

AGENCY AGREEMENT

October 12, 2023

Innocan Pharma Corporation
1015, 926 - 5 Avenue SW
Calgary, AB
T2P 0N7

Attention: Mrs. Iris Bincovich, Chief Executive Officer

Dear Mrs. Bincovich:

Research Capital Corporation, as the sole agent and sole bookrunner (the "**Agent**"), understands that Innocan Pharma Corporation (the "**Company**") proposes to issue up to 10,000,000 units of the Company (the "**Units**") at a price of \$0.30 per Unit (the "**Subscription Price**"), with each Unit comprised of one common share of the Company (each, a "**Unit Share**") and one common share purchase warrant of the Company ("**Unit Warrant**"), for aggregate gross proceeds of approximately \$3,000,000, subject to the terms and conditions set out below. In addition, the Company hereby grants the Agent an option (the "**Over-Allotment Option**") to increase the size of the Offering (as defined below) to sell up to an additional 1,500,000 Units (the "**Additional Units**") for additional gross proceeds of up to approximately \$450,000. The Over-Allotment Option is exercisable at any time on or before forty-eight (48) hours prior to the final Closing Date (as hereinafter defined). The Units and the Additional Units are collectively referred to herein as the "**Units**" and each, individually, a "**Unit**". The offer and sale of the Units is referred to as the "**Offering**".

Each Unit Warrant will entitle the holder thereof to purchase one common share of the Company (each a "**Warrant Share**") at a price of \$0.36 per Warrant Share for a period of 36 months following the Closing Date (as defined herein), subject to adjustment in certain events. Each Unit Warrant shall be duly and validly created and issued pursuant to the terms and conditions of the Warrant Indenture (as defined herein). The description of the Unit Warrants herein is a summary only and is subject to the specific attributes and detailed provisions of the Unit Warrants to be set forth in the Warrant Indenture (as defined herein). In case of any inconsistency between the description of the Unit Warrants in this Agreement (as hereinafter defined) and the terms of the Unit Warrants set forth in the Warrant Indenture, the provisions of the Warrant Indenture will govern.

The Units will be offered to Purchasers (as defined herein) resident in the Selling Jurisdictions (as defined herein) pursuant to exemptions from the prospectus and registration requirements of applicable Securities Laws (as defined herein).

The Company shall be entitled to designate to the Agent certain Purchasers to be included in the Offering on a president's list (the "**President's List**"). The Company hereby agrees that the Agent shall not be required to conduct a suitability review under applicable Securities Laws in respect of sales to Purchasers on the President's List, and the Company shall indemnify and save harmless the Agent against any and all losses or expenses relating to sales to Purchasers on the President's List. The Agent may in its sole discretion, acting reasonably, refuse to process any subscription for a Purchaser on the President's List.

In consideration of the services rendered by the Agent in connection with the Offering, the Company shall, at the Closing Time (as hereinafter defined), pay to the Agent the Commission (as defined herein) and the Corporate Finance Fee Units (as defined herein) and issue to the Agent that number of Broker Warrants (as

defined herein) as set out in Section 8 of this Agreement. The obligation of the Company to pay the Commission shall arise at the Closing Time and the Commission shall be fully earned by the Agent upon the completion of the Offering. The Company agrees that the Agent shall be permitted to appoint, at their sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, as their agents to assist in the Offering in the Selling Jurisdictions and that the Agent may determine the remuneration payable by the Agent to such other dealers appointed by them, provided that such remuneration shall not in any way increase the aggregate Commission payable or the number of Broker Warrants or Corporate Finance Fee Units issuable to the Agent by the Company under this Agreement.

DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

"**Additional Units**" has the meaning ascribed to such term on the face page of this Agreement;

"**affiliate**", "**associate**", "**distribution**", "**material change**", "**material fact**" and "**misrepresentation**" have the respective meanings ascribed thereto in the *Securities Act* (Alberta) in effect on the date hereof;

"**Affiliates**" means the respective affiliates of the Agent;

"**Agent**" has the meaning ascribed to such term on the face page of this Agreement;

"**Agent's Counsel**" means DLA Piper (Canada) LLP;

"**Agreement**" means this agreement, being the agreement resulting from the acceptance by the Company of the offer made by the Agent hereby;

"**Auditors**" means Ziv Haft, Certified Public Accountants (Isr.), a BDO Member Firm, the auditors of the Company, or such other duly appointed and qualified auditor appointed by the Company from time-to-time;

"**Broker Unit Shares**" has the meaning ascribed to such term in Section 8 hereof;

"**Broker Unit Warrants**" has the meaning ascribed to such term in Section 8 hereof;

"**Broker Unit Warrant Certificates**" means the certificates representing the Broker Unit Warrants;

"**Broker Unit Warrant Shares**" has the meaning ascribed to such term in Section 8 hereof;

"**Broker Warrant Certificates**" means the certificates representing the Broker Warrants issued by the Company to the Agent on the Closing Date;

"**Broker Warrants**" has the meaning ascribed to such term in Section 8 hereof;

"**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Toronto, Ontario are not open for business;

"**Canadian Selling Jurisdictions**" means all of the provinces of Canada, except the Province of Québec;

"**CFF Unit Shares**" has the meaning ascribed to such term in Section 8 hereof;

"**CFF Unit Warrant Certificates**" means the certificates representing the CFF Unit Warrants;

"**CFF Unit Warrant Shares**" has the meaning ascribed to such term in Section 8 hereof;

"**CFF Unit Warrants**" has the meaning ascribed to such term in Section 8 hereof;

"**CFPOA**" has the meaning ascribed to such term in Section 3(oo) hereof;

"**Claims**" has the meaning ascribed to such term in Section 11(a) hereof;

"**Closing**" means the completion of the purchase and sale of the Units as contemplated by this Agreement and the Subscriber Questionnaires, in one or more tranches;

"**Closing Date**" means the day on which the Closing shall occur, being October 12, 2023, or such other date as the Agent and the Company may determine and for clarity, there may be more than one Closing Date;

"**Closing Time**" means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Company and the Agent may determine;

"**Commission**" has the meaning ascribed to such term in Section 8 hereof;

"**Common Shares**" means the common shares in the capital of the Company;

"**Company**" has the meaning ascribed to such term on the face page of this Agreement;

"**Corporate Finance Fee Units**" has the meaning given to it in Section 8;

"**CSE**" means the Canadian Securities Exchange;

"**Debt Instrument**" means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability to which the Company is a party or otherwise bound and which is material to the Company or the Subsidiaries;

"**Employee Plans**" has the meaning ascribed to such term in Section 3(bb) hereof;

"**Environmental Laws**" means any federal, provincial, state, local or municipal statute, law, rule, regulation, ordinance, code, policy or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of Hazardous Materials or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials;

"**Expiry Date**" means the date that is 36 months from the date of issuance of the Unit Warrants;

"**FCPA**" has the meaning ascribed to that term in Section 3(oo) hereof;

"**FDA**" means the United States Food and Drug Administration;

"**Financial Statements**" means the audited consolidated annual financial statements of the Company for the fiscal years ended December 31, 2022 and 2021 and the unaudited condensed interim consolidated financial statements as at and for the three-month periods ended June 30, 2023 and 2022;

"Governmental Authority" means any municipal, provincial, state territorial or federal, and as applicable in the circumstances, any foreign: (a) government; (b) court, arbitral or other tribunal or governmental or quasi-governmental authority of any nature (including any governmental agency, political subdivision, instrumentality, branch, department, official, or entity); (c) body or other instrumentality exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature pertaining to government, including, without limitation, the United States Food and Drug Administration and Health Canada; (d) any formulary body with responsibility for determining listability of a Product on any applicable formulary or for determining the pricing of Products for reimbursement, with jurisdiction to review the pricing of and payment for Products under applicable Law; (e) any provincial, state, territorial or federal government or review board with jurisdiction over pricing of patented products or with jurisdiction over competition aspects of pricing of products; or (f) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Regulators and the Canadian Investment Regulatory Organization; and "Governmental Authority" means any one of the Governmental Authorities;

"Hazardous Materials" means, collectively, (a) any chemicals or other materials or substances which are defined as or included in the definition of "hazardous recyclables," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "contaminants," "pollutants" or words of similar import under any Environmental Law, and (b) any other chemical, contaminant, pollutant, deleterious substance, dangerous good or other material or substance, which is limited or regulated under any Environmental Law;

"Health Care Authorizations" means all authorizations required under any Health Care Laws to carry on the business of the Company;

"Health Care Laws" means any international, federal, state, provincial or local statutes, regulations, directives, guidelines, ordinances, orders, standards, requirements, approvals, or consents, applicable to the development, testing, manufacturing, quality, market authorization, packaging, labeling, advertising, importation, storage, post-market monitoring, distribution or sale of the Products, including, without limitation, the United States Federal Food, Drug and Cosmetic Act and its regulations, the Canadian Food and Drugs Act and its regulations, and all health care fraud and abuse laws and regulations;

"including" means including without limitation;

"Indemnified Party" has the meaning ascribed to such term in Section 11(a) hereof;

"Indemnitor" has the meaning ascribed to such term in Section 11(a) hereof;

"Intellectual Property" means all industrial and other intellectual property rights comprising or relating to (a) trademarks, trade dress, trade and business names, branding, brand names, logos, design rights, corporate names and domain names and other similar designations of source, sponsorship, association or origin, together with the goodwill symbolized by any of the foregoing; (b) internet domain names registered by any authorized private registrar or Governmental Authority, web addresses, web pages, websites, URLs and social media handles; (c) works of authorship, expressions, designs and industrial design registrations, software and firmware, data, data files, and databases and other specifications and documentation; (d) inventions, discoveries, improvements, developments, trade secrets, business and technical information, know-how, databases, data collections, patent disclosures and other confidential or proprietary information; and (e) all industrial and other intellectual property rights, and all rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered, such registered rights including patent, trademark,

industrial design, copyright, including all registrations and applications for, and renewals or extensions of, such rights or forms of protection under the applicable Laws of any jurisdiction in any part of the world used or necessary for the conduct of the business of the Company as presently conducted or as proposed to be conducted or that is owned or purported to be owned by the Company and any Subsidiary;

"Investor Presentation" means the investor presentation entitled "Cannabinoid-Integrated Pharma & Wellness: Making the CBD Revolution a Reality" dated September 2023 and filed on SEDAR+ on September 21, 2023;

"Laws" means applicable Securities Laws and all other statutes, regulations, statutory rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or licence, or any judgment, order, decision, ruling, award, policy or guideline, of any Governmental Authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more persons, means that such Laws apply to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority, having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

"Licensed IP" means the Intellectual Property that is licensed to the Company and/or the Subsidiaries and material to the business of the Company and the Subsidiaries and that is owned by any person other than the Company;

"Licenses" means all licenses, permits, approvals, consents, certificates, registrations and authorizations (whether governmental, regulatory or otherwise), including without limitation, those administered by any other Governmental Authority;

"Liens" means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or the right to use or occupy such property or assets;

"LIFE Exemption" means the listed issuer financing exemption available under Part 5A of NI 45-106;

"LIFE Purchasers" means Purchasers of Offered Securities in reliance on the LIFE Exemption;

"Losses" has the meaning ascribed to such term in Section 11(a) hereof;

"Material Adverse Effect" means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision of the board of directors is probable), event, violation, inaccuracy, circumstance, development or effect that is materially adverse to the business, assets (including intangible assets), capitalization, liabilities (contingent or otherwise), condition (financial or otherwise), prospects, Intellectual Property or results of operations of the Company and the Subsidiaries, taken as a whole, whether or not arising in the ordinary course of business;

"Material Contract" means any material Debt Instrument, indenture, contract, commitment, agreement (written or oral), instrument, lease, joint operating agreement, option, joint venture agreement or other document, including license agreements and agreements relating to real property or the Intellectual Property, to which the Company or any Subsidiaries are a party or by which any one of them are bound;

"**Material Subsidiaries**" means has the meaning ascribed to such term in Section 3(d) hereof

"**Money Laundering Laws**" has the meaning ascribed to such term in Section 3(nn) hereof;

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*;

"**Offered Securities**" means, collectively, the Units, Unit Shares, and Unit Warrants;

"**Offering**" has the meaning ascribed to such term on the face page of this Agreement;

"**Offering Document**" means the listed issuer financing document of the Company dated September 21, 2023, prepared by the Company in accordance with Form 45-106F19 – *Listed Issuer Financing Document*;

"**OTCQB**" means the OTCQB® Venture Market;

"**Over-Allotment Option**" has the meaning ascribed to such term on the face page of this Agreement;

"**Owed Intellectual Property**" means Intellectual Property which is owned or purported to be owned by the Company or any Subsidiary;

"**Person**" includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

"**Premises**" has the meaning ascribed to such term in Section 3(aaa) hereof;

"**President's List**" has the meaning ascribed to such term on the face page of this Agreement;

"**Products**" means the pharmaceutical products under development, manufactured, marketed or sold by the Company or its Subsidiaries, including, without limitation, the pharmaceutical products described in the Public Disclosure Documents;

"**Public Disclosure Documents**" means, collectively, all of the documents which have been filed by or on behalf of the Company prior to the Closing Time with the relevant Securities Regulators pursuant to the requirements of Securities Laws, including all documents filed on SEDAR+ at www.sedarplus.ca;

"**Purchasers**" means the Persons who are purchasers in the Selling Jurisdictions who, as purchasers or beneficial purchasers, acquire the Units;

"**Sanctioned Person**" has the meaning ascribed to such term in Section 3(pp) hereof;

"**Sanctions**" has the meaning ascribed to such term in Section 3(pp) hereof;

"**SEC**" means U.S. Securities and Exchange Commission;

