto and shall provide copies of any written documents or correspondence provided to the Solicited Party relating to such Acquisition Proposal.

- (b) Subject to Section 7.3(a) and provided that the Party has complied with this Section 7.2, at all times following the date of this Agreement and prior to obtaining the iCo Shareholder Approval and Satellos Shareholder Approval, if a Party (the “**Terminating Party**”) receives an Acquisition Proposal which the board of directors of the Terminating Party concludes in good faith constitutes a Superior Proposal, the Terminating Party may, subject to compliance with the procedures set forth in Section 8.2 and Section 8.3, terminate this Agreement to enter into a definitive agreement with respect to such Superior Proposal.

7.3 Responding to Acquisition Proposal and Superior Proposals

- (a) Notwithstanding Section 7.1 and subject to compliance with the obligations in Section 7.1 and Section 7.2, a Terminating Party may enter into a definitive agreement (a “**Proposed Agreement**”) with a third party providing for an Acquisition Proposal, if such Acquisition Proposal constitutes a Superior Proposal; provided that the Terminating Party may do so only after it has provided the other Party with written notice that the board of directors of the Terminating Party has determined that it has received a Superior Proposal (a “**Superior Proposal Notice**”), which identifies the party making the Superior Proposal, specifies the cash amount that the board of directors of the Terminating Party has ascribed to any non-cash consideration being offered in the Superior Proposal, and provides the other Party with a copy of all documentation related to the Superior Proposal and any Proposed Agreement, in each case not less than five (5) Business Days (the “**Response Period**”) prior to the proposed execution of such Proposed Agreement by the Terminating Party. For purposes of this Agreement, the Response Period shall expire at 5:00 p.m. (Vancouver time) on the fifth (5th) Business Day following the day on which the Superior Proposal Notice and Proposed Agreement were received by the other Party.
- (b) During the Response Period, the Terminating Party acknowledges and agrees that the other Party shall have the right, but not the obligation, to offer to amend the terms of this Agreement and the Plan of Arrangement in order to provide for terms at least equivalent to those provided for in the Superior Proposal. If the other Party does so, then the board of directors of the Terminating Party shall review any such proposal by the other Party to determine (acting in good faith and in accordance with its fiduciary duties) whether the Acquisition Proposal to which the Terminating Party is responding would continue to be a Superior Proposal when assessed against the amended Agreement and Plan of Arrangement as proposed by the other Party. If the board of directors of the Terminating Party determines that the Acquisition Proposal would thereby cease to be a Superior Proposal, it will cause the other Party to enter into an amendment to this Agreement and the Plan of Arrangement reflecting the offer by the other Party to amend the terms of this Agreement and Plan of Arrangement and will further agree not to enter into the applicable Proposed Agreement and not to withdraw, modify or change any recommendation regarding the Plan of Arrangement save and except to reaffirm its recommendation of the amended Plan of Arrangement.
- (c) If (i) the other Party does not offer to amend the terms of this Agreement and Plan of Arrangement within the Response Period or (ii) the board of directors of the Terminating Party determines acting in good faith and in the proper discharge of its fiduciary duties (after consultation with its financial advisor and after receiving advice from its outside legal counsel) that the Acquisition Proposal would

nonetheless remain a Superior Proposal with respect to the other Party's proposal to amend this Agreement and Plan of Arrangement, and therefore rejects the other Party's offer to amend the Plan of Arrangement and this Agreement, the Terminating Party shall be entitled to terminate this Agreement pursuant to Section 8.2 following the expiry of the Response Period and enter into the Proposed Agreement upon payment to the other Party of the amount payable pursuant to Section 8.3.

- (d) Each Party acknowledges and agrees that each successive material modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of the requirement of Section 7.3(a) to initiate an additional five (5) Business Day Response Period.
- (e) The board of directors of the Terminating Party shall promptly reaffirm its recommendation of the Arrangement by news release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or the Terminating Party determines that a proposed amendment to the terms of this Agreement as contemplated under Section 7.3(b) would result in an Acquisition Proposal constituting a Superior Proposal no longer being a Superior Proposal. The Terminating Party shall provide the other Party and its outside legal counsel with a reasonable opportunity to review the form and content of any such new release and shall make all reasonable amendments to such new release as requested by the other Party and its legal counsel.
- (f) Nothing in this Agreement shall prevent a Party from responding through a directors' circular or otherwise as required by applicable Laws to an Acquisition Proposal that it determines is not a Superior Proposal. The other Party and its advisors shall be given a reasonable opportunity to review and comment on the content of any directors' circular prior to its printing and the Party shall consider for inclusion all reasonable comments made by the other Party and its advisors.

7.4 Access to Information; Confidentiality

From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to compliance with applicable Law and the terms of any existing Contracts, each Party shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting advisors and agents to, afford to the other Party and to the officers, employees, agents and other Representatives of the other Party (upon reasonable advance notice and, at the option of the Party, with a Representative of the Party present), such reasonable access during regular business hours as the other Party may reasonably require at all reasonable times, without disruption to the conduct of the Party's business, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and Contracts of the Party and its subsidiaries, and shall furnish the other Party with all data and information as the Party may reasonably request. The Parties acknowledge and agree that information furnished pursuant to this Section 7.4 shall be subject to the terms and conditions of the Confidentiality Agreement.

7.5 Insurance and Indemnification

- (a) iCo shall be entitled to purchase run off directors' and officers' liability insurance for a period of up to six years from the Effective Date with the prior written consent of Satellos, not to be unreasonably withheld. iCo shall ensure that the notice of articles

and/or articles of iCo and its subsidiaries (or their respective successors) shall contain the provisions with respect to indemnification set forth in iCo's or the applicable subsidiary's current notice of articles and/or articles, which provisions shall not, except to the extent required by applicable Laws, be amended, repealed or otherwise modified for a period of six years from the Effective Date in any manner that would adversely affect any rights of indemnification of individuals who, immediately prior to the Effective Date, were directors or officers of iCo or any of its subsidiaries.

- (b) iCo agrees that it shall directly honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of iCo and its subsidiaries, to the extent that they are disclosed in Section 7.5(b) of the iCo Disclosure Letter, and acknowledges that such rights, to the extent they are disclosed in Section 7.5(b) of the iCo Disclosure Letter, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six years from the Effective Date.
- (c) The provisions of this Section 7.5 are intended for the benefit of, and shall be enforceable by, each insured or indemnified Person, his or her heirs and his or her legal representatives and, for such purpose. Furthermore, this Section 7.5 shall survive the termination of this Agreement as a result of the occurrence of the Effective Date for a period of six years.

7.6 Post-Closing Amalgamation

Immediately following the Effective Time, iCo and Satellos shall take all steps and do all things as are necessary to complete the Post-Closing Amalgamation.

ARTICLE 8 TERM, TERMINATION, AMENDMENT AND WAIVER

8.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with this Article 8.

8.2 Termination

Subject to the last paragraph of this Section 8.2, this Agreement, may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding any approval of this Agreement or the Arrangement Resolution by the iCo Shareholders or the Arrangement by the Court):

- (a) by mutual written agreement of iCo and Satellos;
- (b) by either iCo or Satellos, if:
 - (i) the Effective Date shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.2(b)(i) shall not be available to any Party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under this Agreement

has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date;

- (ii) after the date hereof, there shall be enacted or made any applicable Law or there shall exist any injunction or court order that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins iCo or Satellos from consummating the Arrangement and such applicable Law, injunction or court order shall have become final and non-appealable;
 - (iii) the Arrangement Resolution shall have failed to obtain the Satellos Shareholder Approval at the Satellos Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order; or
 - (iv) the iCo Resolution shall have failed to obtain the iCo Shareholder Approval at the iCo Meeting (including any adjournment or postponement thereof);
- (c) by Satellos, if:
- (i) Satellos, subject to complying with the terms of this Agreement including Section 7.3, proposes to enter into a Proposed Agreement with respect to a Superior Proposal; provided that concurrently with such termination, Satellos pays the Termination Fee payable pursuant to Section 8.3;
 - (ii) prior to obtaining the iCo Shareholder Approval, the iCo Board shall (i) withdraw, qualify, modify, change or amend in any manner adverse to the transactions contemplated by this Agreement or Satellos, or publicly propose to withdraw, qualify, modify, change or amend in any manner adverse to the transactions contemplated by this Agreement or Satellos, the iCo Board's recommendation of the Arrangement, (ii) adopt or recommend an Acquisition Proposal (it being understood that taking a neutral position or no position with respect to any Acquisition Proposal shall be considered a violation of this clause (ii)), (iii) fail to make or reaffirm the iCo Board's recommendation of the Arrangement within three (3) Business Days (and in any case prior to the iCo Meeting) after having been requested in writing by Satellos to do so, including for greater certainty in the circumstances described in Section 7.1(a)(v), (iv) approve or recommend, or publicly propose to approve or recommend, or cause or permit iCo or any of its subsidiaries to execute or enter into any agreement (other than an Acceptable Confidentiality Agreement pursuant to Section 7.1(c)(ii)), arrangement or understanding, including any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement with respect to an Acquisition Proposal, or (v) resolve or publicly propose to take any action described in the foregoing clauses (i) through (iv) (each of the foregoing actions described in clauses (i) through (v) being referred to as a "**Change in Recommendation**");
 - (iii) any of the conditions set forth in Section 6.1 or Section 6.2 have not been satisfied or waived by the Outside Date or it is clear that such condition is incapable of being satisfied by the Outside Date provided that Satellos is

not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied;

