

ASSET PURCHASE AGREEMENT

between

LAEVOROC CHEMOTHERAPY AG

and

HELIX BIOPHARMA CORP.

dated as of

November 30, 2024

TABLE OF CONTENTS

ARTICLE I Definitions.....	5
Section 1.01 Definitions.	5
ARTICLE II Purchase and Sale	14
Section 2.01 Purchase and Sale of Assets.	14
Section 2.02 Excluded Assets.	15
Section 2.03 Assumed Liabilities.	16
Section 2.04 Excluded Liabilities.	16
Section 2.05 Purchase Price.	17
Section 2.06 Allocation of Purchase Price.	17
Section 2.07 Goods and Services Tax.	18
Section 2.09 Third-Party Consents.	18
Section 2.10 Board Nominee.	19
ARTICLE III Closing.....	19
Section 3.01 Closing.	19
Section 3.02 Closing Deliverables	19
ARTICLE IV Representations and Warranties of Vendor.....	20
Section 4.01 Corporate Status and Extra-Provincial Registrations of Vendor.	20
Section 4.02 Authority of Vendor.	21
Section 4.03 No Conflicts; Consents.	21
Section 4.04 Financial Statements.	22
Section 4.05 Undisclosed Liabilities.	22
Section 4.06 Absence of Certain Changes, Events and Conditions.	22
Section 4.07 Material Contracts	24
Section 4.08 Title to Purchased Assets.	25
Section 4.09 Condition and Sufficiency of Assets.	25
Section 4.10 Intellectual Property	25
Section 4.11 Inventory.	27
Section 4.12 Accounts Receivable.	27
Section 4.13 Customers and Suppliers	27
Section 4.14 Insurance.	27

Section 4.15 Legal Proceedings; Governmental Orders	28
Section 4.16 Compliance with Laws; Permits	28
Section 4.17 Environmental Matters	28
Section 4.18 Benefit Plans	29
Section 4.19 Employment Matters	29
Section 4.20 Taxes	29
Section 4.21 Brokers.	30
Section 4.22 Securities Law Matters.	30
Section 4.23 Full Disclosure.	31
ARTICLE V Representations and Warranties of Purchaser	31
Section 5.01 Corporate Status of Purchaser.	31
Section 5.02 Authority of Purchaser.	31
Section 5.03 No Conflicts; Consents.	32
Section 5.04 Brokers.	32
Section 5.05 Legal Proceedings.	32
Section 5.06 Securities Laws	32
ARTICLE VI Covenants	33
Section 6.01 Conduct of Business Before the Closing.	33
Section 6.02 Access to Information.	34
Section 6.03 No Solicitation of Other Bids	34
Section 6.04 Notice of Certain Events	35
Section 6.05 Employees and Employee Benefits	36
Section 6.06 Confidentiality.	36
Section 6.07 Personal Information Privacy.	36
Section 6.08 Non-Competition; Non-Solicitation	37
Section 6.09 Other Approvals and Consents	38
Section 6.10 Books and Records	38
Section 6.12 Closing Conditions.	39
Section 6.13 Public Announcements.	39
Section 6.16 Further Assurances.	40
ARTICLE VII Conditions to Closing	40

Section 7.01 Conditions to Obligations of All Parties.	40
Section 7.02 Conditions to Obligations of Purchaser.	40
Section 7.03 Conditions to Obligations of Vendor.	42
ARTICLE VIII Indemnification	44
Section 8.01 Survival.	44
Section 8.02 Indemnification by Vendor.	44
Section 8.03 Indemnification by Purchaser.	45
Section 8.04 Certain Limitations.	45
Section 8.05 Indemnification Procedures.	46
Section 8.06 Payments.	48
Section 8.07 Tax Treatment of Indemnification Payments.	49
Section 8.08 Effect of Investigation.	49
Section 8.09 Exclusive Remedies.	49
ARTICLE IX Termination	49
Section 9.01 Termination.	49
Section 9.02 Effect of Termination.	50
Section 9.03 Break Fee.	50
ARTICLE X Miscellaneous	51
Section 10.01 Expenses.	51
Section 10.02 Notices.	51
Section 10.03 Interpretation.	52
Section 10.04 Headings.	52
Section 10.05 Severability.	52
Section 10.06 Entire Agreement.	52
Section 10.07 Successors and Assigns.	53
Section 10.08 No Third-Party Beneficiaries.	53
Section 10.09 Amendment and Modification; Waiver.	53
Section 10.10 Governing Law; Forum Selection.	53
Section 10.11 Specific Performance.	53
Section 10.12 Counterparts.	54

This Asset Purchase Agreement (this "**Agreement**"), dated as of November 30, 2024, is entered into between Laevoroc Chemotherapy AG, a Swiss corporation ("**Vendor**") and Helix BioPharma Corp., an Ontario corporation ("**Purchaser**").

Recitals

WHEREAS, Vendor is engaged in the business of developing LR 06B, Gemceda, an oral gemcitabine pro-drug in combination with cedazuridine for cancer therapy (the "**Business**"); and

WHEREAS, Vendor wishes to sell and assign to Purchaser, and Purchaser wishes to purchase and assume from Vendor, substantially all the assets (other than cash), and certain specified liabilities, of the Business, subject to the terms and conditions set forth herein;

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

ARTICLE I Definitions

Section 1.01 Definitions. The following terms have the meanings specified or referred to in this ARTICLE I:

"**Acquisition Proposal**" has the meaning set forth in Section 6.03(a).

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of assessment, notice of reassessment, proceeding, litigation, summons, subpoena or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.

"**Affiliate**" when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term "controlled" has a corresponding meaning; *provided that*, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person.

"**Agreement**" has the meaning set forth in the preamble.

"**Allocation Schedule**" has the meaning set forth in Section 2.06.

"**Assigned Contracts**" has the meaning set forth in Section 2.01(b).

"**Assignment and Assumption Agreement**" has the meaning set forth in Section 3.02(a)(i).

"**Assumed Liabilities**" has the meaning set forth in Section 2.03.

"**Balance Sheet**" has the meaning set forth in the definition of "**Financial Statements**" in this ARTICLE I.

"**Balance Sheet Date**" has the meaning set forth in the definition of "**Financial Statements**" in this ARTICLE I.

"**Basket**" has the meaning set forth in Section 8.04(a).

"**Benefit Plan**" means all employee benefit plans, agreements, programs, policies, practices, material undertakings and arrangements (whether oral or written, formal or informal, funded or unfunded) maintained for, available to or otherwise relating to any employees or former employees of the Vendor in the Business, or any spouses, dependents or survivors of any employee or former employee of the Vendor in the Business, or in respect of which Vendor is a party to or bound by or is obligated to contribute or in any way liable, whether or not insured or whether or not subject to any Law, including bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance and termination pay, hospitalization, health and other medical benefits including medical or dental treatment or expenses, life and other insurance including accident insurance, vision, legal, long-term and short-term disability, salary continuation, vacation, supplemental unemployment benefits, education assistance, equity or equity-based compensation, change of control benefits, profit-sharing, mortgage assistance, employee loan, employee assistance and pension, retirement and supplemental retirement plans (including any defined benefit or defined contribution pension plan and any group registered retirement savings plan), and supplemental pension, except that the term "**Benefit Plan**" shall not include any statutory plans with which Vendor is required to comply, and plans administered under applicable provincial health tax, workers' compensation, workplace health and safety and employment insurance legislation.

"**Books and Records**" has the meaning set forth in Section 2.01(i).

"**Business**" has the meaning set forth in the recitals.

"**Business Day**" means any day except Saturday, Sunday or any other day on which banks located in Vancouver, British Columbia and Toronto, Ontario are authorized or required by Law to be closed for business.

"**Break Fee**" has the meaning set forth in Section 9.03.

"**Cap**" has the meaning set forth in Section 8.04(a).

"**Closing**" has the meaning set forth in Section 3.01.

"**Closing Date**" has the meaning set forth in Section 3.01.

"**Closing Time**" means 11:00 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the parties agree in writing that the Closing shall take place.

"**Collective Agreement**" means any collective agreement, letter of understanding, letter of intent or other written communication or Contract with any trade union, association that may qualify as a trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent, which would cover any of the employees.

"**Concurrent Acquisition**" means the proposed acquisition by the Purchaser from Laevoroc Immunology AG of certain assets and liabilities, which transaction is intended to close concurrently with the transactions contemplated by this Agreement.

"**Consideration Shares**" has the meaning set forth in Section 2.05.

"**Contracts**" means all contracts, leases, deeds, mortgages, licences, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

"**Current Assets**" means the current assets of the Business included in the line items set forth in Section 2.06(a)(i) of the Disclosure Schedules and only to the extent acquired under the terms of this Agreement.

"**Direct Claim**" has the meaning set forth in Section 8.05(c).

"**Disclosure Schedules**" means the schedules attached to this Agreement delivered by Vendor and Purchaser concurrently with the execution and delivery of this Agreement.

"**Disposal**" means any disposal by any means, including dumping, incineration, spraying, pumping, injecting, depositing or burying.

"**Dollars**" or "**\$**" means the lawful currency of Canada.

"**Encumbrance**" means any encumbrance or restriction of any kind or nature whatsoever and howsoever arising (whether registered or unregistered) and includes a security interest, mortgage, easement, adverse ownership interest, defect on title, condition, right of first refusal, right of first offer, right-of-way, encroachment, building or use restriction, conditional sale agreement, lien, hypothec, pledge, deposit by way of security, hypothecation, assignment, charge, security under section 426 or section 427 of the *Bank Act*, S.C. 1991, c. 46, trust and all other similar Laws in other jurisdictions in which the Vendor carries out the Business or a deemed trust, voting trust or pooling agreement with respect to securities, any adverse claim,

grant of any exclusive license or sole license, or any other right, option or claim of others of any kind whatsoever, and includes any agreement to give any of the foregoing in the future, and any subsequent sale or other title retention agreement or lease in the nature thereof, affecting the Purchased Assets.