"**Securities Act**" means the *Securities Act* (Alberta);

"**Securities Laws**" means, collectively, (i) all applicable securities laws in each of the Canadian Selling Jurisdictions and the applicable securities laws of all other jurisdictions other than the Canadian Selling Jurisdictions in which the Offered Securities are offered for sale, as applicable, and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in such jurisdictions;

"**Securities Regulators**" means, collectively, the securities regulators, the CSE, SEC or other securities regulatory authorities in the Selling Jurisdictions;

"**SEDAR+**" means the System for Electronic Data Analysis and Retrieval +;

"**Selling Jurisdictions**" means, collectively, the Canadian Selling Jurisdictions, the United States, and such other jurisdictions as the Agent and the Company may agree;

"**Subscriber Questionnaires**" means the questionnaires in respect of the Units, in the forms agreed upon by the Agent and the Company, completed by each of the Purchasers under the LIFE Exemption providing certain information with respect to the Purchasers and shall include, for greater certainty, all schedules thereto;

"**Subscription Price**" has the meaning ascribed to such term on the face page of this Agreement;

"**Subsidiaries**" means collectively, Innocan Pharma Ltd, Synony US LLC, B.I. Sky Global Ltd. and Innocan Pharma UK Ltd. and "**Subsidiary**" means any one of them;

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

"**Taxes**" has the meaning ascribed to such term in Section 3(x) hereof;

"**Term Sheet**" means the document entitled "Innocan Pharma Corporation Best-Efforts Private Placement (LIFE) Offering of Units Term Sheet" dated September 21, 2023 and filed on SEDAR+ on September 21, 2023;

"**to the knowledge of the Company**" means the actual knowledge of the current directors and officers of the Company, after reasonable enquiry;

"**Transaction Documents**" means collectively, this Agreement, the Subscriber Questionnaires, the Warrant Indenture, and the Broker Warrant Certificates;

"**Transfer Agent**" means Odyssey Trust Company in its capacity as transfer agent and registrar of the Company at its principal office in Calgary, Alberta;

"**United States**" and "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"**U.S. Affiliate**" means the United States registered broker-dealer affiliate of the Agent;

"**U.S. Person**" means a "U.S. person" as that term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act;

"**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder;

"**Unit Shares**" has the meaning ascribed to such term on the face page of this Agreement;

"**Unit Warrant**" has the meaning ascribed to such term on the face page of this Agreement;

"**Units**" has the meaning ascribed to such term on the face page of this Agreement;

"**Warrant Indenture**" means, the warrant indenture entered into between Odyssey Trust Company, in its capacity as warrant agent thereunder, and the Company to be dated as of the Closing Date; and

"**Warrant Shares**" has the meaning ascribed to such term on the face page of this Agreement.

TERMS AND CONDITIONS

1. (a) Sale on Exempt Basis. Upon and subject to the terms and conditions set forth herein, the Agent hereby agree to act, and upon acceptance hereof, the Company hereby appoints the Agent, as the Company's exclusive agent, to offer for sale by way of private placement on a "best efforts" basis, without underwriter liability, the Units to be issued and sold pursuant to the Offering. The Agent shall arrange for the purchase of the Units pursuant to the Offering in the Selling Jurisdictions in accordance with the terms of this Agreement, in such a manner so as not to require registration thereof or filing of a prospectus, registration statement or similar disclosure document other than the Offering Document or imposing on the Company any additional continuous reporting obligations under any applicable Securities Laws, all in compliance with such applicable Securities Laws on a private placement basis.

(b) Filings. The Company agrees to comply with Securities Laws in connection with the Offering and undertakes to file, or cause to be filed, within the periods stipulated under Securities Laws, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the Units so that the distribution of the Units may lawfully occur without the necessity of filing or delivering (as applicable) a prospectus, a registration statement or similar disclosure document other than the Offering Document in the Selling Jurisdictions, and the Agent undertakes to use its commercially reasonable best efforts to cause the Purchasers to complete any forms required by Securities Laws. All fees payable in connection with such filings shall be at the expense of the Company.

(c) No Offering Memorandum, General Solicitation or Advertising. Neither the Company nor the Agent shall provide to prospective purchasers of the Units any document or other material that would constitute an offering memorandum or "future oriented financial information" within the meaning of Securities Laws, other than the Offering Document, the Investor Presentation and the Term Sheet.

(d) Compliance with U.S. Securities Laws. The parties to this Agreement acknowledge that the Units, Unit Shares and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and the Units, Unit Shares and Warrant Shares may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons except pursuant to transactions that are exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Company and the Agent, severally and not jointly nor jointly and severally, hereby agree that offers and sales of the Units to, or for the account or benefit of, persons in the United States and U.S. Persons shall be conducted only in the manner specified in Schedule "A", which terms and conditions are hereby incorporated by reference in and shall form a part of this Agreement.

2. (a) Covenants. The Company hereby covenants to the Agent and to the Purchasers, and their permitted assigns, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Units, as follows:

- (i) *Exempt Offering.* The Company will fulfill all legal requirements to permit the creation, issue, offering and sale, as applicable, of the Offered Securities in compliance with the Securities Laws, to enable the Offered Securities to be offered for sale and sold to the Purchasers, without the necessity of filing a prospectus or a registration statement under the applicable Securities Laws, to Purchasers through investment dealers or brokers registered under the applicable securities legislation of the Selling Jurisdiction who have complied with the relevant provisions of such laws.
- (ii) *Due Diligence.* The Company will allow the Agent and their representatives the opportunity to conduct all due diligence which the Agent may reasonably require to be conducted prior to the Closing Date.
- (iii) *Delivery of Transaction Documents.* The Company will duly execute and deliver the Transaction Documents at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company.
- (iv) *Maintain Reporting Issuer Status.* The Company will use its reasonable commercial efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws in each of the provinces of Canada in which the Company is a "reporting issuer" as at the date hereof, until the date that is 24 months following the Closing Date, provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be a "reporting issuer" so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada, or cash, or the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate and securities laws and the policies of the CSE (or any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted).
- (v) *Maintain Stock Exchange Listing.* The Company will use its reasonable commercial efforts to maintain the listing of the Common Shares for trading on the CSE for a period of 24 months following the Closing Date, provided that this covenant shall not prevent the Company from completing any transaction which would result in the Common Shares ceasing to be listed so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada, or cash, or the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate and securities laws and the policies of the CSE (or any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted). The Company will use its commercially reasonable efforts to ensure that the Unit Shares, the Warrant Shares, the Broker Unit Shares, the Broker Unit Warrant Shares, CFF Unit Shares and CFF Unit Warrant Shares are conditionally approved for listing and trading on the CSE on or prior to the Closing Date.
- (vi) *Validly Issued Unit Shares.* The Company will ensure that the Unit Shares, when paid for, shall be duly issued as fully paid and non-assessable Common Shares, and shall have the attributes corresponding to the description thereof set forth in this Agreement.

- (vii) *Validly Issued Unit Warrants.* The Company will ensure that the Unit Warrants, when paid for, shall be duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture.
- (viii) *Validly Issued Warrant Shares.* The Company will ensure that at all times prior to the Expiry Date, sufficient Warrant Shares are allotted for issuance upon the due and proper exercise of the Unit Warrants. The Warrant Shares, upon issuance in accordance with the terms of the Warrant Indenture and when paid for, shall be duly issued as fully paid and non-assessable Common Shares and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture.
- (ix) *Validly Issued Broker Warrants.* The Company will ensure that the Broker Warrants shall be duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Warrant Certificates.
- (x) *Validly Issued Broker Unit Warrants.* The Company will ensure that the Broker Unit Warrants shall be duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Warrant Certificates.
- (xi) *Validly Issued Broker Unit Shares.* The Company will ensure that at all times prior to the expiry of the Broker Warrants, sufficient Broker Unit Shares are allotted for issuance upon the due and proper exercise of the Broker Warrants. The Broker Unit Shares, upon issuance in accordance with the terms of the Broker Warrant Certificates, and when paid for, shall be duly issued as fully paid and non-assessable Common Shares and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Warrant Certificates.
- (xii) *Validly Issued Broker Unit Warrant Shares.* The Company will ensure that at all times prior to expiry of the Broker Unit Warrants, sufficient Broker Unit Warrant Shares are allotted for issuance upon the due and proper exercise of the Broker Unit Warrants. The Broker Unit Warrant Shares, upon issuance in accordance with the terms of Broker Unit Warrant Certificates, and when paid for, shall be duly issued as fully paid and non-assessable Common Shares and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Unit Warrant Certificates.
- (xiii) *Validly Issued CFF Unit Warrants.* The Company will ensure that the CFF Unit Warrants shall be duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the CFF Warrant Certificates.
- (xiv) *Validly Issued CFF Unit Shares.* The Company will ensure that the CFF Unit Shares, when paid for, shall be duly issued as fully paid and non-assessable Common Shares, and shall have the attributes corresponding to the description thereof set forth in this Agreement.
- (xv) *Validly Issued CFF Unit Warrant Shares.* The Company will ensure that at all times prior to expiry of the CFF Unit Warrants, sufficient CFF Unit Warrant Shares are allotted for issuance upon the due and proper exercise of the CFF Unit Warrants. The

CFF Unit Warrant Shares, upon issuance in accordance with the terms of CFF Unit Warrant Certificates, and when paid for, shall be duly issued as fully paid and non-assessable Common Shares and shall have the attributes corresponding to the description thereof set forth in this Agreement and the CFF Unit Warrant Certificates.

- (xvi) *Consents and Approvals.* The Company will obtain, prior to the Closing Time, the necessary regulatory consents and approvals for the Offering, including the conditional approval for the Offering by the CSE, necessary for the consummation of the transactions contemplated herein, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to Securities Laws and the rules of the CSE.
- (xvii) *Regulatory Filings.* The Company will execute and file with the Securities Regulators and the CSE all forms, notices and certificates required to be filed by the Company in connection with the Offering pursuant to Securities Laws and the policies of the CSE in the time required by Securities Laws and the policies of the CSE, including, for greater certainty, Form 45-106F1 of NI 45-106 and any other forms, notices and certificates set forth in the opinions delivered to the Agent pursuant to the closing conditions set forth in Section 6 hereof.
- (xviii) *Standstill.* The Company agrees not to offer, nor to announce the offering of, nor to make any agreement to issue any equity or debt securities or securities convertible or exercisable into equity or debt securities of the Company for a period commencing the date hereof and ending 30 days from Closing without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed. The foregoing restriction shall not apply to securities issued in connection with: (i) securities-based compensation arrangement of the Company that comply with the policies of the CSE; (ii) the issuance of securities in respect of convertible securities outstanding as of the date hereof; (iii) the issuance of securities in respect of an asset acquisition or other strategic transaction of the Company; (iv) any previously announced obligation.
- (xix) *Lock-Up Agreements.* The Company will use its best efforts to cause each of its directors, officers and principal shareholders to enter into lock-up agreements in a favour of the Agent, pursuant in which they will covenant and agree that they will not, for a period of 60 days following the Closing, not to, directly or indirectly, offer, sell, contract to sell, lend, swap, transfer, pledge, assign or otherwise dispose of or transfer the economic consequences of or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, securities of the Company held by them, directly or indirectly, without prior consent of the Agent, which consent will not be unreasonably withheld or delayed, provided that the Agent's consent shall not be required in connection with (a) the exercise of previously issued options or other convertible securities, (b) transfers among a shareholder's affiliates for tax or other planning purposes, or (c) a tender or sale by a shareholder of securities of the Company in or pursuant to a take-over bid or similar transaction involving a change of control of the Company.
- (xx) *Use of Proceeds.* The Company shall use the net proceeds of the Offering for (i) pre-investigational new drug meeting with the FDA regarding the human application of the

Company's Products; (ii) the investigational new animal drug meeting with the FDA regarding the veterinary application of the Company's Products; and (iii) for the expansion of the Company's derma-cosmetic product distribution.

- (xxi) *News Releases.* The Company agrees that it shall provide the Agent an opportunity to review and comment on the content and form of any news release relating to the Offering. In addition, if required by the relevant Securities Laws, any news release announcing or otherwise referring to the Offering shall include an appropriate notation substantially in the following form: "***Not for distribution to United States newswire services or for dissemination in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available. This news release shall not constitute an offer to sell or the solicitation of an offer to buy in the United States or to, or for the account or benefit of, persons in the United States or U.S. Persons nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.***"
- (xxii) *Closing Conditions.* The Company will fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 6 hereof.
- (b) The Agent hereby covenants and agrees to:
- (i) conduct all activities in connection with the Offering in compliance with applicable Securities Laws and all other laws applicable to the Agent (or an Affiliate of the Agent) or the selling group members;
- (ii) use its commercially reasonable efforts to obtain Subscriber Questionnaires (including all certifications, forms and other documentation contemplated thereby or as may be required by Securities Regulators) completed by LIFE Purchaser or its duly authorized representative, in a form acceptable to the Company and the Agent, in the absence of which such LIFE Purchaser shall not be permitted to participate in the Offering; and
- (iii) not solicit subscriptions for the Units except in accordance with the terms and conditions of this Agreement, the Subscriber Questionnaires, and the Offering Document.

