

MEDEXUS PHARMACEUTICALS INC.

INSIDER TRADING POLICY

Effective Date: June 9, 2021

1. Introduction

Medexus Pharmaceuticals Inc. (the “**Corporation**”) encourages all its employees, officers and directors to become shareholders of the Corporation on a long-term investment basis. Since Corporation Personnel (as defined below) may, from time to time, become aware of important corporate developments, significant plans or other material information before such matters are made public, the Corporation has established this Insider Trading Policy (this “**Policy**”) to assist such individuals in complying with the applicable securities, criminal and other applicable laws and stock exchange rules relating to “insider trading”, “tipping,” and “recommending” (each as defined below). This Policy is also intended to help the Corporation’s Reporting Insiders (as defined below) comply with additional securities law obligations.

In particular, each of the following is against the law, may expose applicable individuals to criminal, quasi-criminal, and regulatory prosecution or civil lawsuits, can harm their reputation, and/or could result in the termination of their employment or appointment with the Corporation:

- (a) trading securities of the Corporation while in possession of information (i) that has not been generally disclosed and (ii) the disclosure of which would reasonably be expected to have an effect on the market price or value of any of the Corporation’s securities or that could affect the decision of a reasonable investor to buy, sell or hold any of the Corporation’s securities (known as “**insider trading**”);
- (b) subject to limited exceptions described in this Policy, disclosing such information to a third party before it has been generally disclosed (known as “**tipping**”); or
- (c) subject to limited exceptions described in this Policy, recommending or encouraging a third party to purchase or sell the Corporation’s securities while in possession of such information (known as “**recommending**”).

Such actions can also be expected to result in a lack of confidence in the market for the Corporation’s securities, harming both the Corporation and its shareholders.

The procedures and restrictions set forth in this Policy are only a general framework, designed to assist Corporation Personnel in understanding and not engaging in insider trading, tipping or recommending, or otherwise being perceived as having violated such prohibitions under law. However, Corporation Personnel have the ultimate responsibility for complying with applicable laws and should obtain additional guidance, including independent legal advice, as may be appropriate for their own circumstances.

The Corporation’s Board of Directors will designate one or more individuals from time to time as Insider Trading Policy Administrators for the purpose of administering this Policy. At the date hereof, the designated Insider Trading Policy Administrators are the Chief Executive Officer, the Chief Financial Officer and the General Counsel or Chief Legal Officer (or person acting in a similar capacity), if applicable. This Policy has been reviewed and approved by the Corporation’s Board of Directors and will be reviewed, and updates recommended, periodically by the Corporation’s Compensation, Corporate Governance and Nominating Committee. Any amendments to this Policy will be subject to approval by the Corporation’s Board of Directors.

2. Application

2.1 *Persons that are Subject to this Policy*

The following persons are required to observe and comply with this Policy:

- (a) all directors, officers and employees of the Corporation or its subsidiaries; and
- (b) partnerships, trusts, corporations, registered retirement savings plans (RRSPs) and similar entities over which any of the above-mentioned individuals exercise control or direction.

For the purposes of this Policy, the persons listed above are collectively referred to as “**Corporation Personnel**”.

Corporation Personnel should also be aware that while this Policy only applies to the foregoing persons, the laws underlying the procedures and restrictions set forth in this Policy are also generally applicable to, among others, associates of Corporation Personnel (such as family members who reside in the same home as any Corporation Personnel), persons retained by or engaged in business or professional activity with or on behalf of the Corporation or any of its subsidiaries (such as a consultant, independent contractor or adviser), and further insiders of the Corporation (such as 10% shareholders and their directors and officers) and, where applicable, Corporation Personnel may also be held responsible for actions by such persons.