"Environment" means the air, surface water, ground water, body of water, any land (including surface land and sub-surface strata), soil or underground space, all living organisms and the interacting natural systems that include components of the air, land, water, and inorganic matters and living organisms, and the environment or natural environment as defined in any Environmental Law, and **"Environmental"** shall have a corresponding meaning.

"Environmental Claim" means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, release of, or exposure to, any Hazardous Substance; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

"Environmental Law" means any all Laws relating to the protection of the Environment including those relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, Release or Disposal of any Hazardous Substance.

"Environmental Notice" means any written directive, investigation, proceeding, letter or other written communication from any Governmental Authority relating to non-compliance or potential non-compliance with or breach of or potential breach of any Environmental Law or Environmental Permit.

"Environmental Permit" means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made under any Environmental Law.

"Exchange" means the Toronto Stock Exchange or such other exchange that the Purchaser Shares shall be traded.

"Excluded Assets" has the meaning set forth in Section 2.02.

"Excluded Contracts" has the meaning set forth in Section 2.02(a).

"Excluded Liabilities" has the meaning set forth in Section 2.04.

"Financial Statements" means collectively the unaudited financial statements of the Vendor for the financial periods ended as of the most recently completed financial year of the Vendor, (the most recent of which is herein the **"Balance Sheet Date"**) each consisting of a balance sheet

(the most recent of which is herein the "**Balance Sheet**"), statement of earnings (loss) and retained earnings, statement of cash flows and the related notes thereto.

"**Financing**" means the arrangement by the Purchaser of any capital markets debt or equity financing, or any credit facility or other bank debt, for the purposes of financing the Business on a post-closing basis, having minimum gross aggregate proceeds of \$50,000,000.

"**Governmental Authority**" means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; and (e) any public utility authority.

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.

"**Government Contracts**" has the meaning set forth in Section 4.07(a)(viii).

"**Hazardous Substance**" means, collectively, petroleum, any petroleum product, any radioactive material (including radon gas), explosive or flammable materials, asbestos in any form, urea-formaldehyde foam insulation, and polychlorinated biphenyls, any pollutant, contaminant, waste, hazardous material, hazardous waste, toxic substance, dangerous substance, dangerous good, restricted hazardous waste, toxic substance or a source of contamination, as defined or identified in any Environmental Law.

"**Indemnified Party**" has the meaning set forth in Section 8.05.

"**Indemnifying Party**" has the meaning set forth in Section 8.05.

"**Insurance Policies**" has the meaning set forth in Section 4.14.

"**Intellectual Property**" means all intellectual property and industrial property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, under the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trademarks, service marks, brand names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) all business names, corporate names, telephone numbers and other communication addresses owned or used by Vendor in the Business; (c) internet domain

names, whether or not trademarks, registered in any top-level domain by any authorized private registrar or Governmental Authority, web addresses, web pages, websites and related content, accounts with X®, Facebook® and other social media companies and the content found thereon and related thereto, and URLs; (d) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer and moral rights, and all registrations, applications for registration and renewals of such copyrights; (e) all industrial designs and applications for registration of industrial designs and industrial design rights, design patents and industrial design registrations owned or used by Vendor in the Business; (f) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (g) patents (including all patent registrations, reissues, divisional applications or analogous rights, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other Governmental Authority issued indicia of invention ownership (including inventor's certificates and patent utility models); (h) Software; (i) royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any and all of the foregoing; and (j) all rights to any Actions of any nature available to or being pursued by Vendor to the extent related to the foregoing, whether accruing before, on or after the date hereof, including all rights to and claims for damages, accounting, restitution and injunctive relief for infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but no obligation to sue for such legal and equitable relief, and to collect, or otherwise recover, any such damages and accounting.

"IP Agreements" means all licences, sub-licences, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to any Intellectual Property that is used in or necessary for the conduct of the Business as currently conducted to which Vendor is a party, beneficiary or otherwise bound.

"IP Assets" means all Intellectual Property that is owned by Vendor and used in or necessary for the conduct of the Business as currently conducted.

"IP Assignments" has the meaning set forth in Section 3.02(a)(ii).

"IP Registrations" means all IP Assets that are subject to any issuance, registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names, copyrights, industrial designs, issued and reissued patents and pending applications for any of the foregoing.

"Interim Balance Sheet" has the meaning set forth in the definition of **"Interim Financial Statements"** in this Article I.

"Interim Balance Sheet Date" has the meaning set forth in the definition of **"Interim Financial Statements"** in ARTICLE I.

"Interim Financial Statements" means the unaudited interim financial statements of the Vendor for the most recently completed quarterly financial period (the **"Interim Balance Sheet Date"**), consisting of a balance sheet (the **"Interim Balance Sheet"**), statement of earnings (loss) and retained earnings and statement of cash flows.

"Interim Period" means the period of time from and including the date of this Agreement to the Closing Time.

"Inventory" has the meaning set forth in Section 2.01(a).

"Law" means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree or other requirement or rule of law of any Governmental Authority.

"Liabilities" means liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise.

"Losses" means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges on a solicitor-client basis and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided that* **"Losses"** shall not include punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third-party.

"Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, condition (financial or otherwise) or assets of the Business, (b) the value of the Purchased Assets, or (c) the ability of Vendor to consummate the transactions contemplated hereby on a timely basis ; *provided that* **"Material Adverse Effect"** shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Business operates; (iii) any changes in financial or securities markets in general; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) general outbreaks of illness (vi) any action required or permitted by this Agreement, except under Section 4.03; (vii) any changes in applicable Laws or accounting rules, including Swiss GAAP; or (viii) the public announcement, pendency or completion of the transactions contemplated by this Agreement; *provided further that* any event, occurrence, fact, condition or change referred to in clauses (i) through (v) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Business compared to other participants in the industries in which the Business operates.

"Material Contracts" has the meaning set forth in Section 4.07(a).

"Non-Competition Agreement" means the non-competition and non-solicitation agreement to be delivered by each of Dr. Thomas Mehrling and Athansios Zikopoulos at the Closing Time in the form attached to Exhibit A of the Disclosure Schedules.

"Ordinary Course", when used in relation to the conduct of the Business, means any transaction that constitutes an ordinary day-to-day business activity of the Business conducted in a manner consistent with the Vendor's past practice.

"Outside Date" means March 1, 2025.

"Permits" means all permits, licences, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

"Permitted Encumbrances" means: (a) statutory Encumbrances for current Taxes, special assessments or other governmental charges not yet due and payable and for which appropriate accruals have been established in the Financial Statements in accordance with Swiss GAAP; (b) statutory liens and deposits or pledges made in connection with, or to secure payment of, workplace safety and insurance, worker's compensation, employment insurance; (c) the rights of counterparties under the Contracts; (d) undetermined or inchoate Encumbrances imposed or permitted by laws and incurred in the Ordinary Course, such as builder's liens, construction liens, materialmen's liens and other liens, privileges or other charges of a similar nature that relate to obligations not due or delinquent or, if due and delinquent, are being contested diligently and in good faith by appropriate proceedings and for which adequate reserves are being maintained; (e) security given in the Ordinary Course to a public utility or any municipality or governmental or public authority in connection with the operation of the Business; and (f) Encumbrances listed in Section 1 of the Disclosure Schedules.

"Person" means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity.

"Personal Information" means any factual or subjective information, recorded or not, about an employee, contractor, agent, consultant, officer, director, executive, client, customer, supplier or natural person who is natural person or a natural person who is a shareholder of Vendor, or about any other identifiable individual, including any record that can be manipulated, linked or matched by a reasonably foreseeable method to identify an individual, but does not include the name, title or business address or telephone number of an employee of Vendor.

"Purchased Assets" has the meaning set forth in Section 2.01.

"Purchase Price" has the meaning set forth in Section 2.05.

"Purchaser" has the meaning set forth in the preamble.

"**Purchaser Closing Certificate**" has the meaning set forth in Section 7.03(f).

"**Purchaser Indemnitees**" has the meaning set forth in Section 8.02.

"**Purchaser Shares**" means common shares in the capital of the Purchaser.

"**Release**" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate of any Hazardous Substance into or through the Environment or as defined in any Environmental Law.

"**Remedial Order**" means any Governmental Order issued, filed or imposed under any Environmental Law and includes any Governmental Order requiring any remediation or clean-up of any Hazardous Substance, or requiring that any Release or Disposal be reduced or eliminated.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Restricted Period**" has the meaning set forth in Section 6.08(a).

"**Software**" means computer programs, operating systems, applications, interfaces, applets, software scripts, macros, firmware, middleware, development tools and other codes, instructions or sets of instructions for computer hardware or software, including SQL and other query languages, hypertext markup language, wireless markup language, xml and other computer markup languages, in object, source code or other code format.

"**Swiss GAAP**" means generally accepted accounting principles as set forth in the *Swiss Accounting and Reporting Recommendations Handbook* for an entity that prepares its financial statements in accordance with Swiss GAAP Fachempfehlungen zur Rechnungslegung, at the relevant time, applied on a consistent basis.

"**Tangible Personal Property**" means all furniture, fixtures, equipment, machinery, tools, vehicles, office equipment, supplies, computers, telephones and other tangible personal property used in connection with the Business.

"**Tax Act**" means legislation requiring payment of Taxes in all jurisdictions in which the Vendor carries out the Business.

"**Tax**" or "**Taxes**" means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including goods and services tax, sales, use, consumption, excise, customs, anti-dumping,

countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and pension plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.

"**Territory**" means Switzerland.

"**Third-Party Claim**" has the meaning set forth in Section 8.05(a).

"**Transaction Documents**" means this Agreement, the Assignment and Assumption Agreement, Intellectual Property Assignments, the Non-Competition Agreements and the other agreements, instruments and documents required to be delivered at the Closing.

"**Vendor**" has the meaning set forth in the preamble.

"**Vendor Closing Certificate**" has the meaning set forth in Section 7.02(i).

"**Vendor Indemnitees**" has the meaning set forth in Section 8.03.