3. Representations and Warranties of the Company. The Company represents and warrants to the Agent and to the Purchasers that each of following representations is true and correct and acknowledges that each of them is relying upon such representations and warranties in purchasing the Offered Securities, as follows:

- (a) each of the Company and the Subsidiaries has been duly incorporated and organized and is validly existing as a corporation under the laws of the jurisdiction in which it was incorporated, amalgamated or continued, as the case may be, and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing the dissolution or winding up of the Company or the Subsidiaries;
- (b) each of the Company and the Material Subsidiaries are duly qualified to carry on its business in each jurisdiction in which the conduct of its business or the ownership, leasing

or operation of its property and assets requires such qualification (except for such jurisdictions where the failure to be so qualified would not result in a Material Adverse Effect) and has all requisite corporate power and authority to conduct its business and to own, lease and operate its properties and assets and to execute, deliver and perform its obligations under this Agreement, the Warrant Indenture, the Broker Warrant Certificates and any other document, filing, instrument or agreement delivered in connection with the Offering;

- (c) neither the Company nor the Material Subsidiaries are (i) in violation of its constating documents or (ii) to the knowledge of the Company, in default of the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, joint venture, mortgage, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or its property may be bound, except in the case of clause (ii) for any such violations or defaults that would not result in a Material Adverse Effect;
- (d) other than Innocan Pharma Ltd. and B.I. Sky Global Ltd. (each, a "**Material Subsidiary**"), none of the Subsidiaries (i) conduct any business, or (ii) hold any assets or property, and the Company confirms that it has no direct or indirect subsidiaries other than the Subsidiaries, nor any investment in any person which, for the year ended December 31, 2022 or which, for the financial year ending December 31, 2023, is expected to account for, more than five percent of the consolidated assets or consolidated revenues of the Company or would otherwise be material to the business and affairs of the Company on a consolidated basis, other than its 60% holding of B.I. Sky Global Ltd. The Company owns, directly or indirectly, all of the issued and outstanding shares of the Subsidiaries other than its 60% holding of B.I. Sky Global Ltd., all of the issued and outstanding shares of the Subsidiaries are issued as fully paid and non-assessable shares, free and clear of all Liens whatsoever, and no person, firm or corporation has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Company or the Subsidiaries of any interest in any of the shares in the capital of the Subsidiaries;
- (e) the Company and the Material Subsidiaries (i) each conducted and have each been conducting their business in compliance with all applicable Laws of each jurisdiction in which its business is carried on or in which its services are provided and has not received a notice of non-compliance, in all material respects, and neither the Company nor any of the Material Subsidiaries knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Laws, (ii) are not in breach or violation of any judgment, order or decree of any Governmental Authority having jurisdiction over the Company or the Material Subsidiaries, as applicable, and (iii) hold all, and are not in breach of any, Licenses that enable its business to be carried on as now conducted, and all such Licenses are valid and subsisting and in good standing;
- (f) (A) each of the Company and the Material Subsidiaries are the absolute legal and beneficial owner, and has good and valid title to, all of the material property or assets thereof as described in the Public Disclosure Documents, and no other material property or assets are necessary for the conduct of the business of the Company or the Material Subsidiaries as currently conducted, (B) the Company does not know of any claim or the basis for any claim that might or could materially and adversely affect the right of the Company or the Material Subsidiaries to use, transfer or otherwise exploit such property or assets, and (C) other than in the ordinary course of business and as disclosed in the Public Disclosure

Documents, neither the Company nor the Material Subsidiaries have any responsibility or obligation to pay any commission, royalty, license fee or similar payment to any person with respect to the property and assets thereof;

- (g) The Company is authorized to issue an unlimited number of Common Shares without par value, of which, as of the close of business on October 11, 2023, 262,453,787 Common Shares were outstanding as fully paid and non-assessable shares and none of the outstanding shares of the Company were issued in violation of the pre-emptive or similar rights of any securityholder of the Company;
- (h) all of the Material Contracts to which the Company or any of the Material Subsidiaries is a party are in good standing and in full force and effect and no material default or breach exists in respect of any of them on the part of any of the parties to them and, to the knowledge of the Company, no event has occurred which, after the giving of notice or the lapse of time or both would constitute such a default or breach and which would have a Material Adverse Effect; the foregoing includes all the presently outstanding Material Contracts entered into by the Company and the Material Subsidiaries in the course of carrying out their operations and all operations related thereto;
- (i) as of the date hereof, other than pursuant to an aggregate of 28,108,566 stock options and 20,070,734 share purchase warrants, no person, firm, corporation or other entity holds any securities convertible or exchangeable into securities of the Company or has any agreement, warrant, option, right or privilege (whether at law, pre-emptive or contractual) being or capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities (including convertible securities) or warrants of the Company;
- (j) there are no voting trusts or agreements, shareholders' agreements, shareholders' rights agreements, buy-sell agreements, rights of first refusal agreements, agreements relating to restrictions on transfer, pre-emptive rights agreements, tag-along agreements, drag-along agreements or proxies relating to any of the securities of the Company or the Material Subsidiaries, to which the Company or any of the Material Subsidiaries is a party;
- (k) the Unit Shares to be issued as described in this Agreement (including, for greater certainty, the Warrant Shares and the Common Shares issuable on exercise of the Broker Warrants) have been, or prior to the Closing Time will be, duly created and reserved for issuance and, when issued, delivered and paid for in full, will be validly issued and fully paid shares in the capital of the Company, and will not have been issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Company;
- (l) at the Closing Time, the Company shall have taken all necessary corporate action to allot and authorize the issuance of the Unit Shares, the Unit Warrants and the Broker Warrants and, upon the due exercise of the Units Warrants and the Broker Warrants in accordance with the respective provisions thereof, the Warrant Shares and Broker Unit Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;
- (m) each of the Transaction Documents has been, or at the Closing Time, will be, duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, the general principles of

equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and except that rights of indemnity, contribution, waiver and the ability to sever unenforceable terms may be limited under applicable Laws;

- (n) no authorization, approval, consent, licence, permit, order or filing of, or with, any Governmental Authority or court, domestic or foreign, (other than those which have already been obtained or will be obtained prior to the Closing Date and except for post-closing filings to be made with the CSE and post-closing distribution reports and other post-closing filings to be made with certain Securities Regulators) is required for the valid sale and delivery of the Units, the grant of the Over-Allotment Option, the issuance of the Broker Warrants or the execution, delivery and performance of this Agreement, the Warrant Indenture and the Broker Warrant Certificates by the Company;
- (o) each of the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates, the performance by the Company of its obligations hereunder and thereunder, the sale of the Units hereunder by the Company, the granting of the Over-Allotment Option by the Company and the consummation of the transactions contemplated in this Agreement, (i) do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), (A) any statute, rule, regulation or Law applicable to the Company or the Subsidiaries; (B) the notice of articles, articles, constating documents or resolutions of the directors or shareholders of the Company or the Subsidiaries; (C) any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which any of the Company or the Subsidiaries is party or by which it is bound; or (D) any judgment, decree or order binding the Company or the Subsidiaries or the property or assets thereof, except where such conflict, breach, violation or default would not result in a Material Adverse Effect; and (ii) do not affect the rights, duties or obligations of any parties to any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which any of the Company or the Subsidiaries is a party or by which it is bound, nor give a party the right to terminate any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which any of the Company or the Subsidiaries is a party or by which it is bound, by virtue of the application of terms, provisions or conditions therein, except where those rights, duties or obligations, or rights to terminate, are affected in a manner that would not result in a Material Adverse Effect;
- (p) the Company is in compliance in all material respects with the Securities Laws of the Selling Jurisdictions and the policies, rules and regulations of the CSE, the OTCQB and the Frankfurt Stock Exchange and the Common Shares are currently listed on the CSE and quoted on the OTCQB and the Frankfurt Stock Exchange;
- (q) the Financial Statements have been prepared in accordance with international financial reporting standards and present fully, fairly and correctly in all material respects, the financial condition of the Company and its Subsidiaries as at the dates thereof and the results of the operations and the changes in the financial position of the Company for the periods then ended, on a basis consistent throughout the periods indicated and in accordance with the books and records of the Company;
- (r) the Financial Statements: (i) comply with the requirements of applicable Securities Laws; (ii) are, in all material respects, consistent with the books and records of the Company; (iii) contain and reflect all material adjustments for the fair presentation of the results of

operations and the financial condition of the business of the Company for the periods covered thereby; (iv) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Company; and (v) do not omit to state any material fact that is required by generally accepted accounting principles or by applicable Law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading, and there has been no material change in accounting policies or practices of the Company since December 31, 2022.

- (s) to the knowledge of the Company, the Auditors are independent public accountants as required under the applicable Securities Laws and there has never been a reportable event (within the meaning of NI 51-102) between the Company and such Auditors or, to the knowledge of the Company, any former auditors of the Company;
- (t) subject to the exemption included in Part 6 of National Instrument 52-110 – *Audit Committees* ("NI 52-110"), the responsibilities and composition of the Company's audit committee comply with NI 52-110;
- (u) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in all material respects in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with international financial reporting standards and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- (v) since the end of the Company's most recent audited fiscal year, the Company is not aware of any material weakness in the Company's internal control over financial reporting (whether or not remediated) or in the Company's internal control over financial reporting that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting;
- (w) except as disclosed in the Public Disclosure Documents, none of the directors, executive officers or shareholders who beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding Common Shares on a fully-diluted basis or any known associate or affiliate of any such person, had or has any material interest, direct or indirect, in any transaction or any proposed transaction (including, without limitation, any loan made to or by any such person) with the Company within the previous two years which, as the case may be, materially affects, is material to or will materially affect the Company on a consolidated basis;
- (x) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "Taxes") due and payable by the Company and its Material Subsidiaries have been paid, except where the failure to pay Taxes would not have a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Company and its Material Subsidiaries have been filed with all appropriate authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the

failure to file such documents would not have a Material Adverse Effect. To the knowledge of the Company, no examination of any tax return of the Company or the Material Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by the Company or its Material Subsidiaries;

- (y) since the respective dates as of which information is given in the Offering Document, except as otherwise stated therein or contemplated thereby, there has not been: (i) any material change in the condition (financial or otherwise), or in the earnings, business, affairs, capital, prospects, operations or management of the Company or the Subsidiaries, other than in the ordinary course of business; (ii) any transaction entered into by the Company or the Subsidiaries, other than in the ordinary course of business, that is material to the Company; or (iii) any dividend or distribution of any kind declared, paid or made by the Company or the Subsidiaries on shares in the capital of the Company or any of the Subsidiaries, as applicable;
- (z) no material labour dispute with current and former employees of the Company or its Subsidiaries exists, or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing, threatened or imminent labour disturbance by the employees of any of the principal suppliers, manufacturers or contractors of the Company or the Subsidiaries that would have a Material Adverse Effect;
- (aa) no union has been accredited or otherwise designated to represent any employees of the Company or its Subsidiaries and, to the knowledge of the Company, no accreditation request or other representation question is pending with respect to the employees of the Company or its Subsidiaries and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the facilities of the Company or its Subsidiaries and none is currently being negotiated by the Company or its Subsidiaries;
- (bb) other than usual and customary health and related benefit plans for employees, the Public Disclosure Documents discloses to the extent required by the applicable Securities Laws to be disclosed each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Company or its Subsidiaries for the benefit of any current or former director, officer, employee or consultant of the Company or any Subsidiary, as applicable (the "**Employee Plans**"), each of which has been maintained in accordance with its terms and with the requirements prescribed by any and all statutes, Laws, orders, rules and regulations that are applicable to such Employee Plans;
- (cc) all material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments of the Company and its Subsidiaries have been recorded in accordance with generally accepted accounting principles in Canada or international financial reporting standards, as applicable, and are reflected on the books and records of the Company;
- (dd) the Company and the Subsidiaries are not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument and neither the

Company nor any of the Subsidiaries have made any loans to, or guaranteed the obligations of, any Person;

- (ee) all of the material contracts and agreements of the Company (including, for greater certainty, the Material Contracts and any contracts and agreements relating to the Intellectual Property) have been disclosed in the Public Disclosure Documents. Neither the Company nor its Material Subsidiaries has received any notification from any party that it intends to terminate any such material contract;
- (ff) the Company and the Material Subsidiaries have been and are in compliance in all material respects with all Environmental Laws, including all material reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of the Company, threatened material administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws;
- (gg) neither the Company nor the Material Subsidiaries has received any notice of, or been prosecuted for an offence alleging, noncompliance with any Environmental Laws, and none of the Company nor the Material Subsidiaries have settled any allegation of non compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company or the Material Subsidiaries nor have the Company or the Material Subsidiaries received notice of any of the same;
- (hh) neither the Company nor the Material Subsidiaries has received any notice that it is potentially responsible for a federal, provincial, state, municipal or local clean up site or corrective action under any Environmental Laws. None of the Company nor the Material Subsidiaries have received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites;
- (ii) each of the material agreements and other documents and instruments pursuant to which the Company or the Material Subsidiaries holds its Intellectual Property, property or assets, or conducts its business, is a valid and subsisting agreement, document or instrument in full force and effect, enforceable in accordance with the terms thereof, and neither the Company nor any of its Material Subsidiaries, as applicable, is in default of any of the material provisions of any such agreements, instruments or documents nor has any such default been alleged;
- (jj) there are no actions, suits, claims judgments, investigations or proceedings of any kind whatsoever outstanding or pending or, to the Company's knowledge, contemplated or threatened against or affecting the Company or any Material Subsidiary, or the directors, officers or employees of the Company or any Material Subsidiary, at law or in equity or before or by any Governmental Authority, commission, board, bureau or agency of any kind whatsoever and, to the best of the Company's knowledge, there is no basis therefor and neither the Company nor any Material Subsidiary is subject to any judgment, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, including any allegations or assertions of any liability under, any non-compliance with, or that any product, operation or activity is in violation of any Health Care Laws or challenging the Company's or any of its Material Subsidiaries' rights in or to any Intellectual Property or, the validity or enforceability of any Intellectual Property;