- (iv) subject to Section 6.5, iCo breaches any representation or warranty of iCo set forth in this Agreement which breach would, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect on iCo, or iCo breaches any covenant (with the exception of the covenants contained in Sections 7.1, 7.2 and 7.3), or other obligation made in this Agreement, in each case, in any material respect; provided that Satellos is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied;
 - (v) iCo is in breach or in default of any of its obligations or covenants set forth in (i) Section 7.1 or, (ii) in any material respect, Sections 7.2 or 7.3;
 - (vi) the iCo Meeting has not occurred on or before May 31, 2021 or such later date to which the iCo Meeting may have been postponed or adjourned in accordance with Section 2.3(a) provided that the right to terminate this Agreement pursuant to this Section 8.2(c)(v) shall not be available to Satellos if the failure by Satellos to fulfil any obligation hereunder is the cause of, or results in, the failure of the iCo Meeting to occur on or before such date;
 - (vii) iCo provides Satellos with a Superior Proposal Notice; or
 - (viii) if there shall occur after the date hereof any change, effect, event, circumstance or fact that constitutes a Material Adverse Effect in respect of iCo and its subsidiaries, taken as a whole;
- (d) by iCo, if:
- (i) iCo, subject to complying with the terms of this Agreement including Section 7.3, proposes to enter into a Proposed Agreement with respect to a Superior Proposal; provided that concurrently with such termination, iCo pays the Expense Reimbursement Fee payable pursuant to Section 8.3;
 - (ii) prior to obtaining the Satellos Shareholder Approval, the Satellos Board shall (i) withdraw, qualify, modify, change or amend in any manner adverse to the transactions contemplated by this Agreement or iCo, or publicly propose to withdraw, qualify, modify, change or amend in any manner adverse to the transactions contemplated by this Agreement or iCo, the Satellos Board's recommendation of the Arrangement, (ii) adopt or recommend an Acquisition Proposal (it being understood that taking a neutral position or no position with respect to any Acquisition Proposal shall be considered a violation of this clause (ii)), (iii) fail to make or reaffirm the Satellos Board's recommendation of the Arrangement within three (3) Business Days (and in any case prior to the Satellos Meeting) after having been requested in writing by iCo to do so, including for greater certainty in the circumstances described in Section 7.1(a)(v), (iv) approve or recommend, or publicly propose to approve or recommend, or cause or permit Satellos or any of its subsidiaries to execute or enter into any agreement (other than an Acceptable Confidentiality Agreement pursuant

to Section 7.1(c)(ii)), arrangement or understanding, including any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement with respect to an Acquisition Proposal, or (v) resolve or publicly propose to take any action described in the foregoing clauses (i) through (iv) (each of the foregoing actions described in clauses (i) through (v) being referred to as a “**Change in Recommendation**”);

- (iii) any of the conditions set forth in Section 6.1 or Section 6.3 have not been satisfied or waived by the Outside Date or it is clear that such condition is incapable of being satisfied by the Outside Date, provided that iCo is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied;
- (iv) subject to Section 6.5, Satellos breaches any representation or warranty of Satellos set forth in this Agreement which breach would, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect on Satellos, or Satellos breaches any covenant (with the exception of the covenants contained in Sections 7.1, 7.2 and 7.3) or other obligation made in this Agreement, in each case, in any material respect; provided that iCo is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied;
- (v) Satellos is in breach or in default of any of its obligations or covenants set forth in (i) Section 7.1 or, (ii) in any material respect, Sections 7.2 or 7.3;
- (vi) the Satellos Meeting has not occurred on or before May 31, 2021 or such later date to which the Satellos Meeting may have been postponed or adjourned in accordance with Section 2.3(a) provided that the right to terminate this Agreement pursuant to this Section 8.2(c)(v) shall not be available to iCo if the failure by iCo to fulfil any obligation hereunder is the cause of, or results in, the failure of the Satellos Meeting to occur on or before such date;
- (vii) Satellos provides iCo with a Superior Proposal Notice; or
- (viii) if there shall occur after the date hereof any change, effect, event, circumstance or fact that constitutes a Material Adverse Effect in respect of Satellos and its subsidiaries, taken as a whole.

The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2(a)) shall give notice of such termination to the other Party. If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and of no effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or Representative of such Party) to any other Party hereto, except as otherwise expressly contemplated hereby, and provided that the provisions of this paragraph and Sections 7.4, 7.5, 8.3, 9.3, 9.4, 9.5 and 9.7 and the provisions of the Confidentiality Agreement (pursuant to the terms set out therein) shall survive any termination hereof pursuant to Section 8.2; provided further that neither the termination of this Agreement nor anything contained in this Section 8.2 shall relieve a Party from any liability for breach of this Agreement arising prior to such termination.

8.3 Termination Fee, Expense Reimbursement Fee and Expenses

- (a) iCo shall be entitled to a fee of \$500,000 (the “**Termination Fee**”) upon the occurrence of any of the following events (each a “**Termination Fee Event**”) which shall be paid by Satellos within the time specified in respect of each such Termination Fee Event:
- (i) This Agreement is terminated by iCo pursuant to Section 8.2(d)(ii), Section 8.2(d)(v) or Section 8.2(d)(vii) in which case the Termination Fee shall be paid on the first Business Day following such termination;
 - (ii) This Agreement is terminated by Satellos pursuant to Section 8.2(c)(i), in which case the Termination Fee shall be paid concurrent with such termination; or
 - (iii) This Agreement is terminated by either Party pursuant to Section 8.2(b)(iii), but only if, in the case of this Section 8.3(a)(iii), prior to the earlier of the termination of this Agreement or the holding of the Satellos Meeting, an Acquisition Proposal shall have been made to Satellos, or the intention to make an Acquisition Proposal with respect to Satellos shall have been publicly announced by any Person (other than iCo) and within twelve months following the date of such termination:
 - (A) an Acquisition Proposal is consummated by Satellos (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in (iii) above); or
 - (B) Satellos and/or one or more of its subsidiaries enters into a definitive agreement in respect of, or the Satellos Board approves or recommends, an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in (iii) above) and at any time thereafter (whether or not within twelve months following the date of termination of this Agreement), such Acquisition Proposal is consummated;in which case the Termination Fee shall be payable within two Business Days following the closing of the applicable transaction referred to therein.
- (b) Satellos shall be entitled to a fee of \$250,000 (the “**Expense Reimbursement Fee**”) upon the occurrence of any of the following events (each an “**Expense Reimbursement Fee Event**”) which shall be paid by iCo within the time specified in respect of each such Expense Reimbursement Fee Event:
- (i) This Agreement is terminated by Satellos pursuant to Section 8.2(c)(ii), 8.2(c)(v), or Section 8.2(c)(vii) in which case the Expense Reimbursement Fee shall be paid on the first Business Day following such termination;
 - (ii) This Agreement is terminated by iCo pursuant to Section 8.2(d)(i), in which case the Expense Reimbursement Fee shall be paid concurrent with such termination; or

- (iii) This Agreement is terminated by either Party pursuant to Section 8.2(b)(iv), but only if, in the case of this Section 8.3(b)(iii), prior to the earlier of the termination of this Agreement or the holding of the iCo Meeting, an Acquisition Proposal shall have been made to iCo, or the intention to make an Acquisition Proposal with respect to iCo shall have been publicly announced by any Person (other than Satellos) and within twelve months following the date of such termination:
- (A) an Acquisition Proposal is consummated by iCo (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in (iii) above); or
 - (B) iCo and/or one or more of its subsidiaries enters into a definitive agreement in respect of, or the iCo Board approves or recommends, an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in (iii) above) and at any time thereafter (whether or not within twelve months following the date of termination of this Agreement), such Acquisition Proposal is consummated;

in which case the Expense Reimbursement Fee shall be payable within two Business Days following the closing of the applicable transaction referred to therein.

- (c) The Termination Fee and Expense Reimbursement Fee shall be payable by the applicable Party to the other Party by wire transfer in immediately available funds to an account specified in writing by the other Party.
- (d) Each of the Parties acknowledges that the agreements contained in this Section 8.3 are an integral part of the transactions contemplated in this Agreement and that, without those agreements, the Parties would not enter into this Agreement. Each of the Parties acknowledges that the Termination Fee and Expense Reimbursement Fee, as applicable, is a payment of liquidated damages which is a genuine estimate of the damages, which the other Party will suffer or incur as a result of the event giving rise to such payment and the resultant non-completion of the Arrangement, and is not a penalty. Each Party irrevocably waives any right it may have to raise as a defense that any such liquidated damages are excessive or punitive. Each Party hereby acknowledges and agrees that, upon any termination of this Agreement under circumstances where a Party is entitled to the Termination Fee or Expense Reimbursement Fee and such Termination Fee or Expense Reimbursement Fee is paid in full, such Party shall be precluded from any other remedy against the other Party at law or in equity or otherwise (including, without limitation, an order for specific performance), and shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against the other Party or any of its subsidiaries or any of their respective directors, officers, employees, partners, managers, members, shareholders or affiliates in connection with this Agreement or the transactions contemplated hereby, other than with respect to Section 8.3(g).
- (e) Nothing in this Section 8.3 shall relieve or have the effect of relieving any Party in any way from liability for damages incurred or suffered by a Party as a result of a knowing and intentional breach of this Agreement.

- (f) Nothing in this Section 8.3 shall preclude a Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement or otherwise to obtain specific performance of any such covenants or agreements, without the necessity of posting bond or security in connection therewith.
- (g) All legal fees and other expenses incurred in connection with this Agreement and the Arrangement will be borne separately by the respective Party incurring such fees and other expenses; however all fees and expenses relating to the preparation of this Agreement and all ancillary documents hereto will be borne jointly, in equal proportion by the Parties.