"**Vendor's Knowledge**" or any other similar knowledge qualification, means the actual or constructive knowledge of any director or officer of Vendor, after due inquiry.

ARTICLE II

Purchase and Sale

Section 2.01 Purchase and Sale of Assets. Subject to the terms and conditions set forth herein, at the Closing, Vendor shall sell, assign, transfer, convey and deliver to Purchaser, and Purchaser shall purchase from Vendor, free and clear of any Encumbrances other than Permitted Encumbrances, all of Vendor's right, title and interest in, to and under all of the assets, properties and rights of every kind and nature, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired (other than the Excluded Assets), which relate to, or are used or held for use in connection with, the Business (collectively, the "**Purchased Assets**"), including the following:

- (a) all inventory, finished goods, raw materials, work in progress, packaging, supplies, parts and other inventories (collectively, the "**Inventory**");
- (b) all Contracts, including IP Agreements, set forth in Section 2.01(d) of the Disclosure Schedules (collectively, the "**Assigned Contracts**");
- (c) all IP Assets;

- (d) all Permits which are held by Vendor and required for the conduct of the Business as currently conducted or for the ownership and use of the Purchased Assets, including those listed in Sections 4.17(b) and 4.18(b) of the Disclosure Schedules;
- (e) all rights to any Action of any nature available to or being pursued by Vendor to the extent related to the Business, the Purchased Assets or the Assumed Liabilities, whether arising by way of counterclaim or otherwise;
- (f) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees (including any such item relating to the payment of Taxes);
- (g) all of Vendor's rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets;
- (h) all insurance benefits, including rights and proceeds, arising from or relating to the Business, the Purchased Assets or the Assumed Liabilities;
- (i) originals, or where not available, copies, of all books and records, including books of account, ledgers and general, financial and accounting records, machinery and equipment maintenance files, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, production data, quality control records and procedures, customer complaints and inquiry files, research and development files, records and data (including all correspondence with any Governmental Authority), sales material and records (including pricing history, total sales, terms and conditions of sale, sales and pricing policies and practices), strategic plans, internal financial statements, marketing and promotional surveys, material and research and files relating to the IP Assets and the IP Agreements (collectively, the "**Books and Records**"); and
- (j) all goodwill and the going concern value of the Business.

Section 2.02 Excluded Assets. Notwithstanding Section 2.01, the Purchased Assets shall not include the following assets (collectively, the "**Excluded Assets**"):

- (a) Cash;
- (b) Contracts, including IP Agreements, that are not Assigned Contracts (the "**Excluded Contracts**");
- (c) the corporate seals, organizational documents, minute books, share certificate books, corporate tax returns, books of account or other records having to do with the corporate organization of Vendor;

- (d) all Benefit Plans and assets attributable thereto;
- (e) Tangible Personal Property;
- (f) the assets, properties and rights specifically set forth in Section 2.02(d) of the Disclosure Schedules; and
- (g) the rights which accrue or will accrue to Vendor under the Transaction Documents.

Section 2.03 Assumed Liabilities. Subject to the terms and conditions set forth herein, Purchaser shall assume and agree to pay, perform and discharge all Liabilities in respect of the Assigned Contracts but only to the extent that such Liabilities thereunder are required to be performed after the Closing Date, were incurred in the Ordinary Course and do not relate to any failure to perform, improper performance, warranty or other breach, default or violation by Vendor on or before the Closing (collectively, the "**Assumed Liabilities**").

Section 2.04 Excluded Liabilities. Notwithstanding the provisions of Section 2.03 or any other provision in this Agreement to the contrary, Purchaser shall not assume and shall not be responsible to pay, perform or discharge any Liabilities of Vendor or any of its Affiliates of any kind or nature whatsoever other than the Assumed Liabilities (collectively, the "**Excluded Liabilities**"). Vendor shall, and shall cause each of its Affiliates to, pay and satisfy in due course all Excluded Liabilities which they are obligated to pay and satisfy. Without limiting the generality of the foregoing, the Excluded Liabilities shall include the following:

- (a) all trade accounts payable of Vendor;
- (b) any Liabilities of Vendor arising or incurred in connection with the negotiation, preparation, investigation and performance of this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby, including fees and expenses of counsel, accountants, consultants, advisers and others;
- (c) any Liabilities for Taxes payable by Vendor;
- (d) any Liabilities relating to or arising out of the Excluded Assets;
- (e) any Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the operation of the Business or the Purchased Assets to the extent such Action relates to such operation on or before the Closing Date;
- (f) any Liabilities of Vendor in respect of employees to the extent that such Liabilities are based on facts, circumstances or events that arise on or before the Closing on the Closing Date and any Liabilities of Vendor in respect of other

employees of Vendor including all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by Vendor of the employment of any employee;

- (g) any Environmental Claims, or Liabilities under Environmental Laws, to the extent arising out of or relating to facts, circumstances or conditions existing on or before the Closing on the Closing Date or otherwise to the extent arising out of any actions or omissions of Vendor;
- (h) any Liabilities of the Business relating or arising from unfulfilled commitments, quotations, purchase orders, customer orders or work orders that (i) do not constitute part of the Purchased Assets issued by the Business' customers to Vendor on or before the Closing; (ii) did not arise in the Ordinary Course; or (iii) are not validly and effectively assigned to Purchaser under this Agreement;
- (i) any Liabilities to indemnify, reimburse or advance amounts to any present or former officer, director, employee or agent of Vendor (including with respect to any breach of obligations by such Person), except for indemnification of such Person under Section 8.03 as Vendor Indemnitees;
- (j) any Liabilities under the Excluded Contracts or any other Contracts, including IP Agreements, (i) which are not validly and effectively assigned to Purchaser under this Agreement; (ii) which do not conform to the representations and warranties with respect thereto contained in this Agreement; or (iii) to the extent such Liabilities arise out of or relate to a breach by Vendor of such Contracts before Closing;
- (k) any Liabilities associated with debt, loans or credit facilities of Vendor or the Business owing to financial institutions; and
- (l) any Liabilities arising out of, in respect of or in connection with the failure by Vendor or any of its Affiliates to comply with any Law or Governmental Order.

Section 2.05 Purchase Price. The aggregate purchase price for the Purchased Assets shall consist of that number of Purchaser Shares equal to 13.5% of the number of Purchaser Shares issued and outstanding on the Closing Date (the "**Consideration Shares**"), plus the assumption of the Assumed Liabilities (the "**Purchase Price**"). The Purchase Price shall be paid by the issuance of the Consideration Shares to the Vendor or as reasonably directed by the Vendor.

Section 2.06 Allocation of Purchase Price. Vendor and Purchaser agree that the Purchase Price and the Assumed Liabilities (plus other relevant items) shall be allocated among the Purchased Assets for all purposes (including Tax and financial accounting) as shown on the allocation schedule attached hereto as Schedule 1 (the "**Allocation Schedule**"). If required, Purchaser and Vendor shall file all Tax returns (including amended returns and claims for refund) and elections required or desirable under applicable tax Laws in a manner consistent

with the Allocation Schedule. Neither Vendor nor Purchaser shall take a contrary position with respect to such allocation in any Tax proceeding, audit, investigation, assessment, reassessment objection or appeal.

Section 2.07 Goods and Services Tax.

- (a) Purchaser and Vendor acknowledge that the Purchase Price does not include any goods or services tax or any Tax imposed under any provision of any applicable provincial legislation imposing a similar value-added or multi-staged Tax.
- (b) Purchaser and Vendor acknowledge and agree that Purchaser is acquiring ownership, possession and use of substantially all of assets reasonably necessary for Purchaser to carry on the Business and that the purchase and sale of the Purchased Assets shall be completed on the basis that no goods and services tax (and no Tax imposed under any provision of any applicable provincial legislation imposing a similar value-added or multi-staged Tax) will be payable by Purchaser in respect of the purchase and sale of the Purchased Assets.
- (c) If required, Purchaser and Vendor shall jointly make the elections provided for under applicable tax Laws and under any provision of any applicable legislation imposing a similar value-added or multi-staged Tax to have such provisions apply to the purchase and sale of the Purchased Assets contemplated by this Agreement so that no goods and services tax (and, if applicable, Tax imposed under any provision of any applicable legislation imposing a similar value-added or multi-staged Tax) will be payable in respect of such transactions.
- (d) Purchaser and Vendor shall complete any election forms in respect of such elections.
- (e) If, however, any goods or services tax or any other Tax imposed under any provision of any applicable provincial legislation imposing a similar value-added or multi-staged Tax is payable in respect of the purchase and sale of the Purchased Assets, Purchaser shall pay to Vendor, immediately upon demand, such amounts and Vendor shall remit on a timely basis such payment to the applicable taxation authority and provide to Purchaser evidence in writing of such remittance. Vendor shall be liable for and shall pay for any applicable interest or penalties payable as a result of any late payment of goods and services tax (and any Tax imposed under any provision of any applicable provincial legislation imposing a similar value-added or multi-staged Tax).

Section 2.08 Third-Party Consents. To the extent that Vendor's rights under any Contract or Permit constituting a Purchased Asset, or any other Purchased Asset, may not be assigned to Purchaser without the consent of another Person which has not been obtained, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful, and Vendor, at its expense, shall use its reasonable

best efforts to obtain any such required consent(s) as promptly as possible. If any such consent shall not be obtained or if any attempted assignment would be ineffective or would impair Purchaser's rights under such Purchased Asset so that Purchaser would not in effect acquire the benefit of all such rights, Vendor, to the maximum extent permitted by Law and the Purchased Asset, shall act after the Closing as Purchaser's agent to obtain for it the benefits thereunder and shall cooperate, to the maximum extent permitted by Law and the Purchased Asset, with Purchaser in any other reasonable arrangement designed to provide such benefits to Purchaser. Notwithstanding any provision in this Section 2.08 to the contrary, Purchaser shall not be deemed to have waived its rights under Section 7.02(d) unless and until Purchaser either provides written waivers thereof or elects to proceed to consummate the transactions contemplated by this Agreement at Closing.