2.2 *Trades that are Subject to this Policy*

Under this Policy, all references to trading in securities of the Corporation include:

- (a) any sale or purchase of securities of the Corporation, including pursuant to the exercise of equity awards granted by the Corporation and, for greater certainty, any associated sale of securities to fund tax obligations and including any “cashless” exercises;
- (b) any settlement of share units granted pursuant to any securities-based compensation arrangement of the Corporation; and
- (c) any other derivatives-based or other transaction, agreement, arrangement or understanding, or material amendment or termination thereof, that has the effect of altering Corporation Personnel’s economic exposure to the Corporation and would be required to be reported in accordance with applicable laws or regulations (including National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*, Part XXI of the *Securities Act* (Ontario) and the guidance in Staff Notice 55-312 – *Insider Reporting Guidelines for Certain Derivative Transactions (Equity Monetization)*); provided that, solely for such purposes, all Corporation Personnel shall be deemed to be reporting insiders.

3. Inside Information

“**Inside Information**” means:

- (a) a change in the business, operations or capital of the Corporation that would reasonably be expected to have an effect on the market price or value of the securities of the Corporation (which includes any decision to implement such a

change by the Corporation's Board of Directors or by senior management who believe that confirmation of the decision by the Corporation's Board of Directors is probable);

- (b) a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Corporation; or
- (c) any information that could affect the decision of a reasonable investor to buy, sell or hold securities of the Corporation,

in each case, which has not been generally disclosed to the public. Inside Information is considered to be "generally disclosed" when it has been publicly disclosed in a manner calculated to effectively reach the marketplace and public investors have been given a reasonable amount of time to analyze the information (not less than one full trading day). Disclosure of this information will most often occur by way of press release, but may be disclosed by other means in accordance with the Corporation's Disclosure Policy. Examples of information that may constitute Inside Information are set out in Schedule "A" attached hereto.

It is the responsibility of any Corporation Personnel contemplating a trade in securities of the Corporation (or any discussion concerning the Corporation or its securities) to determine prior to such trade (or discussion) whether they are aware of any information that constitutes Inside Information. It is not always clear what information constitutes Inside Information and may depend on each particular circumstance. If in doubt, the individual should consult with an Insider Trading Policy Administrator. In addition, Section 6.1 of this Policy requires that certain Corporation Personnel pre-clear trades in securities of the Corporation. Section 6 also provides that certain Corporation Personnel are subject to scheduled and extraordinary blackout periods.

4. Prohibition Against Trading on Inside Information

Corporation Personnel with the knowledge of Inside Information must not trade in securities of the Corporation until:

- (a) completion of one full trading day after the disclosure to the public of the Inside Information, by way of press release (for example if public disclosure is made before the commencement of trading on day 1, the prohibition applies until the commencement of trading on day 2, while if public disclosure is made after the commencement of trading on day 1 (including after the end of trading on day 1), the prohibition applies until the commencement of trading on day 3); or
- (b) the Inside Information ceases to be material and Corporation Personnel are so advised by the Insider Trading Policy Administrators (e.g. a potential transaction that was the subject of the information is abandoned).

In addition, Corporation Personnel must not make any trades in securities of the Corporation during the blackout periods described in Section 6 of this Policy.

5. Prohibition Against Speculating, Short-Selling and Hedging

Certain types of trades in securities of the Corporation by Corporation Personnel can raise particular concerns about potential breaches of applicable securities law or that the interests of the persons making the trade are not aligned with those of the Corporation. Corporation

Personnel are therefore prohibited at any time from, directly or indirectly, undertaking any of the following activities:

- (a) speculating in securities of the Corporation, which may include buying with the intention of quickly reselling such securities, or selling securities of the Corporation with the intention of quickly buying such securities (other than in connection with the acquisition and sale of shares issued under a securities-based compensation arrangement of the Corporation);
- (b) buying the Corporation's securities on margin or holding Corporation securities in a margin account (since such securities could be sold without the account holder's "consent" in the event of a margin call);
- (c) short selling a security of the Corporation or any other arrangement that results in a gain only if the value of the Corporation's securities declines in the future;
- (d) selling a "call option" giving the holder an option to purchase securities of the Corporation;
- (e) buying a "put option" giving the holder an option to sell securities of the Corporation; and
- (f) purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in the market value of securities of the Corporation (or equivalents such as share units, the value of which is derived from equity securities of the Corporation) held, directly or indirectly, by such Corporation Personnel, including equity securities granted as compensation.