ARTICLE 9

GENERAL PROVISIONS

9.1 Amendment

This Agreement and, subject to Section 6.01 thereof, the Plan of Arrangement, may, at any time and from time to time before or after the holding of the Satellos Meeting and iCo Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, and any such amendment may, subject to the Interim Order and the Final Order and applicable Law, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify the performance of any of the obligations of the Parties; and/or
- (d) waive compliance with or modify any mutual conditions precedent herein contained.

9.2 Waiver

Any Party may (i) extend the time for the performance of any of the obligations or acts of the other Party, (ii) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfilment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party; *provided, however*, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

9.3 Notices

All notices and other communications given or made pursuant hereto shall be sent by email and shall be deemed to have been duly given or made as of the date sent by email, or as of the following Business Day if sent by email after 5:00pm (Vancouver time) or on a day that is not a Business Day, to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

(a) if to Satellos:

Satellos Bioscience Inc.
 #201, 65 Front Street E.
 Toronto, Ontario M5E 1B5
 Attention: [Redacted]
 E-mail: [Redacted]

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

Borden Ladner Gervais LLP
 World Exchange Plaza
 100 Queen Street, Suite 1300
 Ottawa, ON K1P 1J9
 Attention: [Redacted]
 Email: [Redacted]

(b) if to iCo:

iCo Therapeutics Inc.
 6th Floor, 777 Hornby Street
 Vancouver, BC V6Z 1S4
 Attention: [Redacted]
 Email: [Redacted]

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

Blake, Cassels & Graydon LLP
 595 Burrard Street
 Suite 2600, Three Bentall Centre
 Vancouver, BC V7X 1L3
 Attention: [Redacted]
 Email: [Redacted]

9.4 Governing Law; Waiver of Jury Trial

This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein. Each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and waives any defences to the maintenance of an action in the Courts of the Province of British Columbia. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT.

9.5 Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not

performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions and other equitable relief to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

9.6 Time of Essence

Time shall be of the essence in this Agreement.

9.7 Entire Agreement, Binding Effect and Assignment

This Agreement, the Plan of Arrangement and the Confidentiality Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the parties, or any of them, with respect to the subject matter hereof and thereof and, except as expressly provided herein, this Agreement is not intended to and shall not confer upon any Person other than the Parties any rights or remedies hereunder. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either of the Parties without the prior written consent of the other Party.

9.8 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

9.9 Counterparts, Execution

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement (including by email attachment), and such facsimile or similar executed electronic copy (including by email attachment) shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF Satellos and iCo have caused this Agreement to be executed as of the date first written above.

SATELLOS BIOSCIENCE INC.

By: (signed) *Frank Gleeson*
Name: Frank Gleeson
Title: President and Chief Executive Officer

ICO THERAPEUTICS INC.

By: (signed) *William Jarosz*
Name: William Jarosz
Title: Chief Executive Officer

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SCHEDULE A
PLAN OF ARRANGEMENT

**PLAN OF ARRANGEMENT
UNDER SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT**

ARTICLE ONE

DEFINITIONS AND INTERPRETATION

Section 1.01 *Definitions*

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

- (a) **“Arrangement”** means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto in accordance with Section **Error! Reference source not found.** of the Arrangement Agreement and Section 6.01 of this Plan of Arrangement or at the direction of the Court in the Interim Order or Final Order.
- (b) **“Arrangement Agreement”** means the arrangement agreement dated as of March 18, 2021 between iCo and Satellos, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.
- (c) **“Arrangement Resolution”** means the special resolution of the Satellos Shareholders approving this Plan of Arrangement, to be considered at the Satellos Meeting, substantially in the form attached as Schedule B to the Arrangement Agreement, subject to any amendments or variations thereto in accordance with Section **Error! Reference source not found.** of the Arrangement Agreement and Section 6.01 of this Plan of Arrangement or at the direction of the Court in the Interim Order or Final Order.
- (d) **“Articles of Arrangement”** means the articles of arrangement of Satellos in respect of the Arrangement, required by the CBCA to be sent to the Director after the Final Order is made, which shall be in form and content satisfactory to Satellos and iCo, each acting reasonably;
- (e) **“Business Day”** means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia.
- (f) **“CBCA”** means the *Canada Business Corporations Act* and the regulations made thereunder, as promulgated or amended from time to time, and includes any successor thereto.
- (g) **“Certificate of Arrangement”** means the certificate giving effect to the Arrangement issued by the Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement;
- (h) **“Consideration”** means the consideration to be received by the Satellos Shareholders pursuant to this Plan of Arrangement in exchange for their Satellos Shares, consisting of such number of iCo Shares as is equal to the Exchange Ratio multiplied by the number of Satellos Shares being exchanged.

- (i) **“Court”** means the Supreme Court of British Columbia.
- (j) **“Depository”** means any nationally recognized trust company, bank or financial institution engaged by iCo and Satellos for the purpose of, among other things, receiving Letters of Transmittal, receiving deposits of certificates formerly representing Satellos Shares and distributing certificates representing the iCo Shares issued as the Consideration.
- (k) **“Director”** means the Director appointed pursuant to Section 260 of the CBCA;
- (l) **“Dissent Rights”** has the meaning ascribed thereto in Article 3.01.
- (m) **“Dissenting Shareholder”** means a registered holder of Satellos Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their Satellos Shares.
- (n) **“DRS Advice”** means a Direct Registry System Advice.
- (o) **“Effective Date”** means the date shown on the Certificate of Arrangement.
- (p) **“Effective Time”** means 12:01 a.m. (Vancouver time) on the Effective Date.
- (q) **“Exchange Ratio”** means 30.11 iCo Shares for each Satellos Share, which will result in the Satellos Shareholders immediately prior to the Effective Time owning, in aggregate, 370,000,000 of the issued and outstanding iCo Shares immediately after the Effective Time.
- (r) **“Final Order”** means the final order of the Court approving the Arrangement pursuant to Section 192 of the CBCA, after a hearing upon the fairness of the terms and conditions of the Arrangement, in a form acceptable to Satellos and iCo, acting reasonably, as such order may be amended by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal.
- (s) **“Former Satellos Shareholders”** means the holders of Satellos Shares immediately prior to the Effective Time.
- (t) **“iCo Shares”** means the common shares in the authorized share structure of iCo, as currently constituted.
- (u) **“Interim Order”** means the interim order of the Court made in connection with the Arrangement in a form acceptable to Satellos and iCo, acting reasonably, providing for, among other things, the calling and holding of the Satellos Meeting, as the same may be amended, supplemented or varied by the Court with the consent of the Parties, acting reasonably.
- (v) **“Letter of Transmittal”** means the letter of transmittal to be sent to Satellos Shareholders for use in connection with the Arrangement.
- (w) **“Lien”** means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third Person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right

or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

- (x) **“Parties”** means Satellos and iCo and **“Party”** means either of them.
- (y) **“Plan of Arrangement”** means this plan of arrangement and any amendments or variations hereto made in accordance with Section 9.1 of the Arrangement Agreement or Section 6.01 of this plan of arrangement or made at the direction of the Court.
- (z) **“Replacement Option”** means an option to purchase an iCo Share in exchange for each outstanding Satellos Option at the Effective Time pursuant to section 2.04(g) hereof.
- (aa) **“Replacement Option In-The Money Amount”** in respect of a Replacement Option means the amount, if any, by which the total fair market value (determined immediately after the Effective Time) of the iCo Shares that a holder is entitled to acquire on exercise of the Replacement Option at and from the Effective Time exceeds the amount payable to acquire such shares.
- (bb) **“Satellos Meeting”** means the special and annual meeting of Satellos Shareholders, including any adjournment or postponement thereof, to be held to consider, among other things, the Arrangement Resolution.
- (cc) **“Satellos Options”** means the outstanding options to purchase Satellos Shares issued pursuant to the Satellos Option Plan;
- (dd) **“Satellos Option Plan”** means the stock option plan of Satellos approved by the Satellos board of directors on November 1, 2018 and as further amended from time to time.
- (ee) **“Satellos Option In-The Money Amount”** in respect of a Satellos Option means the amount, if any, by which the total fair market value (determined immediately before the Effective Time) of the Satellos Shares that a holder is entitled to acquire on exercise of the Satellos Option immediately before the Effective Time exceeds the amount payable to acquire such shares.
- (ff) **“Satellos Shareholders”** means the holders of Satellos Shares.
- (gg) **“Satellos Shares”** means the common shares in the authorized share capital of Satellos, as currently constituted.
- (hh) **“Satellos Warrants”** means the outstanding warrants to purchase Satellos Shares, as set forth in the Arrangement Agreement.
- (ii) **“Tax Act”** means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.
- (jj) **“U.S. Holder”** means a person in or a resident of the United States.
- (kk) **“U.S. Securities Act”** means the *United States Securities Act of 1933* as the same has been, and hereinafter from time to time may be, amended.
- (ll) **“U.S. Tax Code”** means the United States *Internal Revenue Code of 1986*, as amended.

In addition, words and phrases used herein and defined in the CBCA and not otherwise defined herein shall have the same meaning herein as in the CBCA unless the context otherwise requires.

Section 1.02 *Interpretation Not Affected by Headings*

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

Section 1.03 *Number, Gender and Persons*

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

Section 1.04 *Date for any Action*

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.05 *Statutory References*

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

Section 1.06 *Currency*

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

Section 1.07 *Governing Law*

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 1.07 *U.S. Securities Law Matters*

Notwithstanding any provision herein to the contrary, this Plan of Arrangement will be carried out with the intention that all iCo Shares to be issued to Satellos Shareholders in exchange for their Satellos Shares pursuant to this Plan of Arrangement, as applicable, will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by section 3(a)(10) thereof, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement.