Section 2.09 Board Nominee. The Purchaser agrees, at the Closing Time, to appoint one nominee of the Vendor to the Board of the Purchaser (the "**Vendor Nominee**"). The Vendor agrees to cause its nominee to do such things as are required by the *Business Corporations Act* (Ontario), applicable securities laws and the requirements of the Exchange so as to enable the Purchaser to appoint the nominee as a director of the Purchaser.

ARTICLE III Closing

Section 3.01 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "**Closing**") shall take place at the offices of Cozen O'Connor LLP, 550 Burrard Street, Suite 2501, Vancouver, British Columbia at 9:00, PT time, on the second Business Day after all of the conditions to Closing set forth in ARTICLE VII are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date) or at such other time, date or place as Vendor and Purchaser may mutually agree upon in writing. The date on which the Closing is to occur is herein referred to as the "**Closing Date**".

Section 3.02 Closing Deliverables

- (a) At the Closing, Vendor shall deliver to Purchaser the following:
 - (i) an assignment and assumption agreement in form and substance satisfactory to Purchaser (the "**Assignment and Assumption Agreement**") duly executed by Vendor, effecting the assignment to and assumption by Purchaser of the Purchased Assets and the Assumed Liabilities;
 - (ii) an assignment in the form and substance satisfactory to Purchaser (the "**IP Assignment**") duly executed by Vendor, transferring all of Vendor's right, title and interest in and to the IP Assets to Purchaser;

- (iii) the Non-Competition Agreements duly executed by each of Dr. Thomas Mehrling and Athansios Zikopoulos;
 - (iv) the Vendor Closing Certificate;
 - (v) the certificates of the Secretary of Vendor required by Section 7.02(j) and Section 7.02(k); and
 - (vi) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Purchaser, as may be required to give effect to this Agreement; and
 - (vii) a consent to act from the Vendor Nominee.
- (b) At the Closing, Purchaser shall deliver to Vendor the following:
- (i) the share certificates /DRS advices representing the Consideration Shares;
 - (ii) the Assignment and Assumption Agreement duly executed by Purchaser;
 - (iii) the Non-Competition Agreements duly executed by Purchaser;
 - (iv) the Purchaser Closing Certificate;
 - (v) the certificates of the Secretary of Purchaser required by Section 7.03(g) and Section 7.03(h); and
 - (vi) evidence of TSX conditional approval.

ARTICLE IV

Representations, Warranties and Acknowledgements of Vendor

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, Vendor represents and warrants to Purchaser that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Corporate Status and Extra-Provincial Registrations of Vendor. Vendor is a corporation incorporated and validly existing under the Law of Switzerland and has not been discontinued or dissolved under such Law. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution. Vendor has submitted all notices and returns of corporate information and all other filings required by applicable Law to be submitted by it to any Governmental Authority. Vendor has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on the Business as currently conducted. Section 4.01 of the Disclosure Schedules sets forth each jurisdiction in which Vendor is licensed or registered to carry on business, and

Vendor is duly licensed or registered to carry on business in each jurisdiction in which the ownership of the Purchased Assets or the operation of the Business as currently conducted makes such licensing or registration necessary.

Section 4.02 Authority of Vendor. Vendor has the corporate power and capacity to enter into this Agreement and the other Transaction Documents to which Vendor is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Vendor of this Agreement and any other Transaction Document to which Vendor is a party, the performance by Vendor of its obligations hereunder and thereunder and the consummation by Vendor of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Vendor. This Agreement has been duly executed and delivered by Vendor, and (assuming due authorization, execution and delivery by Purchaser) this Agreement constitutes a legal, valid and binding obligation of Vendor enforceable against Vendor in accordance with its terms. When each other Transaction Document to which Vendor is or will be a party has been duly executed and delivered by Vendor (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Vendor enforceable against it in accordance with its terms.

Section 4.03 No Conflicts; Consents. The execution, delivery and performance by Vendor of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:

- (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws or any unanimous shareholder agreement of Vendor;
- (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Vendor, the Business or the Purchased Assets;
- (c) except as set forth in Section 4.03 of the Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract or Permit to which Vendor is a party or by which Vendor or the Business is bound or to which any of the Purchased Assets are subject (including any Assigned Contract); or
- (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on the Purchased Assets.

No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Vendor in connection with the execution and delivery of this Agreement or any of the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

Section 4.04 Financial Statements.

- (a) Complete copies of the Financial Statements and Interim Financial Statements of the Business have been delivered to Purchaser. The Financial Statements have been prepared in accordance with Swiss GAAP applied on a consistent basis throughout the period involved, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Financial Statements).
- (b) The Financial Statements are based on the books and records of the Business and fairly present in all material respects the financial condition of the Business as of the respective dates they were prepared and the results of the operations of the Business for the periods indicated.

Section 4.05 Undisclosed Liabilities. Vendor has no Liabilities with respect to the Business, except (a) those which are adequately reflected or reserved against in the Balance Sheet as of the Balance Sheet Date, and (b) those which have been incurred in the Ordinary Course consistent with past practice since the Balance Sheet Date and that are not, individually or in the aggregate, material in amount.

Section 4.06 Absence of Certain Changes, Events and Conditions. Since the Balance Sheet Date, and other than in the Ordinary Course consistent with past practice, there has not been any:

- (a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;
- (b) material change in any method of accounting or accounting practice for the Business, except as required by Swiss GAAP or as disclosed in the notes to the Financial Statements;
- (c) entry into any Contract that would constitute a Material Contract;
- (d) incurrence, assumption or guarantee of any indebtedness for borrowed money in connection with the Business except unsecured current obligations and Liabilities incurred in the Ordinary Course consistent with past practice;
- (e) transfer, assignment, sale or other disposition of any of the Purchased Assets shown or reflected in the Balance Sheet, except for the sale of Inventory in the Ordinary Course;
- (f) cancellation of any debts or claims or amendment, termination or waiver of any rights constituting Purchased Assets;

- (g) transfer, assignment or grant of any licence or sub-licence of any material rights under or with respect to any IP Assets or IP Agreements;
- (h) material damage, destruction or loss, or any material interruption in use, of any Purchased Assets, whether or not covered by insurance;
- (i) acceleration, termination, material modification to or cancellation of any Assigned Contract or Permit;
- (j) material capital expenditures which would constitute an Assumed Liability;
- (k) imposition of any Encumbrance upon any of the Purchased Assets;
- (l) (i) grant of any bonuses, whether monetary or otherwise, or increase in any wages, salary, severance, pension or other compensation or benefits in respect of any current or former employees, officers, directors, independent contractors or consultants of the Business, other than as provided for in any written agreements or required by applicable Law, (ii) change in the terms of employment for any employee of the Business or any termination of any employees for which the aggregate costs and expenses exceed \$25,000, or (iii) action to accelerate the vesting or payment of any compensation or benefit for any current or former employee, officer, director, consultant or independent contractor of the Business;
- (m) hiring or promoting any individual as or to (as the case may be) any employee or contractor;
- (n) adoption, modification or termination of any: (i) employment, severance, retention or other agreement with any current or former employee, officer, director, independent contractor or consultant of the Business, or (ii) Benefit Plan, in each case whether written or oral;
- (o) loan to (or forgiveness of any loan to), or entry into any other transaction with, any current or former directors, officers or employees of the Business;
- (p) adoption of any amalgamation, arrangement, reorganization, liquidation or dissolution or filing of an assignment or notice of intention to file a proposal in bankruptcy under any provisions of applicable law or the making of any bankruptcy order against it under any similar Law;
- (q) purchase, lease or other acquisition of the right to own, use or lease any property or assets in connection with the Business for an amount in excess of \$25,000, individually (in the case of a lease, each year) or \$50,000 in the aggregate (in the case of a lease, for the entire term of the lease, not including

any option term), except for purchases of Inventory or supplies in the Ordinary Course consistent with past practice; and

- (r) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 4.07 Material Contracts

- (a) Section 4.07(a) of the Disclosure Schedules lists each of the following Contracts (x) by which any of the Purchased Assets are bound or affected or (y) to which Vendor is a party or by which it is bound in connection with the Business or the Purchased Assets (such Contracts, together with all Contracts and all IP Agreements set forth in Section 4.10(b) of the Disclosure Schedules, being "**Material Contracts**"):
 - (i) all Contracts involving aggregate consideration in excess of \$25,000 and which, in each case, cannot be cancelled without penalty or without more than 90 days' notice;
 - (ii) all Contracts that require Vendor to purchase or sell a stated portion of the requirements or outputs of the Business or that contain "take or pay" provisions;
 - (iii) all Contracts that provide for the indemnification of any Person or the assumption of any Tax, Environmental or other Liability of any Person;
 - (iv) all Contracts that relate to the acquisition or disposition of any business, a material amount of shares, securities or assets of any other Person or any real property (whether by amalgamation, sale of shares, sale of assets or otherwise);
 - (v) all broker, distributor, dealer, manufacturer's representative, franchise, agency, sales promotion, market research, marketing consulting and advertising Contracts;
 - (vi) all employment agreements and Contracts with independent contractors or consultants (or similar arrangements);
 - (vii) except for Contracts relating to trade receivables, all Contracts relating to indebtedness (including guarantees);
 - (viii) all Contracts with any Governmental Authority ("**Government Contracts**");

- (ix) all Contracts that limit or purport to limit the ability of Vendor to compete in any line of business or with any Person or in any geographic area or during any period of time;
 - (x) all joint venture, partnership or similar Contracts;
 - (xi) all Contracts for the sale of any of the Purchased Assets or for the grant to any Person of any option, right of first refusal, right of first offer or preferential or similar right to purchase any of the Purchased Assets;
 - (xii) all powers of attorney with respect to the Business or any Purchased Asset; and
 - (xiii) any other Contract that is material to the Purchased Assets or the operation of the Business and not previously disclosed under this Section 4.07(a).
- (b) Each Material Contract is valid and binding on Vendor in accordance with its terms and is in full force and effect. None of Vendor or, to Vendor's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Purchaser. There are no material disputes pending or threatened under any Contract included in the Purchased Assets.