- (kk) the minute books and records of the Company and the Subsidiaries made available to Agent's Counsel in connection with its due diligence investigation of the Company are all of the minute books and records of the Company and each of the Subsidiaries and contain copies of all significant proceedings of the shareholders and the boards of directors of the Company and the Subsidiaries. There have not been any other formal meetings, resolutions or proceedings of the shareholders or boards of directors of the Company or the Subsidiaries that are not reflected in such minute books and other records, other than those which have been disclosed in writing to the Agent;
- (ll) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened by any regulatory authority;
- (mm) to the knowledge of the Company, there are no applicable Laws presently in force or proposed to be brought into force (including any threatened or pending change in existing legislation), that the Company anticipates it or its Material Subsidiaries will be unable to comply with, to the extent that compliance is necessary, and which non-compliance could result in a Material Adverse Effect;
- (nn) the operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with the anti-money laundering and anti-terrorist laws of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court, arbitrator or Governmental Authority involving the Company or any of its Subsidiaries with respect to the Money Laundering Laws is pending, instituted or, to the knowledge of the Company, threatened;
- (oo) none of the Company or any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or any other person acting on behalf of the Company or its Subsidiaries has (i) violated or is in violation of any provision of the *Corruption of Foreign Public Officials Act* (Canada), as amended (the "**CFPOA**"), or the Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"); (ii) taken any unlawful action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any "foreign public official" (as such term is defined in the CFPOA) or any "foreign official" (as such term is defined in the FCPA); (iii) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment; or (iv) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; and the Company and its affiliates have instituted and maintain and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with applicable anti-corruption laws and with the representation and warranty contained herein;
- (pp) neither the Company nor its Subsidiaries, nor any director, officer, employee, consultant, representative, affiliate or agent of the Company or any Subsidiary, is a Person ("**Sanctioned Person**") currently the target of any sanctions administered or enforced by the United States government, including, the U.S. Department of the Treasury's Office of Foreign Assets Control, the Financial Transactions Reports Analysis Centre of Canada or

other relevant sanctions authority (collectively, "**Sanctions**"), and the Company will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any Sanctioned Person, to fund any activities of or business with any Sanctioned Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Sanctioned Person (including any Sanctioned Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions;

- (qq) the Company and its Subsidiaries do not owe any amount to, have not borrowed any amount from and are not otherwise indebted to, and the Company and its Subsidiaries do not have any present loans or other indebtedness made to, any officer, director, employee or security holder of the Company or any of its Subsidiaries, past or present, or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) with any of them, except for usual employee reimbursements and compensation paid in the ordinary and normal course of the business of the Company and its Subsidiaries. The Company and its Subsidiaries are not a party to any material contract or agreement or understanding with any officer, director, employee or security holder of the Company or any of its Subsidiaries or any other person not dealing at arm's length with the Company or any of its Subsidiaries other than as disclosed in the Public Disclosure Documents or in the ordinary course of business;
- (rr) except as described or disclosed in the Public Disclosure Documents, none of the directors, officers or employees of the Company or its Subsidiaries, any known holder of more than 10% of any class of securities of the Company or securities of any person exchangeable for more than 10% of any class of securities of the Company, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected or is reasonably expected to materially affect the Company and its Subsidiaries, on a consolidated basis;
- (ss) the assets of the Company and its Material Subsidiaries and their businesses and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage is in full force and effect, and the Company and its Material Subsidiaries have not failed to promptly give any notice or present any material claim thereunder;
- (tt) the Company is a reporting issuer in good standing in each of the provinces and territories of Canada under applicable Securities Laws;
- (uu) the Company is in compliance in all material respects with its timely and continuous disclosure obligations under applicable Securities Laws and the rules and regulations of the CSE, including insider reporting obligations, and, without limiting the generality of the foregoing, has filed all documents required to be filed by it with the Securities Regulators and under the applicable Securities Laws. Such filings do not contain any misrepresentations, no material facts have been omitted therefrom which would make such information and statements materially misleading, and no document has been filed on a confidential basis with the Securities Regulators that remains confidential at the date hereof;
- (vv) no Securities Regulator, stock exchange or comparable authority has issued any order preventing or suspending the use or effectiveness of the Offering Document or preventing

the distribution of the Units in any Selling Jurisdiction nor instituted proceedings for that purpose and, to the knowledge of the Company, no such proceedings are pending or contemplated;

- (ww) no forward-looking information (within the meaning of applicable Securities Laws) included or incorporated by reference in the Offering Document has been made or reaffirmed by the Company without a reasonable basis in terms of the data and assumptions used, or has been disclosed other than in good faith;
- (xx) the directors and "named executive officers" (as defined under applicable Securities Laws) of the Company and the Subsidiaries and their compensation arrangements with the Company, whether as directors, officers or employees of the Company, are as disclosed in the Public Disclosure Documents;
- (yy) the Company has not completed any "significant acquisition", nor has it entered into a binding agreement in respect of any "probable acquisition" (as such terms are defined in NI 51-102), and no proposed acquisition has progressed to a state where a reasonable person would believe that the likelihood of the Company completing the acquisition is high such that applicable Securities Laws would require the filing of a business acquisition report pursuant to applicable Securities Laws;
- (zz) neither the Company nor the Material Subsidiaries own any real property;
- (aaa) with respect to each premises of the Company and its Material Subsidiaries which is material to the Company (on a consolidated basis) and which the Company and/or its Material Subsidiaries occupy as tenant (the "**Premises**"), the Company and/or its Material Subsidiaries occupy the Premises and have the exclusive right to occupy and use the Premises and each of the leases pursuant to which the Company and/or its Material Subsidiaries occupy the Premises is in good standing and in full force and effect;
- (bbb) each of the Company and the Material Subsidiaries are currently in compliance with any and all applicable Laws or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to the environment or environmental issues (including air, surface, water and stratospheric matters), pollution or protection of human health and safety; and there are no pending or, to the knowledge of the Company, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, Liens, notices of non-compliance or violation, investigation or proceedings relating to any environmental laws, except where any non-compliance with any such provisions could not reasonably be expected to have a Material Adverse Effect. The facilities and operations of the Company and the Material Subsidiaries are currently being conducted, and to the knowledge of the Company have been conducted, in all material respects in accordance with all applicable workers' compensation and health and safety and workplace laws, regulations and policies;
- (ccc) ""the Company and/or the Material Subsidiaries own, or have obtained valid and enforceable licenses for, or other rights to use, the Intellectual Property including the Intellectual Property described in the Public Disclosure Documents; to the knowledge of the Company, the Company and/or any Material Subsidiary does not lack or will not be unable to obtain any rights or licenses to use any Intellectual Property (including the commercialization of the Company's Products and services candidates); no third parties have rights to any Intellectual Property, except for Licensed IP and except for any licenses

of use granted by the Company and/or any Material Subsidiary therein; there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any Owned Intellectual Property or the Company's or any Material Subsidiary's rights in or to any Intellectual Property or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect to Owned Intellectual Property, to the knowledge of the Company, there are no facts which form a reasonable basis for any such claim, and there has been no finding of unenforceability or invalidity of the Owned Intellectual Property; to the knowledge of the Company, there is no patent or published patent application that contains claims that interfere with the issued or pending claims of any of the Intellectual Property of the Company or any Material Subsidiary; and, there is no prior art that necessarily renders any patent application owned by the Company or any Material Subsidiary unpatentable that has not been disclosed to the US Patent and Trademark Office or any similar office in Canada or any other jurisdiction, the Company and any Material Subsidiary's rights in the Owned Intellectual property are valid, subsisting and enforceable;

- (ddd) the Company and/or the Material Subsidiaries are the legal and beneficial owners of, have good and marketable worldwide title to, and own all right, title and interest in and to all Owned Intellectual Property free and clear of all Liens or adverse interests whatsoever, covenants, conditions, options to purchase and restrictions or other adverse claims of any kind or nature and other than the Licensed IP, no consent of any person is necessary to make, use, reproduce, license, sell, modify, update, enhance or otherwise exploit any Intellectual Property and none of the Owned Intellectual Property comprises an improvement to Licensed IP that would give any person any rights to any such Intellectual Property, including, without limitation, rights to license any such Intellectual Property;
- (eee) the Company and its Material Subsidiaries have used commercially reasonable efforts to maintain and protect the secrecy, confidentiality and proprietary nature of all Owned Intellectual Property, including making filings and payments of registration, maintenance, renewal or similar fees; all former and current employees, consultants and contractors that who have contributed in any manner to the creation or development of any Owned Intellectual Property have duly executed and delivered written contracts which operate to: (i) assign, without additional consideration, all right, title and interest in and to any such Intellectual Property to the Company and/or a Material Subsidiary; and (ii), waive any moral rights in writing in favour of any of the Company, the Material Subsidiaries and their successors, assignees or licensees; there are no pending or threatened oppositions, cancellations, invalidity proceedings, interferences or re-examination proceedings pending with respect to any Owned Intellectual Property;
- (fff) to the knowledge of the Company, the conduct of the business of the Company (including, without limitation, the sale of their respective Products and services, or the use or other exploitation of the Intellectual Property by the Company, the Material Subsidiaries or any customers, distributors or other licensees thereof) has not infringed, violated, misappropriated or otherwise conflicted with any intellectual property of any person; there is no pending or threatened action, suit, proceeding or claim by others alleging that any current or proposed conduct of their respective businesses (including, without limitation, the sale of their respective Products and services, or use or other exploitation of any Intellectual Property by the Company, the Material Subsidiaries or any customers, distributors or other licensees) infringes, violates, misappropriates or otherwise conflicts with (or would infringe, violate, misappropriate or otherwise conflict with) any Intellectual

Property of others, and the Company has no knowledge of any facts which form a reasonable basis for any such claim;

- (ggg) to the knowledge of the Company, no person has infringed or misappropriated, or is infringing or misappropriating, any rights of the Company and/or any Material Subsidiary in or to the Owned Intellectual Property;
- (hhh) the Company has entered into valid and enforceable written agreements pursuant to which the Company has been granted all licenses and permissions to use, reproduce, sub-license, sell, modify, update, enhance or otherwise exploit the Licensed IP to the extent required for the conduct of the business as currently conducted or as proposed to be conducted (including, if required, the right to incorporate such Licensed IP into the Owned Intellectual Property). All license agreements in respect to Licensed IP are in full force and effect and none of the Company, any of the Material Subsidiaries or to the knowledge of the Company, any other person, is in default of its obligations thereunder;
- (iii) to the extent that any of the Intellectual Property is licensed or disclosed to any person or any person has access to such Intellectual Property (including but not limited to any employee, officer, shareholder, consultant, systems-integrator, distributor, Material Contract counterparty, or other customer of the Company or any of the Material Subsidiaries), the Company has entered into a valid and enforceable written agreement which contains terms and conditions prohibiting the unauthorized use, reproduction, disclosure or transfer of such Intellectual Property by such person. Other than such agreements that have expired in accordance with their respective terms, all such agreements are in full force and effect and none of the Company, any of the Material Subsidiaries or, to the knowledge of the Company, any other person, is in default of its obligations thereunder except for any default which is immaterial;
- (jjj) there are no material restrictions on the ability of the Company or any of the Material Subsidiaries to use or exploit all rights in the Intellectual Property, as applicable. None of the rights of the Company or any Material Subsidiary in the Intellectual Property will be impaired or affected in any way by the transactions contemplated by this Agreement;
- (kkk) all registrations of Intellectual Property are in good standing and are recorded in the name of the Company or one of the Material Subsidiaries, or in the name of the parties that have licensed that Intellectual Property to the Company or the Material Subsidiaries, as applicable, in the appropriate offices to preserve the rights thereto. All such registrations have been filed, prosecuted and obtained, in all material respects in accordance with all applicable legal requirements and are currently in effect and in compliance with all applicable legal requirements. No registration of material Intellectual Property has expired, become abandoned, been cancelled or expunged, or has lapsed for failure to be renewed or maintained, all applications for registration of any Owned Intellectual Property have been properly filed and have been pursued by the Company and the Material Subsidiaries in the ordinary course of business, and neither the Company nor any of the Material Subsidiaries has received any notice (whether written, oral or otherwise) indicating that any application for registration of the Owned Intellectual Property has been finally rejected or denied by the applicable reviewing authority;
- (lll) each of the Company and its Material Subsidiaries is currently in compliance, in all material respects, with all Health Care Laws and there are no pending or, to the knowledge of the Company, threatened material administrative, regulatory or judicial actions, suits,

demands, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Health Care Laws. Neither the Company nor its Material Subsidiaries has ever received any notice of any material non-compliance in respect of Health Care Laws and there are no events or circumstances that might reasonably be expected to form the basis of such notice of non-compliance. Each of the Company and the Material Subsidiaries has all Health Care Authorizations required to carry on its business as presently carried on and is in compliance with any material requirements thereof. The business of the Company and its Material Subsidiaries are currently being conducted, and have been conducted, in all material respects in accordance with all Health Care Laws. The Company and its Material Subsidiaries are, and at all times have been, in compliance in all material respects with the terms and conditions of all Health Care Authorizations. The Company does not anticipate any material variations or difficulties in obtaining, maintaining or renewing such Health Care Authorizations. The transactions contemplated herein (including the proposed use of proceeds from the Offering) will not have any adverse impact on the Health Care Authorizations or require the Company or any Material Subsidiary or any entity in which the Company has an interest to obtain any new authorization under any applicable Law;