ARTICLE TWO ARRANGEMENT

Section 2.01 *Arrangement Agreement*

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

Section 2.02 *Binding Effect*

This Plan of Arrangement constitutes an arrangement as referred to in section 192 of the CBCA. The Arrangement will become effective at, and be binding at and after, the Effective Time on: (i) Satellos; (ii) iCo (iii) all Satellos Shareholders (including Dissenting Shareholders); and (iv) the Depositary, without any further act or formality required on the part of any person, except as expressly provided herein.

Section 2.02 *No Liens*

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

Section 2.04 *Arrangement*

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two-minute intervals starting at the Effective Time (unless otherwise indicated):

- (a) Subject to Section 3.01 hereof, each Satellos Share held by a Dissenting Shareholder shall be deemed to have been transferred without any further act or formality to Satellos in consideration for a debt claim against Satellos for the amount determined under Article 3, and
 - (i) such Dissenting Shareholder shall cease to be the holder of such Satellos Shares and to have any rights as a Satellos Shareholder other than the right to be paid fair value for such Satellos Shares as set out in Section 3.01;
 - (ii) such Dissenting Shareholder's name shall be removed as the holder of such Satellos Shares from the register of Satellos Shares maintained by or on behalf of Satellos; and
 - (iii) the Satellos Shares so transferred shall be cancelled; and
- (b) each Satellos Share held by a Satellos Shareholder (other than a Dissenting Shareholder, iCo or any subsidiary of iCo) shall, without any further action by or on behalf of any Satellos Shareholder, be deemed to be assigned and transferred by the holder thereof to iCo in exchange for the Consideration, and
 - (i) each holder of such Satellos Shares shall cease to be the holder thereof and to have any rights as a Satellos Shareholder other than the right to be paid the Consideration in respect of such Satellos Shares in accordance with this Plan of Arrangement;

- (ii) the name of each such holder shall be removed from the register of the Satellos Shares maintained by or on behalf of Satellos; and
- (iii) iCo shall be deemed to be the transferee of such Satellos Shares free and clear of all Liens and shall be entered in the register of the Satellos Shares maintained by or on behalf of Satellos.

Section 2.05 *No Fractional Consideration*

No fractional iCo Shares shall be issued to Former Satellos Shareholders. The number of iCo Shares to be issued to Former Satellos Shareholders shall be rounded down to the nearest whole iCo Share in the event that a Former Satellos Shareholder is entitled to a fractional share.

Section 2.06 *Satellos Warrants*

In accordance with the terms of each Satellos Warrant, each holder of a Satellos Warrant outstanding immediately prior to the Effective Time shall receive upon the subsequent exercise of such holder's Satellos Warrant, in accordance with its terms, and shall accept in lieu of each Satellos Share to which such holder was theretofore entitled upon such exercise (including payment of the same aggregate consideration), such number of iCo Shares that is equal to: (i) the number of Satellos Shares to which the holder was entitled; multiplied by (ii) the Exchange Ratio.

Section 2.06 *Satellos Options*

In accordance with the terms of the Satellos Option Plan, each Satellos Option outstanding immediately prior to the Effective Time shall be exchanged for a Replacement Option to acquire from iCo, other than as provided herein, the number of iCo Shares equal to the product of: (A) the number of Satellos Shares subject to such Satellos Option immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of an iCo Share on any particular exercise of Replacement Options, then the number of iCo Shares otherwise issued shall be rounded down to the nearest whole number of iCo Shares. The exercise price per iCo Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per Satellos Share subject to each such Satellos Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of a Satellos Option for a Replacement Option. Therefore, in the event that the Replacement Option In-The Money Amount in respect of a Replacement Option exceeds the Satellos Option In-The Money Amount in respect of the Satellos Option for which it is exchanged, the number of iCo Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the Satellos Option In-The Money Amount in respect of the Satellos Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. Each Replacement Option shall continue to be governed by and be subject to the terms of the Satellos Option Plan and the agreement evidencing the grant of such Satellos Options.

**ARTICLE THREE
DISSENT RIGHTS**

Section 3.01 *Dissent Rights*

Registered Satellos Shareholders (other than iCo and its affiliates) may exercise dissent rights with respect to Satellos Shares held by such Dissenting Shareholders (“**Dissent Rights**”), in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order and this Section 3.01; provided that, notwithstanding Section 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in Section 190(5) of the CBCA must be received by Satellos not later than 5:00 p.m. (Vancouver time) one Business Day immediately preceding the date of the Satellos Meeting (as it may be adjourned or postponed from time to time). Each Dissenting Shareholder who duly exercises its Dissent Rights in accordance with this Section 3.01, shall be deemed to have transferred all Satellos Shares held by such Dissenting Shareholder and in respect of which Dissent Rights have been validly exercised, to Satellos free and clear of all Liens, as provided in Section 2.04(a) and if such Dissenting Shareholder:

- (a) is ultimately entitled to be paid fair value for its Satellos Shares, such Dissenting Shareholder: (i) shall be deemed not to have participated in the transactions in Section 2.04 (other than Section 2.04(a)); (ii) will be entitled to be paid the fair value of such Satellos Shares by iCo, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the Business Day immediately preceding the date on which the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement if such Dissenting Shareholder had not exercised its Dissent Rights in respect of such Satellos Shares; or
- (b) ultimately is not entitled, for any reason, to be paid fair value for such Satellos Shares, such Dissenting Shareholder shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Satellos Shares and shall be entitled to receive only the Consideration contemplated by Section 2.04(b) hereof that such Dissenting Shareholder would have received pursuant to the Arrangement if such Dissenting Shareholder had not exercised its Dissent Rights. but in no case shall iCo, Satellos or any other person be required to recognize holders of Satellos Shares who exercise Dissent Rights as holders of Satellos Shares after the time that is immediately prior to the Effective Time, and the names of such holders of Satellos Shares who exercise Dissent Rights shall be deleted from the central securities register as holders of Satellos Shares at the Effective Time and Satellos shall be recorded as the registered holder of the Satellos Shares so transferred and such Satellos Shares will be cancelled.

In no circumstances shall iCo, Satellos or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of the Satellos Shares in respect of which such Dissent Rights are purported to be exercised. For greater certainty, in no case shall iCo, Satellos or any other Person be required to recognize any Dissenting Holder as a holder of Satellos Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.04(a), and the name of such Dissenting Holder shall be removed from the register of Satellos Shareholders as to those Satellos Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.04(a) occurs. In addition to any other restrictions under Section 190 of the CBCA, none of the following Persons shall be entitled to exercise Dissent Rights: (i) any holder of a Satellos Option; (ii) any holder of a Satellos Warrant; and (iii) any Satellos Shareholder

who votes or has instructed a proxyholder to vote such Satellos Shareholder's Satellos Shares in favour of the Arrangement Resolution (but only in respect of such Satellos Shares).

ARTICLE FOUR DELIVERY OF ICO SHARES

Section 4.01 Delivery of iCo Shares

- (a) Following the receipt of the Final Order and prior to the Effective Date, iCo shall deliver or arrange to be delivered to the Depositary the Consideration required to be issued to Former Satellos Shareholders in accordance with the provisions of Section 2.04, which securities shall be held by the Depositary as agent and nominee for such Former Satellos Shareholders for distribution to such Former Satellos Shareholders.
- (b) Upon surrender to the Depositary of a duly completed and validly executed Letter of Transmittal, together with one or more certificates or DRS Advices, such other documents and instruments as would have been required to effect the transfer of the Satellos Shares formerly represented by such certificate under the CBCA and the by-laws of Satellos and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, certificates or DRS Advices representing the iCo Shares that such holder is entitled to receive in accordance with Section 2.04. After the Effective Time, the Depositary shall cause the Consideration to be delivered to the Former Satellos Shareholder as instructed by such holder in the Letter of Transmittal.
- (c) After the Effective Time and until surrendered for cancellation as contemplated by Section 4.01(b), each certificate or DRS Advice that immediately prior to the Effective Time represented one or more Satellos Shares shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 2.04.

Section 4.02 Lost Certificates

In the event any certificate, that immediately prior to the Effective Time represented one or more outstanding Satellos Shares that were exchanged for iCo Shares in accordance with Section 2.04, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, certificate representing iCo Shares that such holder is entitled to receive in accordance with Section 2.04. When authorizing such delivery of certificates representing iCo Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom certificates representing such iCo Shares is to be delivered shall, as a condition precedent to the delivery of such iCo Shares, give a bond satisfactory to iCo and the Depositary in such amount as iCo and the Depositary may direct, or otherwise indemnify iCo and the Depositary in a manner satisfactory to iCo and the Depositary, against any claim that may be made against iCo or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Satellos.

Section 4.03 *Distributions with Respect to Unsurrendered Certificates*

No dividend or other distribution declared or made after the Effective Time with respect to iCo Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Satellos Shares unless and until the holder of such certificate shall have complied with the provisions of Section 4.01 or Section 4.02. Subject to applicable law and to Section 4.04, at the time of such compliance, there shall, in addition to the delivery of certificates representing iCo Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such iCo Shares.

Section 4.04 *Withholding Rights*

iCo, Satellos and the Depository shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person hereunder and from all dividends or other distributions otherwise payable to any Former Satellos Shareholders such amounts as iCo, Satellos or the Depository may be required or permitted to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted, such amounts shall be treated for all purposes under this Agreement as having been paid to the person to whom such amounts would otherwise have been paid, provided that such deducted or withheld amounts are actually remitted to the appropriate taxation authority. To the extent the amount required to be deducted or withheld from any consideration payable or otherwise deliverable to any Person hereunder exceeds the amount of cash consideration, if any, otherwise payable to the Person, any of iCo, Satellos or the Depository is hereby authorized to sell or otherwise dispose of any non-cash consideration payable to the Person as is necessary to provide sufficient funds to iCo, Satellos or the Depository, as the case may be, to enable it to comply with all deduction or withholding requirements applicable to it, and iCo, Satellos and the Depository shall notify such Person and remit to such Person any unapplied balance of the net proceeds of such sale.