Section 4.08 Title to Purchased Assets. Vendor has good and valid title to, or a valid leasehold interest in, all of the Purchased Assets. All such Purchased Assets (including leasehold interests) are free and clear of Encumbrances except for Permitted Encumbrances.

Section 4.09 Sufficiency of Assets. The Purchased Assets are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted before the Closing and constitute all of the rights, property and assets necessary to conduct the Business as currently conducted. None of the Excluded Assets are material to the Business.

Section 4.10 Intellectual Property

- (a) Section 4.10(a) of the Disclosure Schedules lists all (i) IP Registrations, and (ii) IP Assets, including Software, that are not registered but that are material to the operation of the Business. All required filings and fees related to the IP

Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all IP Registrations are otherwise in good standing. Vendor has provided Purchaser with true and complete copies of file histories, documents, certificates, examiners' reports, office actions, correspondence and other materials related to all IP Registrations.

- (b) Section 4.10(b) of the Disclosure Schedules lists all IP Agreements. Vendor has provided Purchaser with true and complete copies of all such IP Agreements, including all modifications, amendments and supplements thereto and waivers thereunder. Each IP Agreement is valid and binding on Vendor in accordance with its terms and is in full force and effect. None of Vendor or, to the Vendor's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of breach or default of, or any intention to terminate, any IP Agreement. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any IP Agreement or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder.
- (c) Except as set forth in Section 4.10(c) of the Disclosure Schedules, Vendor is the sole and exclusive legal and beneficial, and with respect to the IP Registrations, registered, owner of all right, title and interest in and to the IP Assets, and has the valid right to use all other Intellectual Property used in or necessary for the conduct of the Business as currently conducted, in each case, free and clear of Encumbrances other than Permitted Encumbrances. Without limiting the generality of the foregoing, Vendor has entered into binding, written agreements with every current and former employee of Vendor, and with every current and former independent contractor, whereby such employees and independent contractors (i) assign to Vendor any ownership interest and right they may have in the IP Assets; and (ii) acknowledge Vendor's exclusive ownership of all IP Assets. Vendor has provided Purchaser with true and complete copies of all such agreements.
- (d) The IP Assets and Intellectual Property licensed under the IP Agreements are all of the Intellectual Property necessary to operate the Business as presently conducted. The consummation of the transactions contemplated in this Agreement will not result in the loss or impairment of, or payment of any additional amounts with respect to, nor require the consent of any other Person in respect of, Purchaser's right to own, use or hold for use any Intellectual Property as owned, used or held for use in the conduct of the Business as currently conducted.
- (e) Vendor's rights in the IP Assets are valid, subsisting and enforceable. Vendor has taken all reasonable steps to maintain the IP Assets and to protect and preserve

the confidentiality of all trade secrets included in the IP Assets, including requiring all Persons having access thereto to execute written non-disclosure agreements.

- (f) The conduct of the Business as currently and formerly conducted, and the IP Assets and Intellectual Property licensed under the IP Agreements as currently or formerly owned, licensed or used by Vendor, have not infringed, misappropriated, diluted or otherwise violated, and have not, do not and will not infringe, dilute, misappropriate or otherwise violate, the Intellectual Property or other rights of any Person. No Person has infringed, misappropriated, diluted or otherwise violated, or is currently infringing, misappropriating, diluting or otherwise violating, any IP Assets.
- (g) There are no Actions (including any oppositions, interferences or re-examinations) settled, pending or threatened (including in the form of offers to obtain a licence): (i) alleging any infringement, misappropriation, dilution or violation of the Intellectual Property of any Person by Vendor in connection with the Business; (ii) challenging the validity, enforceability, registrability or ownership of any IP Assets or Vendor's rights with respect to any IP Assets; or (iii) by Vendor or any other Person alleging any infringement, misappropriation, dilution or violation by any Person of any IP Assets. Vendor is not subject to any outstanding or prospective Governmental Order (including any application or petition therefor) that does or would restrict or impair the use of any IP Assets.

Section 4.11 Inventory. There is no Inventory owned or used by the Vendor in connection with the Business.

Section 4.12 Accounts Receivable. The Vendor has no accounts receivable outstanding.

Section 4.13 Customers and Suppliers. The Vendor has no customers or suppliers.

Section 4.14 Insurance. Section 4.14 of the Disclosure Schedules sets forth (a) a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workplace safety, vehicle, collision, fiduciary liability and other casualty and property insurance maintained by Vendor or its Affiliates and relating to the Business, the Purchased Assets or the Assumed Liabilities (collectively, the "**Insurance Policies**"); and (b) with respect to the Business, the Purchased Assets or the Assumed Liabilities, a list of all pending claims and the claims history for Vendor since January 1, 2022. Except as set forth in Section 4.14 of the Disclosure Schedules, there are no claims related to the Business, the Purchased Assets or the Assumed Liabilities pending under any Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. Neither Vendor nor any of its Affiliates has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any Insurance Policies. All premiums due on the Insurance Policies have either been paid

or, if not yet due, accrued. All Insurance Policies (x) are in full force and effect and enforceable in accordance with their terms; and (y) have not been subject to any lapse in coverage. None of Vendor or any of its Affiliates is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Business and are sufficient for compliance with all applicable Laws and Contracts to which Vendor is a party or by which it is bound. True and complete copies of the Insurance Policies have been made available to Purchaser.

Section 4.15 Legal Proceedings; Governmental Orders

- (a) Except as set forth in Section 4.15(a) of the Disclosure Schedules, there are no Actions pending or, to Vendor's Knowledge, threatened against or by Vendor (i) relating to or affecting the Business, the Purchased Assets or the Assumed Liabilities; or (ii) that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.
- (b) Except as set forth in Section 4.15(b) of the Disclosure Schedules, there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against, relating to or affecting the Business. Vendor is in compliance with the terms of each Governmental Order set forth in Section 4.15(b) of the Disclosure Schedules. No event has occurred or circumstances exist that may constitute or result in (with or without notice or lapse of time) a violation of any Governmental Order.

Section 4.16 Compliance with Laws; Permits

- (a) Vendor is complying with all Laws applicable to the conduct of the Business as currently conducted or the ownership and use of the Purchased Assets.
- (b) All Permits required for Vendor to conduct the Business as currently conducted or for the ownership and use of the Purchased Assets have been obtained by Vendor and are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. Section 4.16(b) of the Disclosure Schedules lists all current Permits issued to Vendor that are related to the conduct of the Business as currently conducted or the ownership and use of the Purchased Assets, including the names of the Permits and their respective dates of issuance and expiration. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit set forth in Section 4.16(b) of the Disclosure Schedules.

Section 4.17 Environmental Matters

- (a) The operations of Vendor with respect to the Business and the Purchased Assets are currently and have been: (i) in compliance with all applicable Environmental Laws; and (ii) Vendor possesses and is in compliance with all Environmental Permits necessary to operate the Business.
- (b) No Environmental Permits are required to operate the Business.
- (c) None of the Vendor, the Business or the Purchased Assets are the subject of any Remedial Order.
- (d) The Vendor has not received any Environmental Notice alleging that the Vendor is in violation of or has any Liability under any Environmental Law that is unresolved.

Section 4.18 Benefit Plans

- (a) The Vendor has no Benefit Plans.

Section 4.19 Employment Matters

- (a) The Vendor has no employees.
- (b) Section 4.19(f) of the Disclosure Schedules lists: (i) all Persons who are currently performing services for the Business carried on by the Vendor as independent contractors under a Contract; and (ii) the current rate of compensation and total fees paid during the 12-month period ending on the date of this Agreement of each such Person. Substantially all independent contractors provide services to the Vendor in relation to the Business under standard form agreements, and a copy of each standard form agreement has been made available to Purchaser.
- (c) Except as set forth in Section 4.19(l) of the Disclosure Schedules, no independent contractor was paid more than \$25,000 in any of the past three financial years of the Vendor. Each independent contractor, including the independent contractors who are listed in Section 4.19(l) of the Disclosure Schedules, has been properly classified as an independent contractor and the Vendor has not received any notice in writing or any material oral notice from any Governmental Authority disputing such classification.

Section 4.20 Taxes

- (a) Vendor has duly and timely filed its Tax Returns with the appropriate Governmental Authority and has duly, completely and correctly reported all income and other amounts and information required to be reported thereon. No such Tax Returns have been amended. There are no outstanding liabilities for Taxes payable, collectible or required to be remitted by Vendor, whether

assessed or not, which may result in an Encumbrance on or other claim against, or seizure of, all or any part of the Purchased Assets or that would otherwise adversely affect the Business or would result in Purchaser becoming liable or responsible for such liabilities, and no event has occurred that, with the passage of time or the giving of notice, or both, could reasonably be expected to result in an Encumbrance for Taxes on any of the Purchased Assets, nor, to Vendor's Knowledge, is any taxing authority in the process of imposing any Encumbrances for Taxes on any of the Purchased Assets (other than for current Taxes not yet due and payable). Vendor has established reserves that are reflected on the Financial Statements that are adequate for the payment, collection or remittance by Vendor of all Taxes that are not yet due and payable (and that will not be due and payable by the Closing Date) and that relate to periods ending on or before the Closing Date. Vendor has withheld and has duly and timely remitted, or shall duly and timely remit, to the appropriate Governmental Authority all Taxes required by Law to be withheld or deducted.

- (b) Vendor has not made any election or designation for purposes of any Law relating to Taxes that would affect the Business or any of the Purchased Assets after the Closing Date.

Section 4.21 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Vendor.

Section 4.22 Securities Law Matters.

- (a) Vendor is resident outside of Canada for the purposes of applicable securities laws.
- (b) Vendor acknowledges that:
 - (i) no Governmental Authority has reviewed or passed on the merits of the Consideration Shares;
 - (ii) there is no government or other insurance covering the Consideration Shares;
 - (iii) there are risks associated with the acquisition of the Consideration Shares;
 - (iv) Purchaser has advised the Vendor that there are restrictions on the Vendor's ability to resell the Consideration Shares and Vendor needs to comply with them before selling any of the Consideration Shares; and

- (v) Purchaser has advised the Vendor that the Purchaser is relying on an exemption from the requirements to provide the Vendor with a prospectus and to sell securities through a Person registered to sell securities under applicable securities laws and, as a consequence of acquiring the Consideration Shares pursuant to this exemption, certain protections, rights and remedies provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Vendor.