- (mmm) each Product has been and is being tested, investigated, manufactured, stored, packaged, imported, exported, distributed and marketed, and the Company has taken commercially reasonable efforts to ensure that each Product has been and is being developed, in compliance in all material respects with all Health Care Laws and all other applicable legal requirements, including those regarding non-clinical testing, clinical research, good manufacturing practices, labeling, advertising, record-keeping, adverse event reporting and reporting of corrections and recalls;
- (nnn) none of the Company or any of its Material Subsidiaries has voluntarily or involuntarily initiated, conducted or issued, or caused to be initiated, conducted or issued, any recalls, market withdraws, safety alerts or other notice of material action relating to an actual or potential lack of safety, efficacy or the non-compliance with Health Care Laws of any Product;
- (ooo) all clinical and pre-clinical studies related to the development of the Products conducted by or on behalf of the Company, have been conducted, and to the extent they are still pending are currently being conducted, in accordance with accepted medical, scientific and ethical research procedures and all applicable Laws, and the Company has taken commercially reasonable efforts to ensure that all clinical and pre-clinical studies related to the development of the Products conducted other than by or on behalf of the Company, have been conducted, and to the extent they are still pending are currently being conducted, in accordance with accepted medical, scientific and ethical research procedures and all applicable Laws;
- (ppp) none of the Company or any of its Material Subsidiaries is subject to any obligation arising under an administrative or regulatory action, inspection, warning letter, notice of violation letter, or other written notice, response or commitment made to or with the FDA, Health Canada or any other Governmental Authority, and to Company's knowledge, no such proceedings have been threatened;
- (qqq) all product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by the Company and the Material Subsidiaries in connection with their business as described in the Public

Disclosure Documents, is being conducted in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to its current and proposed business as described in the Public Disclosure Documents, and all such processes, procedures and practices, required in connection with such activities are in place as necessary and are being complied with, in all material respects;

- (rrr) no supplier or customer (or group of suppliers or customers) that was or is significant to the Company or its Material Subsidiaries, has given the Company or its Material Subsidiaries notice or, to the Company's knowledge, has taken any other action that has given the Company or its Material Subsidiaries any significant reason to believe that such supplier or customer (or group of suppliers or customers) will cease to supply or purchase, restrict the amount supplied or purchased, or adversely change its prices or terms to the Company of any products or services that are supplied or purchased that are material to the Company or its Material Subsidiaries;
- (sss) the currently outstanding Common Shares are listed and posted for trading on the CSE, and quoted on the OTCQB and the Frankfurt Stock Exchange and all necessary notices and filings have been made with, and all necessary consents, approvals and authorizations obtained by, the Company from the CSE to ensure that (i) the Unit Shares; (ii) the Warrant Shares issuable upon exercise of the Unit Warrants; (iii) the Broker Unit Shares issuable upon exercise of the Broker Warrants; (iv) the Broker Unit Warrant Shares issuable upon exercise of the Broker Unit Warrants (v) the CFF Unit Shares; and (vi) the CFF Unit Warrant Shares issuable upon exercise of the CFF Unit Warrants, will be listed and posted for trading on the CSE upon their issuance, subject only to the customary post-closing filings required by the CSE;
- (ttt) the Company has not withheld, and will not withhold from the Agent prior to the Closing Time, any material facts relating to the Company, the Subsidiaries or the Offering, including any Material Contracts;
- (uuu) Odyssey Trust Company is the duly appointed registrar and transfer agent of the Company with respect to the Common Shares and is the warrant agent in respect of the Unit Warrants;
- (vvv) other than the Agent, there is no person, firm or company acting or purporting to act at the request of the Company who is entitled to any finder's fee in connection with the transactions contemplated herein and in the event that any person, firm or company acting for the Company at the request of the Company establishes a claim for any fee from the Agent, except as identified in writing to the Company and the Agent prior to Closing, the Company covenants to indemnify and hold harmless the Agent with respect thereto and with respect to all costs reasonably incurred in the defence thereof;
- (www) the Company has provided the Agent with all information requested by the Agent, including the Investor Presentation, in connection with the sale of the Offered Securities and such information is true and correct in all material respects and no material fact or material facts have been omitted therefrom which would make such information misleading. All information contained in the Investor Presentation has been publicly disclosed (to the extent required by Securities Law). There is no material fact known to the Company that has not been disclosed herein, or to the Agent, or in any other agreement, document or written instrument furnished by the Company to the Agent in connection with the transactions contemplated hereby and thereby and which has resulted in or would reasonably be expected to result in a Material Adverse Effect;

- (xxx) all information which has been prepared by the Company relating to the Company and its business, properties and liabilities and made available to the Agent, including all financial, marketing, sales and operational information provided to the Agent was, as of the date of such information, true and correct in all material respects, taken as a whole, and no fact or facts have been omitted therefrom which would make such information materially misleading and did not contain a misrepresentation;
- (yyy) the Offering Document, together with any document filed by the Company under securities legislation in a jurisdiction of Canada on or after the earlier of the date that is 12 months before the date of the Offering Document and the date that the Company's most recent audited annual financial statements were filed, contains disclosure of all material facts relating to the securities being distributed under the Offering Document and does not contain a misrepresentation;
- (zzz) no material change has occurred in respect of the Company since September 21, 2023, being the date of the news release announcing the Offering;
- (aaaa) the Company issued and filed a news release in respect of the Offering on September 21, 2023 and such news release includes the following statement: "There is an offering document related to the Offering that can be accessed on SEDAR+ (www.sedarplus.com) under the Company's issuer's profile at www.sedar.com and on the Company's website at <https://innocanpharma.com/>. Prospective investors should read this offering document before making an investment decision";
- (bbbb) the Company has posted the Offering Document on its website;
- (cccc) the Company has been a reporting issuer for at least 12 months prior to September 21, 2023, being the date of the news release announcing the Offering;
- (dddd) during the 12 month period immediately preceding the Offering, neither the Company nor any person or company with whom the Company completed a restructuring transaction, either ceased its operations or had as its principal assets cash, cash equivalents or its exchange listing;
- (eeee) the Company has active operations and its principal asset is not cash, cash equivalents or its listing on the CSE;
- (ffff) the Company will not allocate any of the available funds as disclosed in Item 9 of the Offering Document to the following: (i) an acquisition that is a significant acquisition under Part 8 of NI 51-102; (ii) a restructuring transaction; (iii) any other transaction for which the Company seeks approval of any security holder;
- (gggg) the total dollar amount of the distribution, combined with the dollar amount of all other distributions made by the Company under Section 5A of NI 45-106 during the 12 months immediately before September 21, 2023, will not, assuming completion of the distribution of the Offering, exceed the greater of the following: (i) \$5,000,000; and (ii) 10% of the aggregate market value of the Common Shares, to a maximum of \$10,000,000;
- (hhhh) the distribution under the Offering, combined with all other distributions made by the Company under Section 5A of NI 45-106 during the 12 months immediately preceding

September 21, 2023, will not result in an increase of more than 50% to the Company's issued and outstanding Common Shares, as of September 21, 2023; and

- (iii) the Company reasonably expects that its available funds, together with the net proceeds of the Offering, will be sufficient to meet the Company's business objectives and liquidity requirements over a period of 12 months following the Closing Date.
- (jjj) the Company is not an investment fund as defined under applicable Securities Laws.

4. Representations, Warranties and Covenants of the Agent. The Agent hereby, represents, warrants and covenants to the Company and acknowledge that the Company is relying upon such representations, warranties and covenants:

- (a) the Agent is a valid and subsisting corporation, duly incorporated and in good standing under the laws of the jurisdictions in which it was incorporated;
- (b) the Agent has all requisite corporate power and authority to execute, deliver and perform its obligations and the transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (c) this Agreement has been duly authorized, executed and delivered by the Agent and constitutes a legal, valid and binding obligation of it enforceable against the Agent in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally, except as limited by the application of equitable principles when equitable remedies are sought and except as rights to indemnity, contribution and waiver of contribution may be limited by applicable Laws;
- (d) in respect of the offer and sale of the Units, the Agent will conduct its activities in connection with the Offering in accordance with and comply with all applicable Securities Laws and the provisions of this Agreement;
- (e) the Agent is, and will remain until the completion of the Offering, (i) duly registered pursuant to the provisions of the Securities Laws; and (ii) duly registered or licensed as investment dealers in those jurisdictions in which they are required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, the Agent will act only through members of a selling group who are so registered or licensed; and
- (f) the Agent has not and will not solicit offers to purchase or sell the Units so as to require the filing of a prospectus, registration statement or offering memorandum with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction.

5. Closing Deliveries. The purchase and sale of the Units shall be completed at the Closing Time via electronic exchange of documents or at such other place as the Agent and the Company may agree upon in writing. At the Closing Time, the Company shall duly and validly deliver to the Agent: (a) the Unit Shares and the Unit Warrants (other than Unit Shares and Unit Warrants settling directly with the Company) by way of electronic deposit or definitive certificated form as directed by the Agent, against payment by the Agent to the Company of the aggregate Subscription Price therefor, by electronic money transfer as directed by the Company; (b) payment of the Commission and the expenses referred to in Section 9 hereof by the

Company to the Agent as directed by the Agent; and (c) issuance of the Broker Warrants referred to in Section 9 hereof by the Company to the Agent as directed by the Agent.

6. Closing Conditions. The obligation of the Purchasers to purchase the Units at the Closing Time shall be subject to the satisfaction of each of the following conditions (it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to their rights in respect of any other of the following terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing and signed by each of them):

- (a) the Agent shall have received a certificate of the Company dated the Closing Date, addressed to the Agent and signed on the Company's behalf by its Chief Executive Officer or such other officer or director of the Company satisfactory to the Agent, acting reasonably, with respect to (i) the constating documents of the Company, (ii) certain resolutions of the board of directors of the Company relating to this Agreement and the transactions contemplated hereby, and (iii) the incumbency and specimen signatures of signing officers of the Company;
- (b) the Agent shall have received evidence that all requisite approvals, consents and acceptances of the appropriate regulatory authorities, including the conditional approval of the CSE for the listing of the Unit Shares, the Warrant Shares, the Broker Unit Shares, the Broker Unit Warrant Shares, the CFF Unit Shares, and the CFF Unit Warrant Shares shall have been made or obtained;
- (c) the Agent shall have received a certificate of the Company dated the Closing Date, addressed to the Agent and signed on the Company's behalf by its Chief Executive Officer or such other officer or director of the Company satisfactory to the Agent, acting reasonably, certifying that:
 - (i) the Company has complied in all material respects (except where already qualified by materiality, in which case the Company has complied in all respects) with all terms, covenants and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;
 - (ii) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects (or, in the case of any representation or warranty containing a materiality or Material Adverse Effect qualification, in all respects) at the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement, except in respect of the representations and warranties that are to be true and correct as of a specified date, in which case they are true and correct in all material respects (or, in the case of any representation or warranty containing a materiality or Material Adverse Effect qualification, in all respects) as of that date; and
 - (iii) no order, ruling or determination having the effect of suspending the sale or cease trading of the Common Shares or any other securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officer of the Company, contemplated or threatened under any applicable Securities Laws or by any other regulatory authority;
- (d) the Agent shall have received favourable legal opinions addressed to the Agent and the Purchasers, in form and substance satisfactory to the Agent's Counsel, acting reasonably, dated

the Closing Date, from Gowling WLG (Canada) LLP, counsel to the Company and where appropriate, counsel in the other Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Company, with respect to the following matters:

- (i) as to the existence of the Company under the federal laws of Canada and as to the Company having the requisite corporate power and capacity under the federal laws of Canada to carry on its business as currently carried on and to own its properties and assets;
- (ii) as to the authorized and issued capital of the Company;
- (iii) as to the corporate power and authority of the Company to execute, deliver and perform its obligations under the Transaction Documents and to create, issue, and sell, as applicable, the Unit Shares, the Unit Warrants, the Warrant Shares, the Broker Warrants, the Broker Unit Shares, the Broker Unit Warrants, the Broker Unit Warrant Shares, the CFF Unit Shares, CFF Unit Warrants and the CFF Unit Warrant Shares;
- (iv) each of the Transaction Documents have been duly authorized, executed and delivered by the Company and constitute a valid and legally binding obligation of the Company enforceable against it in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity, contribution and waiver and the ability to sever unenforceable terms may be limited by applicable Law;
- (v) the execution and delivery of the Transaction Documents and the performance by the Company of its obligations hereunder and thereunder, and the sale or issuance of the Unit Shares, the Unit Warrants, the Warrant Shares, the Broker Warrant, Broker Unit Shares, Broker Unit Warrants, the Broker Unit Warrant Shares, the CFF Unit Shares, CFF Unit Warrants and the CFF Unit Warrant Shares do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with the constating documents of the Company, any resolutions of the shareholders or directors of the Company, any applicable corporate laws and Securities Laws;
- (vi) the Unit Shares have been issued as fully paid and non-assessable Common Shares;
- (vii) the Unit Warrants have been duly and validly created and issued and the Warrant Shares have been authorized and allotted for issuance and, upon the due exercise of the Unit Warrants, and in accordance with the provisions of the Warrant Indenture, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;
- (viii) the Broker Warrants have been duly and validly created and issued and the Broker Unit Shares have been authorized and allotted for issuance and, upon the due exercise of the Broker Warrants and in accordance with the provisions of the Broker Warrant Certificates, the Broker Unit Shares will be validly issued as fully paid and non-assessable Common Shares;
- (ix) the Broker Unit Warrants will be authorized and allotted for issuance and, upon the issuance of the Broker Unit Warrants following due exercise of the Broker Warrants in

accordance with the terms thereof, the Broker Unit Warrants will be duly and validly created and issued;