Section 4.05 *Limitation and Proscription*

To the extent that a Former Satellos Shareholder shall not have complied with the provisions of Section 4.01 or Section 4.02 on or before the date that is six years after the Effective Date (the “**Final Proscription Date**”), then the iCo Shares that such Former Satellos Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such iCo Shares, to which such Former Satellos Shareholder was entitled, shall be delivered to iCo by the Depository and the share certificates shall be cancelled by iCo, and the interest of the Former Satellos Shareholder in such iCo Shares to which it was entitled shall be terminated as of such Final Proscription Date.

ARTICLE FIVE SATELLOS WARRANTS AND REPLACEMENT OPTIONS

Section 5.01 *Exercise of Satellos Warrants and Satellos Options Post-Effective Time*

Upon any exercise of a Satellos Warrant or Replacement Option following the Effective Time, Satellos shall cause iCo to issue the necessary the number of iCo Shares needed to settle such exercise.

**ARTICLE SIX
AMENDMENTS AND WITHDRAWAL**

Section 6.01 *Amendments to Plan of Arrangement*

- (a) iCo and Satellos reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by iCo and Satellos, (iii) filed with the Court and, if made following the Satellos Meeting, approved by the Court, and (iv) communicated to Satellos Shareholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Satellos at any time prior to the Satellos Meeting provided that iCo shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Satellos Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Satellos Meeting shall be effective only if: (i) it is consented to in writing by each of iCo and Satellos; and (ii) if required by the Court, it is consented to by the Satellos Shareholders voting in the manner directed by the Court.
- (d) Notwithstanding Section 6.01(a), iCo and Satellos may, at any time following the Effective Time, amend, modify or supplement this Plan of Arrangement without the approval of the Satellos Shareholders or the Court provided that each amendment, modification or supplement (i) must be set out in writing, (ii) must concern a matter which, in the reasonable opinion of each of iCo and Satellos is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement, and (iii) is not adverse to the economic interests of any Former Satellos Shareholders or holders of Satellos securities.

Section 6.02 *Withdrawal*

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

**ARTICLE SEVEN
MISCELLANEOUS**

Section 7.01 *Further Assurances*

Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order further to document or evidence any of the transactions or events set out herein.

Section 7.02 *Paramountcy*

From and after the Effective Time:

- (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to the Satellos Shares;
- (b) the rights and obligations of the holders of Satellos Shares and any trustee and transfer agent therefor, shall be solely as provided for in this Plan of Arrangement; and
- (c) all actions, causes of action, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to Satellos Shares shall be deemed to have been settled, compromised, released and determined without any liability except as set forth herein.

SCHEDULE B
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* (the “**CBCA**”) involving Satellos Bioscience Inc. (“**Satellos**”), all as more particularly described and set forth in the Management Proxy Circular (the “**Proxy Circular**”) of Satellos dated ●, 2021, accompanying the notice of this meeting (as the Arrangement may be modified or amended), is hereby authorized, approved and adopted;
2. The plan of arrangement, as it may be or has been amended (the “**Plan of Arrangement**”), involving Satellos and implementing the Arrangement, the full text of which is set out in Appendix B to the Proxy Circular, is hereby authorized, approved and adopted;
3. The arrangement agreement (the “**Arrangement Agreement**”) between Satellos and iCo Therapeutics Inc. dated March 18 2021 and all the transactions contemplated therein, the actions of the directors of Satellos in approving the Arrangement and the actions of the officers of Satellos in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved;
4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Satellos are hereby authorized and empowered, without further notice to, or approval of, any securityholders of Satellos:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement;
5. Any one or more directors or officers of Satellos is hereby authorized, for and on behalf and in the name of Satellos, to execute and deliver, whether under corporate seal of Satellos or not, all such agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
 - (a) all actions required to be taken by or on behalf of Satellos, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Satellos; such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE C

KEY REGULATORY APPROVALS

Key Regulatory Approvals Related to Satellos

- TSXV Approval is required to complete the Arrangement.

Key Regulatory Approvals Related to iCo

- TSXV Approval is required to complete the Arrangement.

SCHEDULE D

KEY THIRD PARTY CONSENTS

Key Third Party Consents Related to Satellos

- Nil.

Key Third Party Consents Related to iCo

- Nil.

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SCHEDULE E

FORM OF SATELLOS LOCK-UP AGREEMENT

VOTING AND SUPPORT AGREEMENT

THIS AGREEMENT is made as of March _____, 2021

BETWEEN:

The person executing this Agreement as “Satellos Securityholder” on the signature page hereof
(the “**Satellos Securityholder**”)

- and -

ICO THERAPEUTICS INC.

a corporation existing under the laws of the British Columbia

(“**iCo**”)

WHEREAS iCo and Satellos Bioscience Inc., a company existing under the laws of Canada (“**Satellos**”) have entered into an arrangement agreement (the “**Arrangement Agreement**”) concurrently with the entering into of this Agreement and propose to consummate an arrangement as set forth in the plan of arrangement attached to the Arrangement Agreement (the “**Arrangement**”);

AND WHEREAS the Satellos Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, certain (i) common shares in the capital of Satellos (“**Satellos Shares**”); and/or (ii) warrants to acquire Satellos Shares (“**Satellos Warrants**”); and/or (iii) options to acquire Satellos Shares (“**Satellos Options**”);

AND WHEREAS this Agreement sets out the terms and conditions, among other things, under which the Satellos Securityholder has agreed to vote or cause to be voted all of his, her or its Subject Securities (defined below) in respect of the Arrangement and other matters related thereto;

AND WHEREAS the Satellos Securityholder acknowledges that iCo and Satellos would not have entered into the Arrangement Agreement but for the execution and delivery of this Agreement by the Satellos Securityholder;

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I INTERPRETATION

Section 1.01 Definitions

All terms used in this Agreement that are not defined herein shall have the respective meanings ascribed to them in the Arrangement Agreement.

For the purposes of this Agreement:

“**Subject Options**” means all Satellos Options which the Satellos Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A to this Agreement;

“**Subject Securities**” means, collectively, the Subject Shares, the Subject Warrants, and the Subject Options;

“**Subject Shares**” means all Satellos Shares which the Satellos Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A to this Agreement, and shall further include any Satellos Shares issued or issuable upon the exercise and/or vesting of Subject Warrants or Subject Options, or otherwise acquired, whether beneficially or of record, directly or indirectly or over which control or direction is exercised over, by the Satellos Securityholder after the date hereof; and

“**Subject Warrants**” means all Satellos Warrants which the Satellos Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A to this Agreement.

ARTICLE II COVENANTS

Section 2.01 General Covenants of the Satellos Securityholder

The Satellos Securityholder hereby covenants and agrees in favour of iCo that, from the date hereof until the termination of this Agreement, except as permitted by this Agreement:

- (a) at any meeting of securityholders of Satellos called to vote upon the Arrangement, the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Arrangement, the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement is sought, the Satellos Securityholder shall cause all Subject Securities eligible to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all such Subject Securities:
 - (i) in favour of (A) the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement and (B) any other matter necessary for the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement; and
 - (ii) against (i) any Acquisition Proposal and (ii) any action, proposal, transaction or agreement that would reasonably be expected to in any material respect impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement (the “**Prohibited Matters**”);
- (b) the Satellos Securityholder shall forthwith revoke any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in this Agreement;
- (c) the Satellos Securityholder agrees not to directly or indirectly (i) sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a “**Transfer**”), or enter into any agreement, option or other arrangement with respect to the Transfer of, any of its Subject Securities to any person, other than pursuant to the Arrangement Agreement, or (ii) grant any proxies or power of attorney, deposit any of its Subject Securities into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to its Subject Securities, other than pursuant to this Agreement. Notwithstanding the foregoing, the Satellos Securityholder may, in the sole discretion of the Satellos Securityholder:

- (i) exercise any Subject Warrants and Subject Options; and
 - (ii) Transfer a sufficient number of Satellos Shares issued upon exercise of such Subject Securities in order for the Satellos Securityholder to receive the funds necessary to pay for the exercise price, withholding tax, CPP and any other obligations or payments required in connection with the exercise of such Subject Securities;
- (d) the Satellos Securityholder shall as a holder of Subject Securities cooperate with Satellos and iCo to successfully complete the Arrangement and the transactions contemplated by the Arrangement Agreement, and to oppose any Prohibited Matter;
- (e) the Satellos Securityholder shall not (i) exercise (and hereby waives) any rights of appraisal or rights of dissent, as applicable, from the Arrangement or the transactions contemplated by the Arrangement Agreement and (ii) commence or participate in, and shall, and hereby agrees to, take all actions necessary to opt out of any class in any class action with respect to, any claim, derivative or otherwise, against the Satellos or iCo or any of their subsidiaries (or any of their respective successors) relating to the negotiation, execution and delivery of the Arrangement Agreement or the consummation of the transactions contemplated by the Arrangement Agreement;
- (f) the Satellos Securityholder shall (i) immediately cease and terminate, and cause to be terminated, any discussions or negotiations commenced prior to the date of this Agreement with any person (other than Satellos or iCo) by or on behalf of the Satellos Securityholder with respect to any Acquisition Proposal, whether or not initiated by the Satellos Securityholder; and (ii) not solicit, initiate or knowingly encourage inquiries, proposals or offers from any other person relating to, or participate in any negotiations regarding, or furnish to any other person any information with respect to, or otherwise cooperate in any way with or assist or participate in or facilitate or encourage any effort or attempt (and shall promptly notify iCo in writing of any inquiries, proposals, or offers of which it becomes aware) with respect to: (A) any Acquisition Proposal; (B) except as provided by the terms of this Agreement, the direct or indirect acquisition or disposition of all or any of the Subject Securities; or (C) any action which is inconsistent with the successful completion of the Arrangement or the transactions contemplated by the Arrangement Agreement;
- (g) the Satellos Securityholder hereby agrees to deposit a proxy or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Securities eligible to vote on any matter as soon as practicable following the mailing of the Satellos Circular and in any event at least 5 days prior to the Satellos Meeting. Such proxy or voting instruction form shall appoint as proxyholder(s), the individual(s) designated by Satellos in the Satellos Circular, and vote all such Subject Securities as required by Section 2.01(a). The Satellos Securityholder hereby agrees that neither it nor any person on its behalf will take any action to withdraw, amend or invalidate any proxy or voting instruction form deposited by the Satellos Securityholder pursuant to this Agreement, unless this Agreement has at such time been previously terminated;
- (h) if the Satellos Securityholder acquires any additional Satellos Shares, Satellos Warrants or Satellos Options, the Satellos Securityholder covenants to notify iCo of each such acquisition and agrees and acknowledges that such additional securities shall be deemed to be Subject Securities, and Subject Shares, Subject Warrants and Subject Options, for purposes of this Agreement;
- (i) if the Subject Securities are registered in the name of a person other than the Satellos Securityholder or otherwise held other than personally, the Satellos Securityholder will cause the direct owner of such securities to perform (and the Satellos Securityholder shall be liable for the performance of) all covenants of the Satellos Securityholder under this Agreement as if the Securityholder; and