6. Restrictions on Trading of Corporation Securities

6.1 Trading Pre-Clearance

To assist each of the Corporation Personnel specified below (the "**Subject Personnel**") in avoiding any trade in securities of the Corporation that may contravene or be perceived to contravene applicable securities laws, the Subject Personnel are required to notify **in writing** (the "**Trade Notice**"), and obtain **written** pre-clearance from, an Insider Trading Policy Administrator of any proposed trade of securities of the Corporation **at least one trading day before effecting the trade** in order to confirm that there is no Inside Information:

- (a) Corporation Personnel who are "Reporting Insiders" of the Corporation (as defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions* (i.e., Corporation Personnel who are required to report their insider trading activities on the electronic filing system known as SEDI);
- (b) any employee who reports directly to the Chief Executive Officer, General Manager of U.S. Operations or Chief Financial Officer; and
- (c) an individual that is notified by the Insider Trading Policy Administrators that the individual's trades in securities of the Corporation will be subject to pre-clearance in accordance with this Policy.

Notification is required not only for trades in securities of the Corporation beneficially owned by the Subject Personnel, but also for any proposed trades in securities of the Corporation beneficially owned by any other person if such Corporation Personnel has control or direction over such securities (for example, if such Corporation Personnel has the authority to direct the sale or acquisition of Corporation securities by a personal holding company, spouse or minor children).

Such a request must be made sufficiently far in advance of the date of the proposed transaction in order to allow the Insider Trading Policy Administrators to properly consider the request. If any Corporation Personnel who has requested pre-clearance for a proposed trade as required by this Policy and has not received such pre-clearance from an Insider Trading Policy Administrator by the date of the proposed transaction, the Corporation Personnel may not proceed with such trade. Once a Corporation Personnel has received pre-clearance to trade in securities of the Corporation, such pre-clearance is valid for 5 trading days.

If any Corporation Personnel has any doubt with respect to whether they are a Reporting Insider, they should contact the Insider Trading Policy Administrators.

6.2 Scheduled Blackout Periods

No Corporation Personnel shall trade in securities of the Corporation during the period commencing on the date that is: after the last day of the month of the reporting period (i.e. January 1, April 1, July 1 and October 1), and, in either case, ending upon completion of one full trading day following the date on which a press release has been issued in respect of the Corporation's interim or annual financial statements (otherwise known as a "blackout period"). For example if the press release is issued before the commencement of trading on day 1, the prohibition applies until the commencement of trading on day 2, while if the press release is issued after the commencement of trading on day 1 (including after the end of trading on day 1), the prohibition applies until the commencement of trading on day 3. An Insider Trading Policy Administrator will circulate a reminder of the scheduled blackout period on or about the first day of the blackout period.

Notwithstanding the above, Corporation Personnel are never permitted to trade with knowledge of any Inside Information, regardless of whether or not there is a blackout period in effect.

6.3 Extraordinary Blackout Periods

Additional blackout periods may be prescribed from time to time by the Insider Trading Policy Administrators at any time at when it is determined there may be Inside Information concerning the Corporation that makes it inappropriate for Corporation Personnel, individuals required to file a Trade Notice with the Insider Trading Policy Administrators, or some other group of individuals, as the case may be, to be trading. In such circumstances, the Insider Trading Policy Administrators will issue a notice instructing the affected individuals not to trade in securities of the Corporation until further notice. This notice will contain a reminder that the fact that there is a restriction on trading may itself constitute Inside Information or information that may lead to rumours and must be kept confidential.

6.4 Discretionary Exemptions

Individuals subject to a blackout period who wish to trade securities of the Corporation may apply to an Insider Trading Policy Administrator for an exemption from this Policy which permits them to trade securities of the Corporation during the blackout period, including through use of an

automatic securities disposition plan that complies with applicable securities laws. Any such request should describe the nature of and reasons for the proposed trade. The Insider Trading Policy Administrator will consider such requests and inform the individual that has made the request whether or not the proposed trade may be made (or plan entered into). Such individual may not make any such trade until they have received the specific approval from an Insider Trading Policy Administrator.