Section 4.23 Full Disclosure. No representation or warranty by Vendor in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Purchaser under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE V Representations and Warranties of Purchaser

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, Purchaser represents and warrants to Vendor that the statements contained in this ARTICLE V are true and correct as of the date hereof.

Section 5.01 Corporate Status of Purchaser. Purchaser is a corporation incorporated and validly existing under the Law of Ontario and has not been discontinued or dissolved under such Law. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution. Purchaser has submitted all notices and returns of corporate information and all other filings required by applicable Law to be submitted by it to any Governmental Authority.

Section 5.02 Authority of Purchaser; Issuance of Consideration Shares. Purchaser has the corporate power and capacity to enter into this Agreement and the other Transaction Documents to which Purchaser is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Purchaser of this Agreement and any other Transaction Document to which Purchaser is a party, the performance by Purchaser of its obligations hereunder and thereunder and the consummation by Purchaser of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Purchaser. This Agreement has been duly executed and delivered by Purchaser, and (assuming due authorization, execution and delivery by Vendor) this Agreement constitutes a legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with its terms. When each other Transaction Document to which Purchaser is or will be a party has been duly executed and delivered by Purchaser (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal, valid and binding obligation of Purchaser enforceable against it in accordance with its terms. The Consideration

Shares to be issued as the Purchase Price will have been duly and validly authorized and issued as fully paid and non-assessable Purchaser Shares.

Section 5.03 No Conflicts; Consents. The execution, delivery and performance by Purchaser of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws or any unanimous shareholder agreement of Purchaser; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Purchaser; or (c) require the consent, notice or other action by any Person under any Contract to which Purchaser is a party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Purchaser in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, except for approvals required from the Exchange, which include certain approvals of the shareholders of the Purchaser in connection with this Agreement and the Concurrent Acquisition, and filings with applicable securities commissions in Canada and as set forth in Section 5.06.

Section 5.04 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Purchaser.

Section 5.05 Legal Proceedings. Except as set forth in Section 5.05 of the Disclosure Schedules, there are no Actions pending or, to Purchaser's knowledge, threatened against or by Purchaser or any Affiliate of Purchaser that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 5.06 Securities Laws

- (a) No securities commissions or other similar regulatory bodies of any applicable province or territory of Canada or similar regulatory authority has issued any order preventing or suspending trading of any securities of Purchaser and no such proceeding is, to the knowledge of Purchaser, pending, contemplated or threatened.
- (b) Purchaser is a reporting issuer in British Columbia, Manitoba and Ontario and is not in default of any requirement of applicable Canadian securities laws. The Purchaser Shares are listed and posted for trading on the Exchange and Purchaser is in material compliance with the listing maintenance requirements of the Exchange.

- (c) The Consideration Shares will, at the Closing Time, be conditionally approved for listing and trading on the Exchange. Notwithstanding the foregoing, Purchaser's obligation to issue and deliver the Consideration Shares under this Agreement remains subject to: (i) the completion of such qualification of such Consideration Shares or obtaining approval of such regulatory authority as the Purchaser shall determine to be necessary or advisable in connection with the issuance or sale thereof; and (ii) the receipt from Vendor of such representations, agreements and undertakings as to future dealings in the Consideration Shares as Purchaser determines to be necessary or advisable in order to safeguard against the violation of the applicable Laws of any jurisdiction. The Consideration Shares issued will be issued pursuant to an exemption set out in Section 2.12 of National Instrument 45-106 relating to asset acquisitions, and, as a consequence, any share certificates or DRS statements evidencing such Consideration Shares will bear a legend restricting resale, as set forth below, and any resale of the Consideration Shares shall be subject to a restricted period of four months and one day from the date of issuance of the Consideration Shares:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITIES REPRESENTED BY THIS CERTIFICATE BEFORE [insert the date that is four months and a day after the date of issuance of the securities].

ARTICLE VI Covenants

Section 6.01 Conduct of Business Before the Closing. During the Interim Period, except as otherwise provided in this Agreement or consented to in writing by Purchaser (which consent shall not be unreasonably withheld or delayed), Vendor shall (x) conduct the Business in the Ordinary Course consistent with past practice; and (y) use its reasonable best efforts to maintain and preserve intact its current Business organization, operations and franchises and to preserve the rights, franchises, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having relationships with the Business. Without limiting the foregoing, from the date hereof until the Closing Date, Vendor shall:

- (a) preserve and maintain all Permits required for the conduct of the Business as currently conducted or the ownership and use of the Purchased Assets;
- (b) pay the debts, Taxes and other obligations of the Business when due;
- (c) maintain the properties and assets included in the Purchased Assets in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear;

- (d) continue in full force and effect without modification all Insurance Policies, except as required by applicable Law;
- (e) defend and protect the properties and assets included in the Purchased Assets from infringement or usurpation;
- (f) perform all of its obligations under all Assigned Contracts;
- (g) maintain the Books and Records in accordance with past practice;
- (h) comply in all material respects with all Laws applicable to the conduct of the Business or the ownership and use of the Purchased Assets; and
- (i) not take or permit any action that would cause any of the changes, events or conditions described in Section 4.06 to occur.

Section 6.02 Access to Information. During the Interim Period, Vendor shall (a) afford Purchaser and its Representatives full and free access to and the right to inspect all of the properties, assets, premises, Books and Records, Contracts and other documents and data related to the Business; (b) furnish Purchaser and its Representatives with such financial, operating and other data and information related to the Business as Purchaser or any of its Representatives may reasonably request; and (c) instruct the Representatives of Vendor to cooperate with Purchaser in its investigation of the Business. Any investigation under this Section 6.02 shall be conducted in such manner as not to interfere unreasonably with the conduct of the Business or any other businesses of Vendor. No investigation by Purchaser or other information received by Purchaser shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Vendor in this Agreement.

Section 6.03 No Solicitation of Other Bids

- (a) Vendor shall not, and shall not authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. Vendor shall immediately cease and cause to be terminated, and shall cause its Affiliates and all of its and their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" means any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) relating to the direct or indirect disposition, whether by sale, amalgamation or otherwise, of all or any portion of the Business or the Purchased Assets.

- (b) In addition to the other obligations under this Section 6.03, Vendor shall promptly (and, in any event, within three Business Days after receipt thereof by Vendor or its Representatives) advise Purchaser orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the Person making the same.
- (c) Vendor agrees that the rights and remedies for non-compliance with this Section 6.03 shall include having such provision specifically enforced by any court of competent equitable jurisdiction, and Vendor acknowledges and agrees that any such breach or threatened breach shall cause irreparable harm to Purchaser and that monetary damages would not provide an adequate remedy for Purchaser.

Section 6.04 Notice of Certain Events

- (a) During the Interim Period, Vendor shall promptly notify Purchaser in writing of:
 - (i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Vendor hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.02 to be satisfied;
 - (ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;
 - (iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and
 - (iv) any Actions commenced or, to Vendor's Knowledge, threatened against, relating to or involving or otherwise affecting the Business, the Purchased Assets or the Assumed Liabilities that, if pending on the date of this Agreement, would have been required to have been disclosed under Section 4.15 or that relate to the consummation of the transactions contemplated by this Agreement.
- (b) Purchaser's receipt of information under this Section 6.04 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or

made by Vendor in this Agreement (including Section 8.02 and Section 9.01(b)) and shall not be deemed to amend or supplement the Disclosure Schedules.

Section 6.05 Employees and Employee Benefits

- (a) Vendor shall be solely responsible, and Purchaser shall have no obligations whatsoever, for any compensation or other amounts payable to any current or former employee, officer, director, independent contractor or consultant of the Business, including hourly pay, commission, bonus, salary, accrued vacation, fringe, pension or profit sharing benefits or severance pay for any period relating to the service with Vendor at any time on or before the Closing Date, and Vendor shall pay all such amounts to all entitled Persons on or before the Closing Date.
- (b) Vendor shall remain solely responsible for the satisfaction of all claims for medical, dental, life insurance, health, accident or disability benefits brought by or in respect of current or former employees, officers, directors, independent contractors or consultants of the Business or the spouses, dependents or beneficiaries thereof, which claims relate to events occurring on or before the Closing Date.

Section 6.06 Confidentiality. From and after the Closing, Vendor shall, and shall cause its Affiliates to, hold, and shall use its reasonable best efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Business, except to the extent that Vendor can show that such information (a) is generally available to and known by the public through no fault of Vendor, any of its Affiliates or their respective Representatives; or (b) is lawfully acquired by Vendor, any of its Affiliates or their respective Representatives from and after the Closing from sources who are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If Vendor or any of its Affiliates or their respective Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, Vendor shall promptly notify Purchaser in writing and shall disclose only that portion of such information that Vendor is advised by its counsel in writing is legally required to be disclosed, *provided that* Vendor shall use its reasonable best efforts to obtain an appropriate injunction, protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 6.07 Personal Information Privacy. Purchaser shall, at all times, comply with all Laws governing the protection of personal information with respect to Personal Information disclosed or otherwise provided to Purchaser by Vendor under this Agreement specifically including any obligation to notify affected individuals that personal information was disclosed in the course of the sale and that the sale has closed. Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Vendor and the Business as contemplated in this Agreement and completing the transactions contemplated in this Agreement. Purchaser shall safeguard all Personal Information collected from Vendor in a

manner consistent with the degree of sensitivity of the Personal Information and maintain, at all times, the security and integrity of the Personal Information. Purchaser shall not make copies of the Personal Information or any excerpts thereof or in any way recreate the substance or contents of the Personal Information if the purchase is not completed for any reason and shall return all Personal Information to Vendor or, at Vendor's request, destroy such Personal Information at Vendor's sole cost.