- (j) the Satellos Securityholder shall not take any other action of any kind which might reasonably be regarded as likely to impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement.

Section 2.02 Covenants of iCo

iCo agrees to comply with its obligations under the Arrangement Agreement. iCo hereby agrees and confirms to the Satellos Securityholder that it shall take all steps required of it to consummate the Arrangement and cause the consideration to be made available to pay for the Subject Securities, in each case in accordance with and subject to the terms and conditions of the Arrangement Agreement and the Plan of Arrangement.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Section 3.01 Representations and Warranties of the Satellos Securityholder

The Satellos Securityholder hereby represents and warrants to and covenants with iCo as follows, and acknowledges that iCo is relying upon such representations, warranties and covenants in entering into this Agreement and the Arrangement Agreement:

- (a) **Incorporation; Capacity; Authorization.** Where the Satellos Securityholder is not an individual, it is duly formed and validly existing under the laws of its jurisdiction of formation and has the requisite corporate power and capacity and has received all requisite approvals to execute and deliver this Agreement and to perform its obligations hereunder. Where the Satellos Securityholder is an individual, he or she has the power and capacity and has received all requisite approvals to execute and deliver this Agreement and to perform his or her obligations hereunder.
- (b) **Enforceable.** This Agreement has been duly executed and delivered by the Satellos Securityholder and constitutes a legal, valid and binding obligation, enforceable against the Satellos Securityholder in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.
- (c) **Ownership of Subject Securities.** Schedule A accurately sets forth all of the Subject Securities which the Satellos Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over. The Satellos Securityholder is, and will be at all times up to the Effective Time, the registered and/or beneficial owner of the Subject Securities, with good and marketable title thereto, free and clear of any and all Liens.
- (d) **No Breach.** Neither the execution and delivery of this Agreement by the Satellos Securityholder, the consummation by the Satellos Securityholder of the transactions contemplated hereby nor the compliance by the Satellos Securityholder with any of the provisions hereof will:
 - (i) result in any breach of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under any provision of the certificate of incorporation, articles, by-laws, or any other constating document of the Satellos Securityholder, if the Satellos Securityholder is a corporation, or under any of the terms, conditions or provisions of any note, loan agreement, bond, mortgage, indenture, contract, license, agreement, lease, permit or other instrument or obligation to which the Satellos Securityholder is a party or by which the Satellos Securityholder or any of its properties or assets (including the Subject Securities) may be bound;

- (ii) require on the part of the Satellos Securityholder any filing with (other than pursuant to the requirements of Securities Laws (which filings the Satellos Securityholder will undertake)) or permit, consent, approval, order or authorization of any Governmental Entity or other person; or
- (iii) subject to compliance with any approval or Laws contemplated by the Arrangement Agreement, violate or conflict with any Law or order applicable to the Satellos Securityholder,

in each case of (i), (ii) and (iii), other than as would not be reasonably expected to have a materially adverse effect on the Satellos Securityholder's ability to perform its obligations hereunder.

- (e) **No Proceedings.** There is no private or governmental action, suit, proceeding, claim, arbitration or investigation pending before any Governmental Entity, or, to the knowledge of the Satellos Securityholder, threatened against the Satellos Securityholder or any of its properties that, individually or in the aggregate, would reasonably be expected to have a material and adverse effect on the Satellos Securityholder's ability to perform its obligations hereunder. There is no order of any Governmental Entity against the Satellos Securityholder that would reasonably be expected to have an adverse effect on the Satellos Securityholder's ability to perform its obligations hereunder.
- (f) **Voting.** The Satellos Securityholder has the sole and exclusive right to enter into this Agreement and to vote the Subject Securities as contemplated by this Agreement. None of the Subject Securities is subject to any proxy, power of attorney, attorney-in-fact, voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of shareholders or give consents or approvals of any kind. Except pursuant to this Agreement, no individual, firm or entity has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, requiring the Satellos Securityholder to Transfer any Subject Securities or any interest therein.

Section 3.02 Representations and Warranties of iCo

iCo hereby represents and warrants and covenants to the Satellos Securityholder, acknowledging that the Satellos Securityholder is relying upon such representations, warranties and covenants in entering into this Agreement:

- (a) **Incorporation; Capacity; Authorization.** iCo is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has the requisite corporate power and capacity to execute and deliver this Agreement and to perform its obligations hereunder.
- (b) **Enforceable.** This Agreement has been duly executed and delivered by iCo and constitutes a legal, valid and binding obligation, enforceable against iCo in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.

ARTICLE IV TERMINATION

Section 4.01 Automatic Termination

This Agreement will automatically terminate and be of no further force or effect upon the earliest to occur of:

- (a) completion of the Arrangement; or
- (b) termination of the Arrangement Agreement in accordance with its terms.

Section 4.02 Termination by the Parties

This Agreement may be terminated at any time:

- (a) by mutual consent of iCo and the Satellos Securityholder;
- (b) by either party, when not in material default in performance of its obligations hereunder, if the other party has not complied with its covenants contained herein in all materials respects; or
- (c) by either party, when not in material default in performance of its obligations hereunder, if any of the representations and warranties of the other party contained herein is untrue or inaccurate in any material respect.

Section 4.03 Effect of Termination

If this Agreement is terminated in accordance with this Article 4, the provisions of this Agreement will become void and the Satellos Securityholder shall be entitled to withdraw any form of proxy or power of attorney which it may have given with respect of the Subject Securities and (ii) no party shall have liability to any other party, except in respect of any breach of this Agreement which occurred prior to such termination or in respect of any wilful breach by it of this Agreement.

ARTICLE V GENERAL

Section 5.01 Capacity and Fiduciary Obligations

iCo agrees and acknowledges that the Satellos Securityholder is bound hereunder solely in his or her capacity as a securityholder of Satellos and that the provisions of this Agreement shall not be deemed or interpreted to bind the Satellos Securityholder or, if applicable, any of its directors, officers or shareholders, in his or her capacity as a director or officer of Satellos or any of its subsidiaries. For the avoidance of doubt, nothing in this Agreement shall limit or restrict any party from properly fulfilling his or her fiduciary duties as a director or officer of Satellos or any of its subsidiaries and nothing in this Agreement shall prevent a Satellos Securityholder who is a member of the board of directors or an officer of Satellos from engaging, in such Satellos Securityholder's capacity as a director or officer of Satellos or any of its subsidiaries, in discussion or negotiations with a person in response to any bona fide Acquisition Proposal or Superior Proposal in accordance with the terms of the Arrangement Agreement.

Section 5.02 Disclosure

The Satellos Securityholder hereby consents to the disclosure of the substance of this Agreement, and any discussions leading up to the execution hereof, in any press release, documents filed with the court in connection with the Arrangement or transactions contemplated by the Arrangement Agreement or any filing pursuant to

applicable Securities Laws, including the Satellos Circular provided that the Satellos Securityholder is afforded a reasonable opportunity to review and comment upon such disclosure prior to such disclosure being made.

Except as set forth above or as required by applicable Law or by any Governmental Entity, each party shall not make any public announcement or statement with respect to this Agreement without the approval of the other party, which shall not be unreasonably withheld or delayed.

Section 5.03 Time

Time shall be of the essence in this Agreement.

Section 5.04 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of the Province of British Columbia and the federal laws of Canada applicable therein therein, without regard to any conflict of laws rules or principles. The Satellos Securityholder and Satellos irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and waive, to the fullest extent possible, the defense of an inconvenient forum or any similar defense to the maintenance of proceedings in such courts.

Section 5.05 Entire Agreement

This Agreement, including the schedules hereto and the provisions of the Arrangement Agreement incorporated herein by reference constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes any prior agreement, representation or understanding with respect thereto.

Section 5.06 Amendments

This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement executed by each of the parties hereto.

Section 5.07 Severability

If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the fullest extent possible.

Section 5.08 Assignment

The provisions of this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns, and neither party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other party hereto.