- (x) the Broker Unit Warrant Shares will be authorized and allotted for issuance and, upon the issuance of the Broker Unit Warrant Shares following the due exercise of the Broker Unit Warrants in accordance with the terms thereof, the Broker Unit Shares will be validly issued as fully paid and non-assessable Common Shares;
- (xi) the CFF Unit Shares have been issued as fully paid and non-assessable Common Shares;
- (xii) the CFF Unit Warrants have been duly and validly created and issued and the CFF Unit Warrant Shares have been authorized and allotted for issuance and, upon the due exercise of the CFF Unit Warrants;
- (xiii) the issuance and sale by the Company of the Unit Shares and the Unit Warrants to the Purchasers and the Broker Warrant to the Agent in accordance with the terms of this Agreement are exempt from the prospectus requirements of applicable Securities Laws in the Selling Jurisdictions in Canada, and no documents are required to be filed other than the Offering Document, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance and sale; it being noted, however, that the Company is required to file or cause to be filed with the applicable Securities Regulators, a report on Form 45-106F1 prepared and executed pursuant to NI 45-106, together with the prescribed filing fee, within 10 days following the Closing Date;
- (xiv) the issuance and delivery of the Warrant Shares, Broker Unit Shares, Broker Unit Warrant Shares and CFF Unit Warrant Shares upon the due exercise of the Unit Warrants, the Broker Warrants, Broker Unit Warrants, or CFF Unit Warrants as applicable, will be exempt from the prospectus and registration requirements of applicable Securities Laws in the Selling Jurisdictions in Canada, and no documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance and delivery;
- (xv) with respect to the offer and sale of the Units to the LIFE Purchasers, no other documents will be required to be filed, proceedings, taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws in Canada in connection with the first trade of the Unit Shares, the Unit Warrants, the Warrant Shares, by the holders thereof, as the case may be;
- (xvi) with respect to the offer and sale of Broker Warrants and Corporate Finance Fee Units, no other documents will be required to be filed, proceedings, taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws in connection with the first trade of the Broker Warrants, the Broker Unit Shares, the Broker Unit Warrants, the Broker Unit Warrant Shares, the CFF Unit Shares, the CFF Unit Warrants, and the CFF Unit Warrant Shares in Canada by the holders thereof, as the case may be, provided that:
 - (A) the Company is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;

- (B) at the time of such trade, at least four months have elapsed from the "distribution date" (as defined under NI 45-102) of the, the Broker Warrants, the Broker Unit Shares, the Broker Unit Warrants, the Broker Unit Warrant Shares, the CFF Unit Shares, the CFF Unit Warrants, and the CFF Unit Warrant Shares, as the case may be;
 - (C) the certificates (if any) representing the Broker Unit Shares, Broker Unit Warrants, Broker Unit Warrant Shares, CFF Unit Shares, CFF Unit Warrants and CFF Unit Warrant Shares if issued within four months and one day of the Closing Date, are issued with a legend stating the prescribed restricted period in accordance with section 2.5(2)(3)(i) of NI 45-102 and, if the security is entered into a direct registration system or other electronic book-entry system, or if the Purchaser did not directly receive a certificate representing the security, the Purchaser received written notice containing the legend restriction notation set out in section 2.5(2)(3)(i) of NI 45-102;
 - (D) such trade is not a "control distribution" (as defined in the NI 45-102);
 - (E) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of such trade;
 - (F) no extraordinary commission or consideration is paid to a person or company in respect of such trade; and
 - (G) if the selling securityholder is an "insider" or "officer" of the Company (as such terms are defined under the applicable Securities Laws), the selling securityholder has no reasonable grounds to believe that the Company is in default of "securities legislation" (as defined in National Instrument 14-101 – *Definitions and Interpretation*); and
- (xv) such other matters as the Agent or their counsel may reasonably request;
- (e) the Agent shall have received a favourable opinion addressed to the Agent, in a form satisfactory to the Agent's Counsel, dated as of the Closing Date, from the Company's local counsel, that the Material Subsidiaries have been duly incorporated, is validly subsisting and has all requisite corporate power and capacity to carry on its business as now conducted by it and to own its properties and assets and is duly qualified to carry on business in all jurisdictions in which it carries on business or owns any material assets;
 - (f) in the event of the sale of Units to, or for the account or benefit of, a person in the United States or a U.S. Person pursuant to this Agreement, the Agent shall have received an opinion from the Company's U.S. counsel, in form and substance reasonably satisfactory to the Agent's Counsel, acting reasonably, and addressed to the Agent, to the effect that no registration is required under the U.S. Securities Act, in connection with the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, it being understood that no opinion is expressed as to any subsequent resale of any Offered Securities;
 - (g) the Agent shall have received a certificate of status or similar certificate from the jurisdiction in which the Company and Material Subsidiaries are existing;

- (h) the Agent shall have received executed copies of all of the lock-up agreements pursuant to section 2(a)(xix) hereof;
- (i) a certificate from Odyssey Trust Company as transfer agent of the Company, as to the issued and outstanding Common Shares as at the close of business on the day prior to the Closing Date;
- (j) a certificate from Odyssey Trust Company as to its appointment as warrant agent pursuant to the Warrant Indenture;
- (k) the Agent shall have delivered to the Company original or electronic copies of the Subscriber Questionnaires completed and executed by the Purchasers and, if applicable, other forms prescribed by the CSE or required by applicable Securities Laws or by the Company in connection with the Offering;
- (l) the Subscriber Questionnaires, the Warrant Indenture, and the Broker Warrant Certificates shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Agent and their counsel; and
- (m) the Agent shall, in their sole discretion, acting reasonably, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Company.

7. Rights of Termination

In addition to any other remedies which may be available to the Agent, the Agent shall be entitled to terminate and cancel, without any liability on its part, all of its obligations under this Agreement and the obligations of any Person whom the Agent has solicited to purchase the Offered Securities, by notice in writing to that effect delivered to the Company prior to the Closing Time if:

- (a) any order, action or proceeding which cease trades, suspends or otherwise operates to prevent, prohibit or restrict the distribution or trading of the Common Shares or any other securities of the Company is made or proceedings are announced, commenced or threatened for the making of any such order, action or proceeding by a securities regulatory authority;
- (b) there should occur any material change, change of a material fact, occurrence, event, fact or circumstance or any development or a new material fact shall arise which has or would be expected to have, in the sole opinion of the Agent, acting reasonably and in good faith, a Material Adverse Effect on the business, operations, affairs or financial condition of the Company or its Subsidiaries, taken as a whole, or on the market price, value or marketability of the securities of the Company;
- (c) any inquiry, action, suit, investigation or other proceeding, whether formal or informal (including matters of regulatory transgression or unlawful conduct), is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the CSE or any other recognized securities exchange or any securities regulatory authority or any law or regulation is enacted or changed which would cease trading in the Company's securities or, in the opinion of the Agent, acting reasonably and in good faith, operates to prevent or restrict materially the trading or distribution of the securities of the Company or materially adversely affects or will materially adversely affect the market price, value or marketability of the securities of the Company;

- (d) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including any natural catastrophe) or any outbreak or escalation of national or international hostilities or any crisis or calamity or act of terrorism or similar event or any governmental action, change of applicable Law or regulation (or the interpretation or administration thereof), inquiry or other occurrence of any nature whatsoever, including by a result of the novel coronavirus (COVID-19) pandemic only to the extent that there are material adverse impacts related thereto after the date hereof, which, in each case, in the opinion of the Agent, imminently seriously adversely affects, or involves, or might reasonably be expected to imminently seriously adversely affect, or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Company and its Subsidiaries (taken as a whole);
- (e) the state of the financial markets, whether national or international, is such that the Units cannot be profitably marketed or it would be impractical for the Agent to offer or to continue to offer the Units for sale;
- (f) the Company is in breach of any material term, condition or covenant of this Agreement or any representation or warranty given by the Company in this Agreement becomes or is false in any material respect and cannot be cured; or
- (g) the Agent shall become aware, as a result of its due diligence review or otherwise, of any adverse material change with respect to the Company (in the sole opinion of the Agent, acting reasonably) which had not been publicly disclosed or disclosed to the Agent prior to the date hereof and which would have a Material Adverse Effect or the market price or value of the Units.

In the event of any such termination by the Agent, there shall be no further liability on the part of the Agent to the Company or on the part of the Company to the Agent except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions prior to such termination or under Sections 9, 11 or 12 of this Agreement.

8. Agent's Commission. In consideration of the services to be rendered by the Agent in connection with the Offering, the Company shall pay the Agent a cash commission equal to 8.0% of the aggregate gross proceeds realized by the Company in respect of the sale of the Units, other than those sold to Purchasers on the President's List (the "**Commission**") and a corporate finance fee in the amount of \$50,000 plus all applicable taxes thereon, thereon if the Offering results in aggregate gross proceeds greater than \$2,500,000; or (ii) \$35,000 plus all applicable taxes thereon if the Offering results in aggregate gross proceeds less than \$2,500,000, satisfied by way of Units at a deemed price per Unit equal to the Subscription Price (the "**Corporate Finance Fee Units**"). Each Corporate Finance Fee Unit will be comprised of one Common Share (a "**CFF Unit Share**") and one Common Share purchase warrant ("**CFF Unit Warrant**"). Each CFF Unit Warrant shall entitle the holder thereof to acquire one Common Share (a "**CFF Unit Warrant Share**") at an exercise price of \$0.36 per CFF Unit Warrant Share until the date which is 36 months following the Closing Date, subject to adjustment in certain events. In addition, the Company shall issue broker warrants (the "**Broker Warrants**") to the Agent equal to 8.0% of the aggregate number of Units sold pursuant to the Offering, other than those sold to Purchasers on the President's List. Each Broker Warrant will entitle the holder thereof to acquire one unit of the Company at a price of \$0.30 per unit until the date which is 36 months following the Closing Date, subject to adjustment in certain events. Each such unit will be comprised of one Common Share (a "**Broker Unit Share**") and one Common Share purchase warrant ("**Broker Unit Warrant**"). Each Broker Unit Warrant shall entitle the holder thereof to acquire one Common Share (a "**Broker Unit Warrant Share**") at an exercise price of \$0.36 per Broker Unit Warrant Share until the date which is 36 months following the Closing Date, subject to adjustment in certain events. The aggregate gross proceeds realized by the Company in respect of the sale of the Units to LIFE

Purchaser's included on the President's List will be subject to a reduced cash commission equal to 3.0% of the aggregate gross proceeds from the sale of Units to such President's List LIFE Purchasers, and the number of Broker Warrants to be issued will be reduced to 3.0% of the aggregate number of Units sold to such President's List LIFE Purchasers. The obligation of the Company to pay the Commission and issue the Broker Warrants and Corporate Finance Fee Units shall arise at the Closing Time.

9. Expenses. Whether or not the sale of the Units shall be completed, the Company shall be responsible for all reasonable expenses related to the Offering, including, but not limited to: (i) fees and disbursements of the Company's legal counsel; (ii) all reasonable fees and expenses of the Agent's legal counsel (not to exceed \$50,000, exclusive of taxes and reasonable disbursements); (iii) fees and disbursements of accountants and auditors; (iv) fees and disbursements of other applicable experts; expenses related to road-shows and marketing activities; (v) printing costs; filing fees; stock exchange fees; and (vi) the reasonable and documented out-of-pocket expenses of the Agent, including, but not limited to, their travel expenses in connection with due diligence and marketing activities (not to exceed \$12,500 without the prior written consent of the Company), together with the related HST. All reasonable fees and expenses of the Offering (including all applicable taxes) shall be payable by the Company on the Closing Date. At the option of the Agent, such fees and expenses may be deducted from the gross proceeds of the sale of the Units otherwise payable to the Company on the Closing Date.

10. Survival of Representations and Warranties. All representations, warranties, covenants and agreements of the Company herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agent or the Purchasers with respect thereto, shall continue in full force and effect for the benefit of the Agent and the Purchasers for a period of two years following the Closing Date. The representations, warranties, covenants and agreements of the Agent herein contained and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Company with respect thereto, shall continue in full force and effect for the benefit of the Company for a period of two years following the Closing Date.

11. Indemnity.

(a) The Company and the Subsidiaries or affiliated companies, as the case may be (collectively, the "**Indemnitor**") agree to indemnify and hold the Agent and/or any of their affiliates, partners, directors, officers, shareholders, employees and agents (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**"), harmless from and against any and all expenses, losses (other than loss of profits), fees, claims, costs, actions (including shareholders actions, derivative actions or otherwise), damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims) and the reasonable fees and expenses of their counsel (collectively, the "**Losses**") that may be incurred in advising with respect to and/or defending any claim that may be made against the Indemnified Parties or to which the Indemnified Parties may become subject or otherwise involved in any capacity under any statute or common law or otherwise (collectively, the "**Claims**") insofar as the Claims arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Company by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement, provided however, that this indemnity shall not apply to the extent a court of competent jurisdiction in a final judgment that has become non-appealable determines that:

- (i) an Agent or its respective Indemnified Parties have been negligent or dishonest or have committed any fraudulent act in the course of such performance or have breached applicable Laws; and

(ii) the Losses as to which indemnification is claimed, were directly caused by or resulted from the negligence, dishonesty, fraud or breach referred to in clause (i) above.

(b) If for any reason (other than a determination as to any of the events referred to immediately above) the foregoing indemnification is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any Claim, the Indemnitor and the Agent shall contribute to the aggregate of such Losses (except loss of profit or consequential damage) such that the Agent shall be responsible for that portion represented by the percentage that the portion of the Commission received by the Agent bears to the gross proceeds of the Offering and the Indemnitor shall be responsible for the balance, provided that, in no event, shall the Agent be responsible for any amount in excess of the amount of the Commission actually received by it. In the event that the Indemnitor may be entitled to contribution from the Agent under the provisions of any statute or law, the Indemnitor shall be limited to contribution in any amount not exceeding the lesser of the portion of the amount of Losses giving rise to such contribution for which the Agent are responsible and the amount of the Commission received by the Agent in connection with the Offering.