Section 6.08 Non-Competition; Non-Solicitation

- (a) For a period of five years commencing on the Closing Date (the "**Restricted Period**"), Vendor shall not, and shall not permit any of Dr. Thomas Mehrling and Athansios Zikopoulos to, directly or indirectly, (i) engage in or assist others in engaging in the Business in the Territory; (ii) have an interest in any Person that engages directly or indirectly in the Business in the Territory in any capacity, including as a partner, shareholder, employee, principal, agent, trustee or consultant; or (iii) cause, induce or encourage any material actual or prospective client, customer, supplier or licensor of the Business (including any existing or former client or customer of Vendor and any Person that becomes a client or customer of the Business after the Closing), or any other Person who has a material business relationship with the Business, to terminate or modify any such actual or prospective relationship. Notwithstanding the foregoing, Vendor may own, directly or indirectly, solely as an investment, securities of any Person traded on any stock exchange if Vendor is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own 5% or more of any class of securities of such Person.
- (b) During the Restricted Period, Vendor shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any Person who is offered employment by Purchaser under **Error! Reference source not found.** or is or was employed in the Business during the Restricted Period, or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation that is not directed specifically to any such employees; *provided that* nothing in this Section 6.08(b) shall prevent Vendor or any of its Affiliates from hiring (i) any employee whose employment has been terminated by Purchaser or (ii) after 180 days from the date of termination of employment, any employee whose employment has been terminated by the employee.
- (c) During the Restricted Period, Vendor shall not, and shall not permit any of its Affiliates to, directly or indirectly, solicit or entice, or attempt to solicit or entice, any clients or customers of the Business or potential clients or customers of the Business for purposes of diverting their business or services from Purchaser.

- (d) Vendor acknowledges that a breach or threatened breach of this Section 6.08 would give rise to irreparable harm to Purchaser, for which monetary damages would not be an adequate remedy, and hereby agrees that, in the event of a breach or a threatened breach by Vendor of any such obligations, Purchaser shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an interim or permanent injunction, specific performance and any other relief that may be available from a court of competent equitable jurisdiction (without any requirement to post bond or other security).
- (e) Vendor acknowledges that the restrictions contained in this Section 6.08 are reasonable and necessary to protect the legitimate interests of Purchaser and constitute a material inducement to Purchaser to enter into this Agreement and consummate the transactions contemplated by this Agreement. The covenants contained in this Section 6.08 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 6.09 Other Approvals and Consents

- (a) Vendor and Purchaser shall use their respective commercially reasonable efforts to give all notices to, and obtain all consents from, all third parties that are described in Section 4.03 and Section 5.02 of the Disclosure Schedules.
- (b) If any consent, approval or authorization necessary to preserve any right or benefit under any Contract to which the Vendor is a party is not obtained before the Closing, Vendor shall, after the Closing, co-operate with Purchaser in attempting to obtain such consent, approval or authorization as promptly thereafter as practicable. If such consent, approval or authorization cannot be obtained, Vendor shall use its commercially reasonable efforts to provide Purchaser with the rights and benefits of the affected Contract for the term thereof and, if Vendor provides such rights and benefits, the Purchaser shall assume all obligations and burdens thereunder.

Section 6.10 Books and Records

- (a) To facilitate the resolution of any claims made against or incurred by Vendor before the Closing, or for any other reasonable purpose, for a period of seven years after the Closing, Purchaser shall:

- (i) retain the Books and Records (including personnel files) relating to periods before the Closing in a manner reasonably consistent with the prior practices of Vendor; and
 - (ii) upon reasonable notice, afford the Vendor's Representatives reasonable access (including the right to make, at Vendor's expense, photocopies), during normal business hours, to such Books and Records.
- (b) To facilitate the resolution of any claims made by or against or incurred by Purchaser after the Closing, or for any other reasonable purpose, for a period of seven years after the Closing, Vendor shall:
 - (i) retain the books and records (including personnel files) of Vendor that relate to the Business and its operations for periods before the Closing; and
 - (ii) upon reasonable notice, afford the Purchaser's Representatives reasonable access (including the right to make, at Purchaser's expense, photocopies), during normal business hours, to such books and records.
- (c) Neither Purchaser nor Vendor shall be obligated to provide the other party with access to any books or records (including personnel files) under this Section 6.09 where such access would violate any Law.

Section 6.11 Closing Conditions. During the Interim Period, each party shall use commercially reasonable efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in ARTICLE VII.

Section 6.12 Public Announcements. Unless otherwise required by applicable Law or Exchange requirements applicable to Purchaser (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

Section 6.13 Permitted Sale. Following the expiry of the restricted period noted in Section 5.06(c), Vendor agrees that it will not sell, assign or transfer more than 1/30th of the number of Consideration Shares on any one trading day (the "**Selling Limitation**"). The Vendor may not sell, transfer, assign, distribute or dividend the Consideration Shares, nor will it undertake a liquidation or dissolution which has the effect of distributing the Consideration Shares to the shareholders of the Vendor, unless all recipients of such Consideration Shares enter into a stand-alone agreement with the Purchaser agreeing to the Selling Limitation.

Section 6.14 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

Section 6.15 Purchaser Financing. The Purchaser shall use, and shall cause its Affiliates to use, commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to arrange and obtain the Financing as promptly as practicable following the date of this Agreement.

ARTICLE VII Conditions to Closing

Section 7.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or before the Closing of each of the following conditions:

- (a) On or before the Closing Date, the Purchaser shall have completed the Financing.
- (b) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order that is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.
- (c) Vendor shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in Section 4.03, and Purchaser shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in Section 5.03, in each case, in form and substance reasonably satisfactory to Purchaser and Vendor, and no such consent, authorization, order and approval shall have been revoked.
- (d) Purchaser shall have received conditional approval from the Exchange with respect to this Agreement and the transactions contemplated thereunder, which includes approval of the shareholders of the Purchaser in accordance with Exchange requirements.
- (e) Completion by the Purchaser of the Concurrent Acquisition.

Section 7.02 Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Purchaser's waiver, at or before the Closing, of each of the following conditions:

- (a) Other than the representations and warranties of Vendor set out in Section 4.01, Section 4.02, Section 4.04 and Section 4.21, the representations and warranties of Vendor set out in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Vendor set out in Section 4.01, Section 4.02, Section 4.04 and Section 4.21 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).
- (b) Vendor shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it before or on the Closing Date; *provided that*, with respect to agreements, covenants and conditions that are qualified by materiality, Vendor shall have performed such agreements, covenants and conditions, as so qualified, in all respects.
- (c) No Action shall have been commenced against Purchaser or Vendor, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any transaction contemplated hereby.
- (d) All approvals, consents and waivers that are listed in Section 4.03 of the Disclosure Schedules shall have been received, and executed counterparts thereof shall have been delivered to Purchaser at or before the Closing.
- (e) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.
- (f) Vendor shall have delivered to Purchaser duly executed counterparts of the Transaction Documents (other than this Agreement) and such other documents and deliveries set forth or referenced in Section 3.02(a).

- (g) Purchaser shall have received all Permits that are necessary for it to conduct the Business as conducted by Vendor as of the Closing Date.
- (h) All Encumbrances relating to the Purchased Assets shall have been released in full, other than Permitted Encumbrances, and Vendor shall have delivered to Purchaser written evidence, in form satisfactory to Purchaser in its sole discretion, of the release of such Encumbrances.
- (i) Purchaser shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Vendor, that each of the conditions set forth in Section 7.02(a) and Section 7.02(b) have been satisfied (the "**Vendor Closing Certificate**").
- (j) Purchaser shall have received a certificate of the Secretary (or equivalent officer) of Vendor certifying that attached thereto are true and complete copies of all resolutions passed by the board of directors of Vendor and all resolutions of the shareholders of Vendor authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.
- (k) Purchaser shall have received a certificate of the Secretary (or equivalent officer) of Vendor certifying the names and signatures of the officers of Vendor authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.
- (l) Vendor shall have delivered to Purchaser a certificate of status (or its equivalent) for Vendor from the regulator or similar Governmental Authority of the jurisdiction under the Laws in which Vendor is incorporated.
- (m) Vendor shall have delivered to Purchaser such other documents or instruments as Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

Section 7.03 Conditions to Obligations of Vendor. The obligations of Vendor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Vendor's waiver, at or before the Closing, of each of the following conditions:

- (a) Other than the representations and warranties of Purchaser set out in Section 5.01, Section 5.02 and Section 5.04, the representations and warranties of Purchaser set out in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of

any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Purchaser set out in Section 5.01, Section 5.02 and Section 5.04 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

- (b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it on or before the Closing Date; *provided that*, with respect to agreements, covenants and conditions that are qualified by materiality, Purchaser shall have performed such agreements, covenants and conditions, as so qualified, in all respects.
- (c) No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.
- (d) All approvals, consents and waivers that are listed in Section 5.03 of the Disclosure Schedules shall have been received, and executed counterparts thereof shall have been delivered to Vendor at or before the Closing.
- (e) Purchaser shall have delivered to Vendor duly executed counterparts to the Transaction Documents (other than this Agreement) and such other documents and deliveries set forth in Section 3.02(b).
- (f) Vendor shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Purchaser, that each of the conditions set forth in Section 7.03(a) and Section 7.03(b) has been satisfied (the "**Purchaser Closing Certificate**").
- (g) Vendor shall have received a certificate of the Secretary (or equivalent officer) of Purchaser certifying that attached thereto are true and complete copies of all resolutions passed by the board of directors of Purchaser authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.
- (h) Vendor shall have received a certificate of the Secretary (or equivalent officer) of Purchaser certifying the names and signatures of the officers of Purchaser

authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.

- (i) Purchaser shall have delivered to Vendor such other documents or instruments as Vendor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.
- (j) Purchaser shall have delivered to Vendor a certificate of compliance for Purchaser from the Director appointed under the *Business Corporations Act* (Ontario).