Section 5.09 Notices

Any notice, request, consent, agreement or approval which may or is required to be given pursuant to this Agreement shall be in writing and shall be sufficiently given or made if delivered, or sent by overnight courier or e-mail, to iCo, addressed as follows:

(a) iCo, addressed as follows:

iCo Therapeutics Inc.
6th Floor, 777 Hornby Street
Vancouver, BC V6Z 1S4

Attention: [Redacted]
Email: [Redacted]

(b) the Satellos Securityholder, addressed as set forth on the signature page hereto,

or to such other address as the relevant party may from time to time advise by notice in writing given pursuant to this Section. The date of receipt of any such notice, request, consent, agreement or approval shall be deemed to be the date of delivery thereof if delivered before 4:30 p.m. (Vancouver time) on a Business Day at the place and time of receipt and, otherwise, on the next following Business Day.

Section 5.10 Equitable Relief

It is recognized and acknowledged that a breach by any party of any material obligations contained in this Agreement will cause the other party to sustain injury for which it would not have an adequate remedy at law for money damages. Accordingly, in the event of any such breach, any aggrieved party shall be entitled to the remedy of specific performance of such obligations and interlocutory, preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

Section 5.11 Expenses

Each of the parties shall pay its out of pocket and other expenses incurred in connection with the preparation, execution and delivery of this Agreement and transactions contemplated hereby.

Section 5.12 Independent Legal Advice

Each of the parties hereby acknowledges that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Agreement that they have either done so or waived their right to do so in connection with the entering into of this Agreement.

Section 5.13 No Third Party Beneficiaries

The parties intend that this Agreement will not benefit or create any right or cause of action in favour of any person, other than the parties and no person, other than the parties, is entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

Section 5.14 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The parties shall be entitled to rely upon delivery of an executed electronic copy of this Agreement (including, without limitation, PDF) and such executed electronic copy shall be legally effective to create a valid and binding agreement between the parties.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

ICO THERAPEUTICS INC.

By: _____
Name:
Title:

SATELLOS SECURITYHOLDER:

(Signature of Satellos Securityholder or Authorized Signatory)

Name:
Title:

(Signature of Satellos Securityholder or Authorized Signatory, if owned jointly)

Name:
Title:

Satellos Securityholder Notice Information

Address: _____
Attention: _____
E-mail: _____

SCHEDULE A

Subject Securities

1. Subject Shares:

Name of Beneficial Owner	Total Number of Satellos Shares Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)

2. Subject Warrants:

Name of Beneficial Owner	Total Number of Satellos Warrants Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)

3. Subject Options:

Name of Beneficial Owner	Total Number of Satellos Options Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)

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SCHEDULE F

FORM OF ICO LOCK-UP AGREEMENT

VOTING AND SUPPORT AGREEMENT

THIS AGREEMENT is made as of March _____, 2021

BETWEEN:

The person executing this Agreement as “iCo Securityholder” on the signature page hereof
(the “iCo Securityholder”)

- and -

SATELLOS BIOSCIENCE INC.

a corporation existing under the laws of the Canada

(“Satellos”)

WHEREAS Satellos and iCo Therapeutics Inc., a company existing under the laws of the Province of British Columbia (“iCo”) have entered into an arrangement agreement (the “**Arrangement Agreement**”) concurrently with the entering into of this Agreement and propose to consummate an arrangement as set forth in the plan of arrangement attached to the Arrangement Agreement (the “**Arrangement**”);

AND WHEREAS the iCo Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, certain (i) common shares in the capital of iCo (“**iCo Shares**”); and/or (ii) warrants to acquire iCo Shares (“**iCo Warrants**”); and/or (iii) options to acquire iCo Shares (“**iCo Options**”);

AND WHEREAS this Agreement sets out the terms and conditions, among other things, under which the iCo Securityholder has agreed to vote or cause to be voted all of his, her or its Subject Securities (defined below) in respect of the Arrangement and other matters related thereto;

AND WHEREAS the iCo Securityholder acknowledges that Satellos and iCo would not have entered into the Arrangement Agreement but for the execution and delivery of this Agreement by the iCo Securityholder;

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I INTERPRETATION

Section 1.01 Definitions

All terms used in this Agreement that are not defined herein shall have the respective meanings ascribed to them in the Arrangement Agreement.

For the purposes of this Agreement:

“**Subject Options**” means all iCo Options which the iCo Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A to this Agreement;

“**Subject Securities**” means, collectively, the Subject Shares, the Subject Warrants, and the Subject Options;

“**Subject Shares**” means all iCo Shares which the iCo Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A

to this Agreement, and shall further include any iCo Shares issued or issuable upon the exercise and/or vesting of Subject Warrants or Subject Options, or otherwise acquired, whether beneficially or of record, directly or indirectly or over which control or direction is exercised over, by the iCo Securityholder after the date hereof; and

“**Subject Warrants**” means all iCo Warrants which the iCo Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over, particulars of which are set forth on Schedule A to this Agreement.

ARTICLE II COVENANTS

Section 2.01 General Covenants of the iCo Securityholder

The iCo Securityholder hereby covenants and agrees in favour of Satellos that, from the date hereof until the termination of this Agreement, except as permitted by this Agreement:

- (a) at any meeting of securityholders of iCo called to vote upon the Arrangement, the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Arrangement, the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement is sought, the iCo Securityholder shall cause all Subject Securities eligible to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all such Subject Securities:
 - (i) in favour of (A) the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement and (B) any other matter necessary for the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement; and
 - (ii) against (i) any Acquisition Proposal and (ii) any action, proposal, transaction or agreement that would reasonably be expected to in any material respect impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement (the “**Prohibited Matters**”);
- (b) the iCo Securityholder shall forthwith revoke any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in this Agreement;
- (c) the iCo Securityholder agrees not to directly or indirectly (i) sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a “**Transfer**”), or enter into any agreement, option or other arrangement with respect to the Transfer of, any of its Subject Securities to any person, other than pursuant to the Arrangement Agreement, or (ii) grant any proxies or power of attorney, deposit any of its Subject Securities into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to its Subject Securities, other than pursuant to this Agreement. Notwithstanding the foregoing, the iCo Securityholder may, in the sole discretion of the iCo Securityholder:
 - (i) exercise any Subject Warrants and Subject Options; and

- (ii) Transfer a sufficient number of iCo Shares issued upon exercise of such Subject Securities in order for the iCo Securityholder to receive the funds necessary to pay for the exercise price, withholding tax, CPP and any other obligations or payments required in connection with the exercise of such Subject Securities;
- (d) the iCo Securityholder shall as a holder of Subject Securities cooperate with iCo and Satellos to successfully complete the Arrangement and the transactions contemplated by the Arrangement Agreement, and to oppose any Prohibited Matter;
- (e) the iCo Securityholder shall not (i) exercise (and hereby waives) any rights of appraisal or rights of dissent, as applicable, from the Arrangement or the transactions contemplated by the Arrangement Agreement and (ii) commence or participate in, and shall, and hereby agrees to, take all actions necessary to opt out of any class in any class action with respect to, any claim, derivative or otherwise, against the iCo or Satellos or any of their subsidiaries (or any of their respective successors) relating to the negotiation, execution and delivery of the Arrangement Agreement or the consummation of the transactions contemplated by the Arrangement Agreement;
- (f) the iCo Securityholder shall (i) immediately cease and terminate, and cause to be terminated, any discussions or negotiations commenced prior to the date of this Agreement with any person (other than iCo or Satellos) by or on behalf of the iCo Securityholder with respect to any Acquisition Proposal, whether or not initiated by the iCo Securityholder; and (ii) not solicit, initiate or knowingly encourage inquiries, proposals or offers from any other person relating to, or participate in any negotiations regarding, or furnish to any other person any information with respect to, or otherwise cooperate in any way with or assist or participate in or facilitate or encourage any effort or attempt (and shall promptly notify Satellos in writing of any inquiries, proposals, or offers of which it becomes aware) with respect to: (A) any Acquisition Proposal; (B) except as provided by the terms of this Agreement, the direct or indirect acquisition or disposition of all or any of the Subject Securities; or (C) any action which is inconsistent with the successful completion of the Arrangement or the transactions contemplated by the Arrangement Agreement;
- (g) the iCo Securityholder hereby agrees to deposit a proxy or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Securities eligible to vote on any matter as soon as practicable following the mailing of the iCo Circular and in any event at least 5 days prior to the iCo Meeting. Such proxy or voting instruction form shall appoint as proxyholder(s), the individual(s) designated by iCo in the iCo Circular, and vote all such Subject Securities as required by Section 2.01(a). The iCo Securityholder hereby agrees that neither it nor any person on its behalf will take any action to withdraw, amend or invalidate any proxy or voting instruction form deposited by the iCo Securityholder pursuant to this Agreement, unless this Agreement has at such time been previously terminated;
- (h) if the iCo Securityholder acquires any additional iCo Shares, iCo Warrants or iCo Options, the iCo Securityholder covenants to notify Satellos of each such acquisition and agrees and acknowledges that such additional securities shall be deemed to be Subject Securities, and Subject Shares, Subject Warrants and Subject Options, for purposes of this Agreement;
- (i) if the Subject Securities are registered in the name of a person other than the iCo Securityholder or otherwise held other than personally, the iCo Securityholder will cause the direct owner of such securities to perform (and the iCo Securityholder shall be liable for the performance of) all covenants of the iCo Securityholder under this Agreement as if the Securityholder; and
- (j) the iCo Securityholder shall not take any other action of any kind which might reasonably be regarded as likely to impede, interfere with, delay, discourage, adversely affect or inhibit the timely

consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement.