7. Prohibitions Against Tipping and Recommending

Corporation Personnel are prohibited from communicating Inside Information to any person (including a spouse, child, parent, sibling or other relative or friend of the Corporation Personnel), unless such disclosure is:

- (a) in the necessary course of the Corporation's business;
- (b) compelled by law; or
- (c) otherwise, made in accordance with the Corporation's Disclosure Policy.

In order for Corporation Personnel to be permitted to communicate Inside Information in the necessary course of the Corporation's business:

- (a) the disclosing Corporation Personnel must ensure that the person receiving such information:
 - (i) must first enter into a confidentiality agreement in favour of the Corporation (which should contain, among other things, an acknowledgement by the recipient of the requirements of applicable securities laws relating to such recipient trading securities with knowledge of a material fact or material change in respect of the Corporation that has not been generally disclosed and to such recipient disclosing information to another person or company such material fact or material change); or
 - (ii) understands their legal obligations with respect to Inside Information and there must be no ground for the disclosing Corporation Personnel to believe that the Inside Information will be used or disclosed contrary to applicable law by the person receiving such information; and
- (b) the disclosure must be made pursuant to the proper performance by such Corporation Personnel of their duties on behalf of the Corporation.

Subject to the above, Inside Information is to be kept strictly confidential by all Corporation Personnel until after it has been generally disclosed to the public. Discussing Inside Information within the hearing of, or leaving it exposed to, any person who has no need to know is to be avoided at all times.

Corporation Personnel with knowledge of Inside Information shall not recommend or encourage any other person to trade in the securities of the Corporation (other than as required in the necessary course of business), regardless of whether the Inside Information is specifically communicated by Corporation Personnel to such person.

If any Corporation Personnel has any doubt with respect to whether any information is Inside Information or whether disclosure of Inside Information, or recommending or encouraging trading

in Corporation securities, is in the necessary course of business, the individual is required to contact an Insider Trading Policy Administrator.

8. Securities of Other Companies

In the course of the Corporation's business, Corporation Personnel may obtain information about another publicly-traded issuer that has not been generally disclosed by that other issuer to the public, including such an issuer in respect of which the Corporation is considering or evaluating whether, or proposing, to (a) make a take-over bid, (b) become a party to a reorganization, amalgamation, merger, arrangement or similar business combination or (c) acquire a substantial portion of the property. The restrictions set out in this Policy apply to all Corporation Personnel with respect to trading in the securities of another issuer while in possession of such information, communicating such information to any person, and recommending or encouraging any person to trade in securities of such another publicly-traded issuer, whether such issuer's securities are publicly-traded within Canada, the United States or otherwise.

9. Reporting Requirements

The directors, certain officers and certain other employees of the Corporation and its subsidiaries are "Reporting Insiders" under applicable securities laws. Reporting Insiders are required to file reports (generally within five calendar days) of any direct or indirect beneficial ownership of, or control or direction over, securities of the Corporation and of any change in such ownership, control or direction with Canadian securities regulatory authorities pursuant to the electronic filing system known as SEDI. In addition, Reporting Insiders must also file reports in respect of interest in, or right or obligation associated with, a related financial instrument (i.e., a derivative) involving a security of the Corporation, as well as any monetization transaction, secured loan with recourse limited to securities of the Corporation, or similar arrangement, trade or transaction that changes the Reporting Insider's economic exposure to or interest in securities of the Corporation, which may not necessarily involve a purchase or sale.

If applicable, certain Corporation Personnel may also be Reporting Insiders of any publicly-traded issuers within Canada of which the Corporation is a major subsidiary or a significant shareholder.

The Corporation will assist any Reporting Insider in the preparation and filing of insider reports upon a timely request, however, it is the responsibility of each Reporting Insider (and not the Corporation or its advisers) to comply with these reporting requirements. Reporting Insiders are required to provide the Insider Trading Policy Administrators with a copy of any insider report completed by the Reporting Insider concurrent with or in advance of its filing.