ARTICLE VIII Indemnification

Section 8.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein shall survive the Closing and shall remain in full force and effect until the date that is 24 months from the Closing Date; *provided that* the representations and warranties in: (a) Section 4.01, Section 4.02, Section 4.08, Section 4.09, Section 4.21, Section 5.01, Section 5.02 and Section 5.04 shall survive indefinitely; (b) Section 4.20 shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days. All covenants and agreements of the parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable Law, whichever is sooner.

Section 8.02 Indemnification by Vendor. Subject to the other terms and conditions of this ARTICLE VIII, Vendor shall indemnify and defend each of Purchaser and its Affiliates and their respective Representatives (collectively, the "**Purchaser Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Purchaser Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Vendor contained in this Agreement, the other Transaction Documents or in any certificate or instrument delivered by or on behalf of Vendor under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Vendor under this Agreement, the other Transaction Documents or any certificate or instrument delivered by or on behalf of Vendor under this Agreement;
- (c) any Excluded Asset or any Excluded Liability; or
- (d) any Third-Party Claim based upon, resulting from or arising out of the business, operations, properties, assets or obligations of Vendor or any of its Affiliates (other than the Purchased Assets or Assumed Liabilities) conducted, existing or arising on or before the Closing Date.

Section 8.03 Indemnification by Purchaser. Subject to the other terms and conditions of this ARTICLE VIII, Purchaser shall indemnify and defend each of Vendor and its Affiliates and their respective Representatives (collectively, the "**Vendor Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Vendor Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in, or breach of, any of the representations or warranties of Purchaser contained in this Agreement, the other Transaction Documents or in any certificate or instrument delivered by or on behalf of Purchaser under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Purchaser under this Agreement; or
- (c) any Assumed Liability.

Section 8.04 Certain Limitations. The indemnifications provided for in Section 8.02 and Section 8.03 shall be subject to the following limitations:

- (a) Vendor shall not be liable to the Purchaser Indemnitees for indemnification under Section 8.02(a) until the aggregate amount of all Losses in respect of indemnification under Section 8.02(a) exceeds \$50,000 (the "**Basket**"), in which event Vendor shall be required to pay or be liable for all such Losses from the first Dollar. The aggregate amount of all Losses for which Vendor shall be liable under Section 8.02(a) shall not exceed 100% of the Purchase Price (the "**Cap**").
- (b) Purchaser shall not be liable to the Vendor Indemnitees for indemnification under Section 8.03(a) until the aggregate amount of all Losses in respect of

indemnification under Section 8.03(a) exceeds the Basket, in which event Purchaser shall be required to pay or be liable for all such Losses from the first Dollar. The aggregate amount of all Losses for which Purchaser shall be liable under Section 8.03(a) shall not exceed the Cap.

- (c) Notwithstanding the foregoing, the limitations set forth in Section 8.04(a) and Section 8.04(b) shall not apply to Losses based upon, arising out of, with respect to or by reason of any inaccuracy in, or breach of, any representation or warranty in Section 4.01, Section 4.02, Section 4.08, Section 4.09, Section 4.17, Section 4.20, Section 4.21, Section 5.01, Section 5.02 and Section 5.04.
- (d) For purposes of this ARTICLE VIII, any inaccuracy in or breach of any representation or warranty shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty.

Section 8.05 Indemnification Procedures. The party making a claim under this ARTICLE VIII is referred to as the "**Indemnified Party**", and the party against whom such claims are asserted under this ARTICLE VIII is referred to as the "**Indemnifying Party**".

- (a) **Third-Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "**Third-Party Claim**") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of notice of such Third-Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall (i) describe the Third-Party Claim in reasonable detail, (ii) include copies of all material written evidence thereof and (iii) indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third-Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defence; *provided that*, if the Indemnifying Party is Vendor, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third-Party Claim that (x) is asserted directly by or on behalf of a Person that is a supplier or customer of the Business, or (y) seeks an injunction or other equitable relief against the Indemnified Party. If the Indemnifying Party assumes the defence of any Third-Party Claim, subject to

Section 8.05(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defence of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party, *provided that*, if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from, or additional to, those available to the Indemnifying Party; or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third-Party Claim, the Indemnified Party may, subject to Section 8.05(b), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. Vendor and Purchaser shall co-operate with each other in all reasonable respects in connection with the defence of any Third-Party Claim, including making available (subject to the provisions of Section 6.06) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such Third-Party Claim.

- (b) **Settlement of Third-Party Claims.** Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 8.05(b). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within 10 days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in that event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defence of such Third-Party Claim, the Indemnifying Party may settle the Third-

Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defence under Section 8.05(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

- (c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a "**Direct Claim**") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall (i) describe the Direct Claim in reasonable detail, (ii) include copies of all material written evidence thereof and (iii) indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30-day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 8.06 Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this ARTICLE VIII, the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The parties hereto agree that should an Indemnifying Party not make full payment of any such obligations within such 15-Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to but excluding the date such payment has been made at a rate per annum equal to 5%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding.

Section 8.07 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

Section 8.08 Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 7.02 or Section 7.03, as the case may be.

Section 8.09 Exclusive Remedies. Subject to Section 6.08 and Section 10.11, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this ARTICLE VIII. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except under the indemnification provisions set forth in this ARTICLE VIII. Nothing in this Section 8.09 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or wilful misconduct.

ARTICLE IX Termination

Section 9.01 Termination. This Agreement may be terminated at any time before the Closing:

- (a) by the mutual written consent of Vendor and Purchaser;
- (b) by Purchaser by written notice to Vendor if:
 - (i) Purchaser is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Vendor under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII and such breach, inaccuracy or failure has not been cured by Vendor within 10 days of Vendor's receipt of written notice of such breach from Purchaser; or

- (ii) any of the conditions set forth in Section 7.01 or Section 7.02 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Date, unless such failure shall be due to the failure of Purchaser to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing;
- (c) by Vendor by written notice to Purchaser if:
 - (i) Vendor is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII and such breach, inaccuracy or failure has not been cured by Purchaser within 10 days of Purchaser's receipt of written notice of such breach from Vendor; or
 - (ii) any of the conditions set forth in Section 7.01 and Section 7.03 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Date, unless such failure shall be due to the failure of Vendor to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing; or
- (d) by Purchaser or Vendor if (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable.

Section 9.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this ARTICLE IX, this Agreement shall forthwith become terminated and of no further force and effect and there shall be no liability on the part of any party hereto except:

- (a) as set forth in Section 6.06, this ARTICLE IX and ARTICLE X; and
- (b) that nothing herein shall relieve any party hereto from liability for any wilful breach of any provision hereof.

Section 9.03 Break Fee. Despite any other provision in this Agreement relating to the payment of fees and expenses, if:

- (a) the Vendor terminates this Agreement before March 5, 2025 other than in accordance with Section 9.01(c); or

- (b) the Purchaser terminates this Agreement before March 5, 2025 in the circumstances described in Section 9.01(b)(i) following failure by Vendor to cure;

Vendor shall pay the Purchaser a break fee, constituting a reimbursement of the Purchaser's expenses in connection with the Agreement and the Concurrent Acquisition (the "**Break Fee**"). In the circumstances where the Break Fee is payable, the Purchaser will advise the Vendor of the aggregate amount of its expenses incurred in connection with the Agreement and the Vendor shall, within 10 Business Days of such termination, cause to be paid to Purchaser by wire transfer in immediately available funds, the Break Fee as reimbursement for Purchaser's expenses incurred in connection with the Agreement.

ARTICLE X Miscellaneous

Section 10.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 10.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document (with confirmation of receipt) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.02:

If to Vendor:	Laevoroc Chemotherapy AG	c/o Laevoroc Medical AG Rothhusstrasse 21 6331 Huenenberg Switzerland
	Email:	t.mehrling@helixbiopharma.com
	Attention:	Dr. Thomas Mehrling MD PhD, CEO
If to Purchaser:	Helix BioPharma Corp.	Bay Adelaide Centre - North Tower, 40 Temperance St, Suite 2700 Toronto, ON, M5H 0B4

with a copy to:

Email:	jantas@helixbiopharma.com
Attention:	Jacek Antas, CEO and Director
Cozen O'Connor LLP	Bentall 5, 550 Burrard Street, Suite 2501, Vancouver, BC V6C 2B5
Email:	cmctavish@cozen.com
Attention:	Cam McTavish

Section 10.03 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 10.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 10.05 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 10.06 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 10.07 Successors and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; *provided that*, before the Closing Date, Purchaser may, without the prior written consent of Vendor, assign all or any portion of its rights under this Agreement to one or more of its direct or indirect wholly owned subsidiaries. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 10.08 No Third-Party Beneficiaries. Except as provided in ARTICLE VIII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.10 Governing Law; Forum Selection.

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (b) Any action or proceeding arising out of or based upon this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby may be brought in the courts of Ontario, and each party irrevocably submits and agrees to attorn to the exclusive jurisdiction of such courts in any such action or proceeding. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

Section 10.11 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and

that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

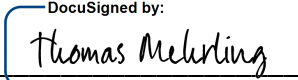
Section 10.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

VENDOR:

LAEVOROC CHEMOTHERAPY AG

By:  DocuSigned by:
B97D2224A72946B...

Name: Thomas Mehrling, MD PhD

Title: CEO, Laevoroc Medical AG

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PURCHASER:

HELIX BIOPHARMA CORP.

Signed by:
By: Jacek Antas
Name: Jacek Antas
Title: CEO

SCHEDULE 1

Allocation Schedule

Description of Purchased Asset	Allocation of Purchase Price in \$CAD⁽¹⁾
Prepaid Expenses	N/A
Other Current Assets	N/A
IP	\$287,830.96
Goodwill	\$5,138,852.08
Assigned Contracts, Permits and all other Purchased Assets not listed above	\$1

Notes:

- ⁽¹⁾ Based on the deemed value of 8,088,553 Purchaser Shares, or 13.5% of the 49,021,536 Purchaser Shares issued and outstanding as of the date hereof at the market price of \$0.82 per Purchaser Share, for a total purchase price of \$5,426,684.