Section 2.02 Covenants of Satellos

Satellos agrees to comply with its obligations under the Arrangement Agreement. Satellos hereby agrees and confirms to the iCo Securityholder that it shall take all steps required of it to consummate the Arrangement and cause the consideration to be made available to pay for the Subject Securities, in each case in accordance with and subject to the terms and conditions of the Arrangement Agreement and the Plan of Arrangement.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Section 3.01 Representations and Warranties of the iCo Securityholder

The iCo Securityholder hereby represents and warrants to and covenants with Satellos as follows, and acknowledges that Satellos is relying upon such representations, warranties and covenants in entering into this Agreement and the Arrangement Agreement:

- (a) **Incorporation; Capacity; Authorization.** Where the iCo Securityholder is not an individual, it is duly formed and validly existing under the laws of its jurisdiction of formation and has the requisite corporate power and capacity and has received all requisite approvals to execute and deliver this Agreement and to perform its obligations hereunder. Where the iCo Securityholder is an individual, he or she has the power and capacity and has received all requisite approvals to execute and deliver this Agreement and to perform his or her obligations hereunder.
- (b) **Enforceable.** This Agreement has been duly executed and delivered by the iCo Securityholder and constitutes a legal, valid and binding obligation, enforceable against the iCo Securityholder in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.
- (c) **Ownership of Subject Securities.** Schedule A accurately sets forth all of the Subject Securities which the iCo Securityholder owns, beneficially or of record, directly or indirectly or exercises control or direction over. The iCo Securityholder is, and will be at all times up to the Effective Time, the registered and/or beneficial owner of the Subject Securities, with good and marketable title thereto, free and clear of any and all Liens.
- (d) **No Breach.** Neither the execution and delivery of this Agreement by the iCo Securityholder, the consummation by the iCo Securityholder of the transactions contemplated hereby nor the compliance by the iCo Securityholder with any of the provisions hereof will:
 - (i) result in any breach of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under any provision of the certificate of incorporation, articles, by-laws, or any other constating document of the iCo Securityholder, if the iCo Securityholder is a corporation, or under any of the terms, conditions or provisions of any note, loan agreement, bond, mortgage, indenture, contract, license, agreement, lease, permit or other instrument or obligation to which the iCo Securityholder is a party or by which the iCo Securityholder or any of its properties or assets (including the Subject Securities) may be bound;
 - (ii) require on the part of the iCo Securityholder any filing with (other than pursuant to the requirements of Securities Laws (which filings the iCo Securityholder will undertake)) or

permit, consent, approval, order or authorization of any Governmental Entity or other person; or

- (iii) subject to compliance with any approval or Laws contemplated by the Arrangement Agreement, violate or conflict with any Law or order applicable to the iCo Securityholder,

in each case of (i), (ii) and (iii), other than as would not be reasonably expected to have a materially adverse effect on the iCo Securityholder's ability to perform its obligations hereunder.

- (e) **No Proceedings.** There is no private or governmental action, suit, proceeding, claim, arbitration or investigation pending before any Governmental Entity, or, to the knowledge of the iCo Securityholder, threatened against the iCo Securityholder or any of its properties that, individually or in the aggregate, would reasonably be expected to have a material and adverse effect on the iCo Securityholder's ability to perform its obligations hereunder. There is no order of any Governmental Entity against the iCo Securityholder that would reasonably be expected to have an adverse effect on the iCo Securityholder's ability to perform its obligations hereunder.
- (f) **Voting.** The iCo Securityholder has the sole and exclusive right to enter into this Agreement and to vote the Subject Securities as contemplated by this Agreement. None of the Subject Securities is subject to any proxy, power of attorney, attorney-in-fact, voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of shareholders or give consents or approvals of any kind. Except pursuant to this Agreement, no individual, firm or entity has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, requiring the iCo Securityholder to Transfer any Subject Securities or any interest therein.

Section 3.02 Representations and Warranties of iCo

Satellos hereby represents and warrants and covenants to the iCo Securityholder, acknowledging that the iCo Securityholder is relying upon such representations, warranties and covenants in entering into this Agreement:

- (a) **Incorporation; Capacity; Authorization.** Satellos is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has the requisite corporate power and capacity to execute and deliver this Agreement and to perform its obligations hereunder.
- (b) **Enforceable.** This Agreement has been duly executed and delivered by Satellos and constitutes a legal, valid and binding obligation, enforceable against Satellos in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.

ARTICLE IV TERMINATION

Section 4.01 Automatic Termination

This Agreement will automatically terminate and be of no further force or effect upon the earliest to occur of:

- (a) completion of the Arrangement; or
- (b) termination of the Arrangement Agreement in accordance with its terms.

Section 4.02 Termination by the Parties

This Agreement may be terminated at any time:

- (a) by mutual consent of Satellos and the iCo Securityholder;
- (b) by either party, when not in material default in performance of its obligations hereunder, if the other party has not complied with its covenants contained herein in all materials respects; or
- (c) by either party, when not in material default in performance of its obligations hereunder, if any of the representations and warranties of the other party contained herein is untrue or inaccurate in any material respect.

Section 4.03 Effect of Termination

If this Agreement is terminated in accordance with this Article 4, the provisions of this Agreement will become void and the iCo Securityholder shall be entitled to withdraw any form of proxy or power of attorney which it may have given with respect of the Subject Securities and (ii) no party shall have liability to any other party, except in respect of any breach of this Agreement which occurred prior to such termination or in respect of any wilful breach by it of this Agreement.

ARTICLE V GENERAL

Section 5.01 Capacity and Fiduciary Obligations

Satellos agrees and acknowledges that the iCo Securityholder is bound hereunder solely in his or her capacity as a securityholder of iCo and that the provisions of this Agreement shall not be deemed or interpreted to bind the iCo Securityholder or, if applicable, any of its directors, officers or shareholders, in his or her capacity as a director or officer of iCo or any of its subsidiaries. For the avoidance of doubt, nothing in this Agreement shall limit or restrict any party from properly fulfilling his or her fiduciary duties as a director or officer of iCo or any of its subsidiaries and nothing in this Agreement shall prevent a iCo Securityholder who is a member of the board of directors or an officer of iCo from engaging, in such iCo Securityholder's capacity as a director or officer of iCo or any of its subsidiaries, in discussion or negotiations with a person in response to any bona fide Acquisition Proposal or Superior Proposal in accordance with the terms of the Arrangement Agreement.

Section 5.02 Disclosure

The iCo Securityholder hereby consents to the disclosure of the substance of this Agreement, and any discussions leading up to the execution hereof, in any press release, documents filed with the court in connection with the Arrangement or transactions contemplated by the Arrangement Agreement or any filing pursuant to applicable Securities Laws, including the iCo Circular provided that the iCo Securityholder is afforded a reasonable opportunity to review and comment upon such disclosure prior to such disclosure being made.

Except as set forth above or as required by applicable Law or by any Governmental Entity, each party shall not make any public announcement or statement with respect to this Agreement without the approval of the other party, which shall not be unreasonably withheld or delayed.

Section 5.03 Time

Time shall be of the essence in this Agreement.

Section 5.04 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of the Province of British Columbia and the federal laws of Canada applicable therein therein, without regard to any conflict of laws rules or

principles. The iCo Securityholder and Satellos irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and waive, to the fullest extent possible, the defense of an inconvenient forum or any similar defense to the maintenance of proceedings in such courts.

Section 5.05 Entire Agreement

This Agreement, including the schedules hereto and the provisions of the Arrangement Agreement incorporated herein by reference constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes any prior agreement, representation or understanding with respect thereto.

Section 5.06 Amendments

This Agreement may not be modified, amended, altered or supplemented, except upon the execution and delivery of a written agreement executed by each of the parties hereto.

Section 5.07 Severability

If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the fullest extent possible.

Section 5.08 Assignment

The provisions of this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns, and neither party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other party hereto.

Section 5.09 Notices

Any notice, request, consent, agreement or approval which may or is required to be given pursuant to this Agreement shall be in writing and shall be sufficiently given or made if delivered, or sent by overnight courier or e-mail, to Satellos, addressed as follows:

- (a) Satellos, addressed as follows:

Satellos Bioscience Inc.
#201, 65 Front Street E.
Toronto, Ontario M5E 1B5
Attention: [Redacted]
E-mail: [Redacted]

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

Borden Ladner Gervais LLP
World Exchange Plaza
100 Queen Street, Suite 1300
Ottawa, ON K1P 1J9

Section 5.10 Equitable Relief

It is recognized and acknowledged that a breach by any party of any material obligations contained in this Agreement will cause the other party to sustain injury for which it would not have an adequate remedy at law for money damages. Accordingly, in the event of any such breach, any aggrieved party shall be entitled to the remedy of specific performance of such obligations and interlocutory, preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.

Section 5.11 Expenses

Each of the parties shall pay its out of pocket and other expenses incurred in connection with the preparation, execution and delivery of this Agreement and transactions contemplated hereby.

Section 5.12 Independent Legal Advice

Each of the parties hereby acknowledges that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Agreement that they have either done so or waived their right to do so in connection with the entering into of this Agreement.

Section 5.13 No Third Party Beneficiaries

The parties intend that this Agreement will not benefit or create any right or cause of action in favour of any person, other than the parties and no person, other than the parties, is entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

Section 5.14 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The parties shall be entitled to rely upon delivery of an executed electronic copy of this Agreement (including, without limitation, PDF) and such executed electronic copy shall be legally effective to create a valid and binding agreement between the parties.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

SATELLOS BIOSCIENCE INC.

By: _____
Name:
Title:

ICO SECURITYHOLDER:

(Signature of iCo Securityholder or Authorized Signatory)

Name:
Title:

(Signature of iCo Securityholder or Authorized Signatory, if owned jointly)

Name:
Title:

iCo Securityholder Notice Information

Address: _____
Attention: _____
E-mail: _____

SCHEDULE A

Subject Securities

1. Subject Shares:

Name of Beneficial Owner	Total Number of iCo Shares Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)

2. Subject Warrants:

Name of Beneficial Owner	Total Number of iCo Warrants Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)

3. Subject Options:

Name of Beneficial Owner	Total Number of iCo Options Beneficially Owned or Controlled	Registered holder (if different from beneficial owner)