(c) The Indemnitor agrees that in case any Claim shall be brought against the Indemnitor and/or an Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such authority shall investigate the Indemnitor and/or an Indemnified Party and an Indemnified Party or its personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with or by reason of the performance of professional services rendered to the Indemnitor by the Indemnified Parties hereunder, each Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Parties for time spent by the Indemnified Parties in connection therewith) and out-of-pocket expenses incurred by the Indemnified Parties in connection therewith shall be paid by the Indemnitor promptly upon receipt of an invoice therefor.

(d) Promptly after receipt of notice of the commencement of any legal proceeding, investigation or Claim against the Indemnified Parties, which is based, directly or indirectly upon any matter in respect of which indemnification may be sought from the Indemnitor hereunder, the Indemnified Parties will notify the Indemnitor in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Indemnitor and, unless the Indemnitor assumes the defence thereof, will keep the Indemnitor advised of the progress thereof and will discuss with the Indemnitor all significant actions proposed. However, the failure by the Indemnified Parties to notify the Indemnitor will not relieve the Indemnitor of its obligations to indemnify the Indemnified Parties except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such Claim or results in any material increase in the liability under this indemnity which the Indemnitor would otherwise have under this indemnity had the Indemnified Party not so delayed in giving, or failed to give, the notice required hereunder.

(e) The Indemnitor shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence of any Claim, provided such defence is conducted by experienced and competent counsel. Upon the Indemnitor notifying the Agent in writing of its election to assume the defence and retaining counsel, the Indemnitor shall not be liable to an Indemnified Party for any legal expenses subsequently incurred by it in connection with such defence. If such defence is assumed by the Indemnitor, the Indemnitor, throughout the course thereof, shall provide copies of all relevant documentation to the Indemnified Parties, shall keep the Indemnified Parties advised of the progress thereof and shall discuss with the Indemnified Parties all significant actions proposed. No settlement, compromise, consent to the entry of any judgment, or admission of liability with respect to any legal proceeding or Claims may be made by the Indemnitor without the prior written consent of the Agent and the Indemnitor

shall not be liable for any settlement of any legal proceedings or Claims unless it has consented in writing to such settlement, such consent not to be unreasonably withheld.

(f) Notwithstanding the foregoing paragraph, the Indemnified Parties, or either one of them, shall have the right, at the Indemnitor's expense, to employ counsel of the Indemnified Party's choice, in respect of the defence of any Claim if: (i) the employment of such counsel has been authorized by the Indemnitor; or (ii) the Indemnitor has not assumed the defence and employed counsel therefor within a reasonable time after receiving notice of such action, suit, proceeding, claim or investigation; or (iii) counsel retained by the Indemnitor or the Indemnified Parties have advised the Indemnified Parties that representation of both parties by the same counsel would be inappropriate for any reason, including without limitation because there may be legal defences available to the Indemnified Parties, or to either one of the Indemnified Parties, which are different from or in addition to those available to the Indemnitor (in which event and to that extent, the Indemnitor shall not have the right to assume or direct the defence on the Indemnified Parties' behalf) or that there is an actual or potential conflict of interest between the Indemnitor and the Indemnified Parties or between the Indemnified Parties or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Indemnitor shall not have the right to assume or direct the defence on the Indemnified Parties' behalf).

(g) The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

(h) The Indemnitor agrees to waive any right the Indemnitor may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy, security or claim payment from any other person before claiming under this indemnity. The Indemnitor hereby acknowledges that the Agent are acting as trustees for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Agent agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

(i) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Company and the Indemnified Parties.

(j) The Indemnitor hereby constitutes the Agent as agent and trustee for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity with respect to such persons and the Agent agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

12. Contribution.

(a) In the event that the indemnity of the Company provided for in Section 11 hereof is declared by a court of competent jurisdiction to be illegal or unenforceable as being contrary to public policy or is unavailable for any other reason, the Agent and the Company shall severally, and not jointly, contribute to the aggregate of all claims and all losses of the nature contemplated in Section 11 hereof and suffered or incurred by the Indemnified Parties in proportions as is appropriate to reflect: (i) the relative benefits received by the Agent, on the one hand (being the Commission), and the relative benefits received by the Company, as applicable, on the other hand (being the gross proceeds derived from the sale of the Units less the Commission), (ii) the relative fault of the Company, on the one hand and the Agent on the other hand, and (iii) relevant equitable consideration; provided that the Company shall in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such claim any excess of such amount over the

amount paid or payable to the Agent or any personnel under this Agreement. For greater certainty and notwithstanding anything to the contrary contained herein, the Agent shall not in any event be liable to contribute, in the aggregate, any amount in excess of the Commission or any portion thereof actually received. However, no party who has been determined by a court of competent jurisdiction in a final judgement to have engaged in any fraud, dishonesty, wilful misconduct or negligence shall be entitled to claim contribution from any person who has not been so determined to have engaged in such fraud, dishonesty, wilful misconduct or negligence.

- (b) Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this section, notify such party or parties from whom contribution may be sought, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any obligation it may have otherwise under this section, except to the extent that the party from whom contribution may be sought is materially prejudiced by such omission. The right to contribution provided herein shall be in addition and not in derogation of any other right to contribution which the Agent may have by statute or otherwise by law.

13. Advertisements. If the Offering is successfully completed, the Agent shall be permitted to publish, at their own expense, after giving the Company a reasonable opportunity to comment on the form and content thereof, such advertisements or announcements relating to the performance of services provided hereunder in such newspaper or other publications as the Agent consider appropriate, and shall further be permitted to post such advertisements or announcements on their websites.

14. Notices. Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**notice**") shall be in writing addressed as follows:

- (a) If to the Company:

Innocan Pharma Corporation
1015, 926 - 5 Avenue SW
Calgary, AB
T2P 0N7

Attention: Iris Bincovich, Chief Executive Officer
Email: [REDACTED]

with a copy to (which will not constitute delivery):

Gowling WLG (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King Street West
Toronto, Ontario M5X 1E2

Attention: Jason A. Saltzman
Email: jason.saltzman@gowlingwlg.com

- (b) or if to the Agent:

Research Capital Corporation.
199 Bay Street, Suite 4500

Commerce Court West, Box 368
Toronto, ON, M5L 1G2

Attention: Howard Katz, Managing Director
Email: [REDACTED]

with a copy to (which will not constitute delivery):

DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King Street West
Toronto, Ontario M5X 1E2

Attention: Russel Drew
Email: [REDACTED]

or to such other address as any of the parties may designate by notice given to the other party.

Each notice shall be personally delivered to the addressee or sent electronically to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent electronically shall be deemed to be given and received on the first Business Day following the day on which it is confirmed to have been sent.

15. Time of the Essence. Time shall, in all respects, be of the essence hereof.

16. Canadian Dollars. All references herein to dollar amounts are to lawful money of Canada unless otherwise indicated.

17. Headings. The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

18. Singular and Plural, etc. Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

19. No Fiduciary Duty. The Company hereby acknowledges that the Agent are acting solely as agent in connection with the purchase and sale of the Units. The Company further acknowledges that the Agent are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Agent act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Agent may undertake or have undertaken in furtherance of such purchase and sale of the Company's securities, either before or after the date hereof. The Agent hereby expressly disclaim any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company. The Company and the Agent agree that the Agent

are acting solely as agent in connection with the Offering and not as an agent of or fiduciary of the Company and the Agent have not assumed, and will not assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Agent has advised or is currently advising the Company on other matters). The Agent and their affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and the Agent have not provided any legal, accounting, regulatory or tax advice with respect to the Offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

20. Entire Agreement. This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings including, without limitation, the engagement letter between the Company and the Agent dated as of September 13, 2023 in respect of the Offering. This Agreement may be amended or modified in any respect by written instrument only.

21. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

22. Governing Law. This Agreement shall be governed by and be construed in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein.

23. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Agent and the Purchasers and their respective executors, heirs, personal representatives, successors and permitted assigns; provided that, except as provided herein or in the Subscriber Questionnaires, this Agreement shall not be assignable by any party without the prior written consent of the other party.

24. Further Assurances. Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

25. Language. The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.*

26. Effective Date. This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

27. Counterparts, Facsimile and Email. This Agreement may be executed in any number of counterparts and delivered by facsimile or email, each of which so executed and delivered shall constitute an original and all of which taken together shall form one and the same agreement.

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

If the above is in accordance with your understanding, please sign and return to the Agent a copy of this letter, whereupon this letter and your acceptance shall constitute a binding agreement between the Company and the Agent.

RESEARCH CAPITAL CORPORATION

Per: “Howard Katz”

Name: Howard Katz

Title: Managing Director

The above offer is hereby accepted and agreed to as of the date first above written.

INNOCAN PHARMA CORPORATION

Per: “Iris Bincovich”

Name: Iris Bincovich

Title: Chief Executive Officer

SCHEDULE "A"

COMPLIANCE WITH UNITED STATES SECURITIES LAWS

As used in this Schedule and related exhibits, the following terms shall have the meanings indicated:

- (a) **"Broker Securities"** has the meaning ascribed to such term in Section 14 of the Representations and Warranties of the Agent;
- (b) **"Dealer Covered Person"** and **"Dealer Covered Persons"** has the meaning ascribed to such term in Section 12 of the Representations and Warranties of the Agent;
- (c) **"Directed Selling Efforts"** means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S;
- (d) **"Disqualification Event"** means any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;
- (e) **"Foreign Issuer"** means "foreign issuer" as that term is defined in Rule 902(e) of Regulation S;
- (f) **"General Solicitation"** and **"General Advertising"** means "general solicitation" and "general advertising", respectively, as used under Rule 502(c) of Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
- (g) **"Issuer Covered Person"** and **"Issuer Covered Persons"** has the meaning ascribed to it in Section 10 of the Representations and Warranties of the Company;
- (h) **"Offered Securities"** means, collectively, the Units, Unit Shares and Unit Warrants;
- (i) **"Offshore Transaction"** means an "offshore transaction" as defined in Rule 902(h) of Regulation S;
- (j) **"QIB"** means a "qualified institutional buyer" as such term is defined in Rule 144A under the U.S. Securities Act that is also a U.S. Accredited Investor;
- (k) **"Regulation D"** means Regulation D adopted by the SEC under the U.S. Securities Act;
- (l) **"Regulation D Securities"** has the meaning ascribed to it in Section 10 of the Representations and Warranties of the Company;
- (m) **"Regulation M"** means Regulation M adopted by the SEC under the U.S. Securities Act;
- (n) **"Regulation S"** means Regulation S adopted by the SEC under the U.S. Securities Act;
- (o) **"SEC"** means the United States Securities and Exchange Commission;
- (p) **"Selling Firm"** means any subagents or registered securities dealers retained for the purposes of arranging for purchases of the Units;

- (q) **"Substantial U.S. Market Interest"** means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S;
- (r) **"U.S. Accredited Investor"** means an "accredited investor" as defined in Rule 501(a) of Regulation D;
- (s) **"U.S. Accredited Investor Certificate"** means the Certificate of U.S. Accredited Investor to be completed, executed and delivered by U.S. Purchasers (as defined below) in the Offering;
- (t) **"U.S. Exchange Act"** means the *United States Securities Exchange Act of 1934*, as amended;
- (u) **"U.S. Purchaser"** means any Purchaser of Units that is (A) a U.S. Accredited Investor and/or QIB and (B) (i) a U.S. Person or person in the United States, (ii) a person purchasing Units on behalf of, or for the account or benefit of, any U.S. Person or any person in the United States, (iii) a person who receives or received an offer to acquire the Units while in the United States, or (iv) a person who was in the United States at the time such person's buy order was made; and
- (v) **"U.S. Qualified Institutional Buyer Letter"** means the Qualified Institutional Buyer Letter accompanying the Subscriber Questionnaire to be completed, executed and delivered by U.S. Purchasers in the Offering.

All other capitalized terms used but not otherwise defined in this Schedule shall have the meanings assigned to them in the Agreement to which this Schedule is attached.

Representations, Warranties and Covenants of the Company

The Company represents, warrants, acknowledges, covenants and agrees to and with the Agent, as at the date hereof and as at the Closing Date, that:

1. The Company is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the Common Shares.
2. The Company is not, and after giving effect to the Offering contemplated by this Agreement and the application of the proceeds of the Offering contemplated by this Agreement, will not be, an "investment company" as such term is defined under the *United States Investment Company Act of 1940*, as amended, registered or required to be registered under such Act.
3. The Offered Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. Except with respect to sales of Offered Securities to U.S. Accredited Investors and/or QIBs identified by the Agent and the U.S. Affiliates in accordance with this Schedule "A", in reliance upon the exemption from registration under the U.S. Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions from applicable state securities laws, neither the Company nor any of its affiliates, nor any person acting on any of their behalf (other than the Agent, their affiliates (including the U.S. Affiliates), any Selling Firm appointed by them, or any person acting on any of their behalf, as to whom the Company makes no representation, warranty, acknowledgement, covenant or agreement), has made

or will make (A) any offer to sell, or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person, or (B) any sale of Offered Securities unless, at the time the buy order was or will have been originated, the Subscriber is (i) outside the United States and not a U.S. Person, or (ii) the Company, its affiliates, and any person acting on any of their behalf reasonably believe that the Subscriber is outside the United States and not a U.S. Person.