Some officers of the Corporation or its subsidiaries may be eligible to be exempted by applicable securities law from the requirements to file insider reports.

A person that is uncertain as to whether they are a Reporting Insider of the Corporation or any other issuer of which the Corporation is a subsidiary or a shareholder or whether they may be eligible to be exempted from these requirements should contact an Insider Trading Policy Administrator. Reporting Insiders who are exempted from these requirements remain subject to all of the other provisions of applicable securities law and this Policy.

10. Penalties and Civil Liability

10.1 *Insider Trading, Tipping and Recommending Prohibitions*

The applicable securities laws that impose insider trading, tipping and recommending prohibitions also impose substantial penalties, regulatory sanctions and civil liability for any breach of those prohibitions, namely, depending on the violation:

- (a) fines of up to \$5,000,000 and four times the profit made or loss avoided;
- (b) prison sentences for a term not exceeding 10 years for insider trading, and five years for tipping or recommending;
- (c) civil liability for compensation to the seller or purchaser of the relevant securities for damages as a result of the trade; and
- (d) public interest orders such as trading bans and bans against acting as a director or officer of a public issuer and acting as or becoming a registrant.

Where a company is found to have committed an offence, the directors, officers and supervisory Corporation Personnel of the company may be subject to the same or additional consequences.

10.2 *Insider Trade Reporting*

Failure to file an accurate insider report within the required time period is also an offence under securities laws and may result in one or more of the following:

- (a) the imposition of a late filing fee;
- (b) the Reporting Insider being identified as a late filer on a public database of late filers maintained by certain securities regulatory authorities;
- (c) the issuance of a cease trade order that prohibits the Reporting Insider from directly or indirectly trading in or acquiring securities or related financial instruments of the applicable issuer or any publicly-traded issuer in Canada until the failure to file is corrected or a specified period of time has elapsed; or
- (d) in appropriate circumstances, enforcement proceedings.

11. Enforcement

All directors, officers and employees of the Corporation and its subsidiaries will be provided with a copy of this Policy. Additionally, persons retained by or engaged in business or professional activity with or on behalf of the Corporation or any of its subsidiaries (e.g., a consultant or independent contractor) shall also be made aware of this policy. It is a condition of their appointment or employment that each of these persons at all times abide by the standards, requirements and procedures set out in this Policy unless a written authorization to proceed otherwise is received from an Insider Trading Policy Administrator. Any such person who violates this Policy may face disciplinary action up to and including termination of their employment or appointment with the Corporation for cause, without notice. The violation of this Policy may also violate certain securities laws, corporate law and/or criminal laws. If it appears that a director, officer or employee may have violated such laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

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Should you have any questions or wish additional information concerning the above, please contact an Insider Trading Policy Administrator.

This Insider Trading Policy is intended as a component of the flexible governance framework within which the Corporation's Board of Directors, assisted by its committees, supervises the management of the business and affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-Laws, it is not intended to establish any legally binding obligations.

As adopted by the Board of Directors on June 7, 2021.

SCHEDULE "A"

Common Examples of Potential Inside Information

The following examples are not exhaustive:

- proposed major reorganizations, amalgamations, or mergers
- proposed significant public or private sale of additional securities
- planned significant repurchases or redemptions of securities
- planned stock splits or offerings of warrants or rights to buy shares
- proposed share consolidation, share exchange, or stock dividend
- proposed significant acquisitions or dispositions of assets or subsidiaries
- proposed significant acquisitions of other companies
- bankruptcy or receivership
- changes to executive management or control of the company
- commencement of, or developments in, material legal proceedings or regulatory matters
- proposed listing or de-listing of company securities on a quotation system or exchange
- pending change in the company's auditors
- results of the submission of matters to a vote of securityholders
- borrowing or lending of a significant amount of money outside the ordinary course of business
- defaults under material obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- significant new credit arrangements
- any other development that significantly affects or is expected to significantly affect the company's financial condition, financial performance, cash flows or objectives