4. None of the Company, any of its affiliates, or any person acting on any of their behalf (other than the Agent, their affiliates (including the U.S. Affiliates), any Selling Firm appointed by them, or any person acting on any of their behalf, as to whom the Company makes no representation, warranty, acknowledgement, covenant or agreement), has engaged or will engage in any Directed Selling Efforts, or has taken or will take any action that would cause the exemption provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act to be unavailable for offers and sales of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons in accordance with this Agreement, or has taken or will take any action that would cause the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Securities outside the United States to non-U.S. Persons in accordance with this Agreement.
5. None of the Company, any of its affiliates or any person acting on behalf of any of them (other than the Agent, their affiliates (including the U.S. Affiliates), any Selling Firm appointed by them, or any person acting on any of their behalf, as to whom the Company makes no representation, warranty, acknowledgement, covenant or agreement) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
6. Neither the Company nor any person acting on behalf of the Company has, within 30 calendar days prior to the commencement of the Offering, sold, offered for sale or solicited any offer to buy any of the Company's securities of the same or similar class as any of the securities comprising the Units, and will not do so during these Offerings and for a period of 30 calendar days following the completion of these Offerings, in a manner that would be integrated with the offer and sale of the Offered Securities and would cause the exemption from registration set forth in Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act to become unavailable with respect to the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons.
7. Neither the Company nor any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
8. None of the Company, its affiliates or any person on any of their behalf (other than the Agent, its affiliates (including the U.S. Affiliate), any Selling Firm appointed by them, or any person acting on any of their behalf, as to whom the Company makes no representation, warranty, acknowledgement, covenant or agreement) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the offering of the Offered Securities contemplated by this Agreement.
9. The Company will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable blue-sky laws in connection with the offer and sale of

the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons.

10. With respect to Offered Securities offered and sold hereunder in reliance on Rule 506(b) of Regulation D (the "**Regulation D Securities**"), none of the Company, any of its predecessors, any "affiliated" (as such term is defined in Rule 501(b) of Regulation D) issuer, any director, executive officer or other officer of the Company participating in the offering of the Regulation D Securities, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Company in any capacity at the time of sale of the Regulation D Securities (other than any Dealer Covered Person (as defined below), as to whom no representation is made) (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to any Disqualification Event. The Company has exercised reasonable care to determine: (i) the identity of each person that is an Issuer Covered Person; and (ii) whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e) of Regulation D and has furnished to the Agent a copy of any disclosures provided thereunder. The Company has not paid and will not pay, nor is it aware of any person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons (as defined below)) for solicitation of Subscribers of the Regulation D Securities.
11. As of the Closing Date, the Company is not aware of any person (other than any Agent Covered Person (as defined below) that has been or will be paid (directly or indirectly) remuneration for solicitation of U.S. Purchasers.
12. The Company will notify the Agent in writing, prior to the Closing Date, of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

Representations, Warranties and Covenants of the Agent

The Agent, represents, warrants and covenants to and with the Company, as at the date hereof and as at the Closing Date, that:

1. It acknowledges that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. It has not offered, and it will not offer, any Offered Securities except: (a) in an Offshore Transaction, in accordance with Rule 903 of Regulation S; or (b) to, or for the account or benefit of, persons in the United States or U.S. Persons that are U.S. Accredited Investors and/or QIBs, in transactions that are exempt from the registration requirements under the U.S. Securities Act pursuant to Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws, as provided in paragraphs 2 through 15 below. Accordingly, none of the Agent, its affiliates (including its U.S. Affiliate), or any person acting on any of their behalf, has made or will make (except as permitted in paragraphs 2 through 15 below) any (i) offer to sell or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, any person in the United States or any U.S. Person, (ii) any sale of Offered Securities to any Subscriber unless, at the time the buy order was or will have been originated, the Subscriber was outside the United States and not a U.S. Person, or such Agent, its affiliates (including its U.S. Affiliate), or any person acting on any of their behalf reasonably

believed that such Subscriber was outside the United States and not a U.S. Person, or (iii) any Directed Selling Efforts.

2. It has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Securities, except with its U.S. Affiliate, any Selling Firm or with the prior written consent of the Company. It shall require its U.S. Affiliate and each Selling Firm appointed by it to agree, for the benefit of the Company, to comply with, and shall use commercially reasonable efforts to ensure that its U.S. Affiliate and such Selling Firm complies with, the provisions of this Schedule applicable to the Agent as if such provisions applied directly to the U.S. Affiliate and such Selling Firm.
3. All offers of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons by it shall be solicited by the Agent through its U.S. Affiliate, which on the dates of each such offer and subsequent sale by the Company, was and will be duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under all applicable state securities laws (unless exempted from such state's broker-dealer registration requirements) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., in accordance with all applicable United States state and federal securities (including broker-dealer) laws.
4. None of the Agent, its affiliates (including its U.S. Affiliate), or any person acting on any of their behalf, have solicited or will solicit offers for, or have offered to sell or will offer to sell, any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
5. Any offer or solicitation of an offer to buy Offered Securities that has been made or will be made to, or for the account or benefit of, a person in the United States or a U.S. Person by it was or will be made only to U.S. Accredited Investors and/or QIBs, in compliance with the exemption from registration provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act, and in transactions that are exempt from registration under applicable state securities laws.
6. Immediately prior to soliciting any offeree that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, the Agent, its affiliates (including its U.S. Affiliate), and any person acting on any of their behalf, had a pre-existing relationship with such Subscriber and will have reasonable grounds to believe and will believe that each such Subscriber is a U.S. Accredited Investor, and at the time of completion of each sale by the Company to, or for the account or benefit of, a person in the United States or a U.S. Person identified by the Agent through its U.S. Affiliate, the Agent, its affiliates (including its U.S. Affiliate), and any person acting on any of their behalf will have reasonable grounds to believe and will believe, that each such Subscriber designated by the Agent or the U.S. Affiliate to purchase Offered Securities from the Company is a U.S. Accredited Investor and/or a QIB.
7. Prior to completion of any sale of the Offered Securities by the Company to a U.S. Purchaser identified by it, it shall cause each such U.S. Purchaser of the Offered Securities to either (i) execute a subscription agreement (including a U.S. Accredited Investor Certificate or U.S. Qualified Institutional Buyer Letter), or (ii) complete a Subscriber Questionnaire (including an executed U.S. Qualified Institutional Buyer Letter), in each case the form agreed by the Company and the Agent.
8. At least one Business Day prior to the Closing Date, the Transfer Agent for the Company will be provided with a list of the names and addresses of all U.S. Purchasers of the Offered Securities, including addresses.

9. At Closing, the Agent will either: (i) together with its U.S. Affiliate, provide to the Company a certificate in the form attached hereto as Exhibit I relating to the manner of the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons; or (ii) be deemed to have represented and warranted to the Company, as of the Closing, that it did not and will not offer or sell any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons.
10. The Agent will inform, and cause its U.S. Affiliate to inform, each U.S. Purchaser that: (i) the Offered Securities have not been and will not be registered under the U.S. Securities Act or under any state securities laws; (ii) the Offered Securities are being offered and sold to it without registration under the U.S. Securities Act in reliance on Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and in reliance upon similar exemptions from applicable state securities laws; (iii) the Offered Securities will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and can only be offered, sold, pledged or otherwise transferred pursuant to an exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws and in compliance with the restrictions set forth in the subscription agreement (including the U.S. Accredited Investor Certificate or U.S. Qualified Institutional Buyer Letter, as applicable) or in the Subscriber Questionnaire (including the U.S. Qualified Institutional Buyer Letter), as applicable.
11. None of the Agent, its affiliates (including its U.S. Affiliate), or any person acting on any of their behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the Offering of Offered Securities contemplated hereby.
12. As of the Closing Date, with respect to Regulation D Securities, the Agent represents that none of (i) the Agent or its U.S. Affiliate, (ii) the Agent's or its U.S. Affiliate's general partners or managing members, (iii) any of the Agent's or its U.S. Affiliate's directors, executive officers or other officers participating in the offering of the Regulation D Securities, (iv) any of the Agent's or its U.S. Affiliate's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Regulation D Securities or (v) any other person associated with any of the above persons that has been or will be paid (directly or indirectly) remuneration for solicitation of Subscribers in connection with sale of Regulation D Securities (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to a Disqualification Event, except for a Disqualification Event (i) covered by Rule 506(d)(2) of Regulation D and (ii) a description of which has been furnished in writing to the Company prior to the date hereof. Neither it nor its affiliates (including its U.S. Affiliate) has paid or will pay, nor is it aware of any other person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons) for solicitation of Subscribers of the Regulation D Securities.
13. The Agent will notify the Company in writing, prior to the Closing Date (i) any Disqualification Event relating to any Agent Covered Person not previously disclosed to the Company and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Agent Covered Person.
14. As of the Closing Date, the Agent represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Subscribers in connection with the sale of any Regulation D Securities.
15. The Agent acknowledges that the Broker Warrants, Broker Unit Shares, Broker Unit Warrants issuable upon exercise of the Broker Warrants, Broker Unit Warrant Shares issuable upon exercise

of the Broker Unit Warrants (collectively, the "**Broker Securities**"), CFF Unit Warrants, CFF Unit Shares and CFF Unit Warrant Shares issuable upon exercise of the CFF Unit Warrants (collectively, the "**CFF Securities**") have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. In connection with the issuance of the Broker Securities and CFF Securities, the Agent represents, warrants, and covenants that it is acquiring or will acquire the Broker Securities and CFF Securities as principal for its own account and not for the benefit of any other person. The Agent represents, warrants, and covenants that (i) it is not in the United States or a U.S. Person and is not acquiring and will not acquire the Broker Securities and CFF Securities on behalf of a U.S. Person or a person located in the United States; and (ii) this Agreement was executed and delivered outside the United States. The Agent acknowledges and agrees that the Broker Warrants, Broker Unit Warrants and CFF Unit Warrants may not be exercised in the United States or by or on behalf or for the benefit of a U.S. Person or a person in the United States, unless such exercise is not subject to, or is exempt from, registration under the U.S. Securities Act and applicable U.S. state securities laws. The Agent agrees that it will not engage in any Directed Selling Efforts with respect to any Broker Securities and CFF Securities, and will not offer or sell any Broker Securities or CFF Securities in the United States except in compliance with an exemption from the registration requirements of the U.S. Securities Act and all applicable U.S. state securities laws.

General

1. The Agent and its U.S. Affiliate on the one hand and the Company on the other hand understand and acknowledge that the other parties hereto will rely on the truth and accuracy of the representations, warranties, covenants and agreements contained herein.

EXHIBIT I TO SCHEDULE "A"
(TERMS AND CONDITIONS OF U.S. SALES)

AGENT'S CERTIFICATE

In connection with the offer and sale of Units, comprised of Unit Shares and Unit Warrants (collectively, the "**Offered Securities**"), of Innocan Pharma Corporation (the "**Company**") to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors and/or QIBs pursuant to an agency agreement (the "**Agency Agreement**") effective as of October 12, 2023 between the Company and the agent named in the Agency Agreement, [●] (the "**Agent**") and [●] (the "**U.S. Affiliate**"), the U.S. registered broker-dealer affiliate of the Agent, hereby certify as follows:

- (i) on the date of this certificate and on the date of each offer, solicitation of an offer and sale of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, the U.S. Affiliate is and was: (A) a duly registered broker-dealer pursuant to section 15(b) of the U.S. Exchange Act and under the laws of each state where offers and sales of Offered Securities were made (unless exempted from the respective state's broker-dealer registration requirements), and (B) a member of and in good standing with the Financial Industry Regulatory Authority, Inc.;
- (ii) all offers of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons for sale by the Company have been and will be effected and arranged by the U.S. Affiliate in accordance with all applicable U.S. federal and state broker-dealer requirements;
- (iii) immediately prior to offering or soliciting offers for the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, we had reasonable grounds to believe and did believe that each offeree was a U.S. Accredited Investor and/or QIB, and, on the date of this certificate, we continue to believe that each such person purchasing Offered Securities from the Company is a U.S. Accredited Investor and/or QIB;
- (iv) neither we nor our representatives have (i) utilized any form of General Solicitation or General Advertising in connection with the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, or (ii) offered to sell any of the Offered Securities in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (v) in connection with each sale by the Company of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person, we caused each U.S. Purchaser of the Offered Securities to either (i) execute a subscription agreement (including a U.S. Accredited Investor Certificate or U.S. Qualified Institutional Buyer Letter), or (ii) complete a Subscriber Questionnaire (including an executed U.S. Qualified Institutional Buyer Letter), in each case the form agreed by the Company and the Agent;
- (vi) all U.S. Purchasers have been informed that the Offered Securities have not been and will not be registered under the U.S. Securities Act and are being offered and sold to such U.S. Purchasers without registration in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act, and similar exemptions under applicable state securities laws;
- (vii) neither we, nor any of our affiliates, nor any person acting on our or their behalf have taken or will take, directly or indirectly, any action in violation of Regulation M in connection with the offer and sale of the Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person;
- (viii) none of (i) the undersigned, (ii) the undersigned's general partners or managing members, (iii) any of the undersigned's directors, executive officers or other officers participating in the offering of the

Offered Securities, (iv) any of the undersigned's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Offered Securities, or (v) any Dealer Covered Person is subject to any Disqualification Event, except for a Disqualification Event contemplated by Rule 506(d)(2) of the U.S. Securities Act and a description of which has been furnished in writing to the Company prior to the date hereof;

- (ix) the undersigned is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Subscribers in connection with the sale of the Offered Securities;
- (x) the offering of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons has been conducted by us in accordance with the Agency Agreement, including Schedule "A" thereto.

Capitalized terms used in this certificate have the meanings given to them in the Agency Agreement (including Schedule "A" attached thereto) unless otherwise defined herein.

Dated this __ day of _____, 2023.

[INSERT NAME OF AGENT]

[INSERT NAME OF U.S. AFFILIATE]

By: _____

Name:

Title:

By: _____

Name:

Title: