

ATEBA RESOURCES INC.

Suite 400, 365 Bay Street
Toronto, Ontario M5H 2V1

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of shareholders of **Ateba Resources Inc.** (the "**Company**") will be held on **Monday, October 22, 2018**, at the hour of 10:00 a.m. (Eastern time), at the office of Irwin Lowy LLP at Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1 for the following purposes:

1. to consider and, if deemed advisable, pass, with or without variation, a special resolution to determine, conditional on and effective following the closing of the proposed business combination transaction (the "**Business Combination**") between the Company and Molecular Science Corp. ("**MSC**") as described in the accompanying management information circular of the Company prepared for the purpose of the Meeting (the "**Circular**"), the number of directors of the Company and the number of directors to be elected at the Meeting to be seven and to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number set out in the articles of incorporation of the Company (the "**Business Combination Number of Directors Resolution**");
2. to elect the directors of the Company (the "**Business Combination Election of Directors Resolution**"), conditional on and effective following the closing of the Business Combination and to pass a resolution in connection therewith (the "**Business Combination Election of Directors**");
3. to consider, and if thought appropriate, to pass, with or without variation, a special resolution (the "**Business Combination Consolidation Resolution**"), the full text of which is set forth in the Circular under the heading "Approval of Consolidation" and incorporated herein by reference, approving the consolidation of the common shares of the Company (the "**Common Shares**") on a one (1) new Common Share for up to every three (3) old Common Shares (1:3) basis (the "**Consolidation**"), such Consolidation conditional on and effective on or immediately prior to the completion of the Business Combination, as more particularly described under the heading "Approval of Consolidation" in the Circular;
4. consider, and if deemed advisable, pass, with or without variation, a special resolution, to approve, conditional on and effective following the closing of the Business Combination, the amendment of the articles of incorporation of the Company to change the name of the Company to "Molecular Science Corp." or such other name as the directors of the Company (the "**Name Change**"), in their sole discretion, may determine and as may be acceptable to the Director appointed under the *Business Corporations Act* (Ontario) (the "**Business Combination Name Change Resolution**");
5. to appoint MNP LLP as the auditor of the Company to hold office conditional on and effective following the closing of the Business Combination and to authorize the directors of the Company to fix the remuneration of the auditor so appointed (the "**Business Combination Auditor Resolution**");
6. to consider, and if deemed advisable, pass, with or without variation, an ordinary resolution to approve, conditional on and effective following the closing of the Business Combination, the new stock option plan of the Company (the "**Business Combination Stock Option Plan Resolution**");
7. to consider, and if deemed advisable, pass, with or without variation, an ordinary resolution to approve, conditional on and effective following the closing of the Business Combination, the a RSU/DSU plan of the Company (the "**Business Combination RSU/DSU Plan Resolution**"); and
8. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

This notice of Meeting is accompanied by: (a) the Circular; and (b) either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders. The Circular is incorporated into and shall be deemed to form part of this notice of Meeting.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, Capital Transfer Agency, ULC, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2, not later than 10:00 a.m. (Eastern time) on Thursday, October 18, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The board of directors of the Company has by resolution fixed the close of business on Friday, September 7, 2018 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of special meeting. Additional information about the Company and its financial statements are also available on the Company's profile at www.sedar.com.

DATED at Toronto, Ontario this 21st day of September, 2018.

BY ORDER OF THE BOARD

"Lisa McCormack" (Signed)

President, Chief Executive Officer, Secretary and
Director

ATEBA RESOURCES INC.

Suite 400, 365 Bay Street
Toronto, Ontario M5H 2V1

MANAGEMENT INFORMATION CIRCULAR

As at September 21st, 2018

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF ATEBA RESOURCES INC. (the "**Company**") of proxies to be used at the special meeting of shareholders of the Company to be held on Monday, October 22, 2018 at Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1 at 10:00 a.m. (Eastern time), and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the accompanying notice of meeting (the "**Notice of Meeting**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting and this management information circular ("**Circular**"), and other meeting materials, if applicable (collectively the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company's transfer agent and registrar, Capital Transfer Agency, ULC (the "**Transfer Agent**") not later than 10:00 a.m. (Eastern time) on Thursday, October 18, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

By Mail or Hand Delivery:	Capital Transfer Agency, ULC 390 Bay Street, Suite 920 Toronto, ON M5H 2Y2
By E-mail:	info@capitaltransferagency.com
By Fax:	416-350-5008
By Internet:	https://shareholderaccountingsoftware.com/cap/pxlogin you will need to provide your 12-digit control number (located on the form of proxy accompanying this Circular.

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, subject to the provisions of the *Business Corporations Act* (Ontario), to (i) the registered office of the Company, located at Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1, at any time prior to 10:00 a.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

ADVICE TO NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name. Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Transfer Agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (each a "**Clearing Agency**") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

Distribution of Meeting Materials to Non-Registered Holders

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

Voting by Non-Registered Holders

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

Voting Instruction Form. In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

Form of Proxy. Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

Voting by Non-Registered Holders at the Meeting

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominee's name in the blank space provided. Non-Registered

Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

BUSINESS COMBINATION

The Company entered into a definitive agreement dated August 15th, 2018 (the “**Definitive Agreement**”) with Molecular Science Corp. (“**MSC**”) to complete a business combination, whereby it is proposed that the Company will, through a wholly-owned subsidiary to be incorporated for purposes of the transaction (“**Subco**”), amalgamate with MSC and thereby acquire all of the issued and outstanding shares of MSC by way of a three-cornered amalgamation under the laws of the Province of Ontario (the “**Business Combination**”) and subsequently the Company will apply to have the common shares of the resulting issuer listed (the “**Listing**”) on the Canadian Securities Exchange (“**CSE**”). All references herein to “**Resulting Issuer**” refer to the Company after completion of the Business Combination.

The Business Combination is described in the press release of the Company dated August 15, 2018 and the Definitive Agreement, copies of which are available under the Company’s profile on SEDAR at www.sedar.com. The Listing is subject to regulatory approval of the CSE, and certain closing conditions in favour of the parties, including the approval of the Shareholders for the Consolidation (as defined herein), Name Change (as defined herein) and Election of MSC Directors (as defined herein). The Business Combination will also be described in greater detail in a listing statement of the Company (the “**Listing Statement**”) to be filed under the Company’s profile on SEDAR at www.sedar.com in advance of closing of the Business Combination and Listing on the CSE.

The Business Combination is very important to the Company, and Shareholder approval for the Consolidation, Name Change and Election of MSC Directors which are to be considered at the Meeting is necessary in order to complete the Business Combination. Full details regarding MSC and the Business Combination will be disclosed by the Company in the Listing Statement to be prepared and filed under CSE Policies. Management of the Company will endeavour to post the Listing Statement on SEDAR as quickly as possible, but the posting thereof may not occur until after the date of the Meeting. Shareholders are urged to review the press release issued by the Company on August 15, 2018 and the Listing Statement of the Company, if, as and when it is filed on SEDAR as it contains important disclosure regarding the Business Combination and the Resulting Issuer.

The Business Combination Consolidation Resolution, the Business Combination Name Change Resolution and Election of MSC Directors Resolution sought to be passed by the Shareholders at the Meeting will be a condition to the completion of the Business Combination. Failure to pass these special resolutions could impede or prevent the completion of the Business Combination.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of special shares, issuable in series. As of September 7, 2018 (the “**Record Date**”), there were an aggregate of 4,666,665 Common Shares and no special shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company’s directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Generic Capital Corporation	636,560	13.6%
Totus Inc.	630,426	13.5%
Irwin Lowy LLP	617,426	13.2%
Irwin Professional Corporation	567,496	12.2%

Notes:

(1) The above information is based upon information supplied by the Transfer Agent and the Company's management.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Other than as otherwise already disclosed in this Circular, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the "**Board**"), the matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

In connection with the proposed Business Combination, as disclosed in the news release of the Company dated August 15, 2018 and filed on SEDAR at www.sedar.com, the Company would be required to elect the MSC board nominees, appoint new auditors, adopt a stock option plan, adopt a RSU/DSU plan, complete a name change and complete a consolidation. Accordingly, the shareholders are asked to consider and approve, conditional on the Business Combination being completed, the matters listed below. If the Business Combination will not proceed, the Company may elect to not implement such matters notwithstanding the approval of such matters at the Meeting.

1. BUSINESS COMBINATION NUMBER OF DIRECTORS

The articles of the Company provide that the minimum number of directors of the Company be three and the maximum number of directors be 10. At the Meeting, conditional upon the Business Combination being completed, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is set out below (the "**Business Combination Number of Directors Resolution**"), to determine the number of directors of the Company and the number of directors to be elected at the Meeting to be seven (7) and to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number of directors set out in the articles of the Company.

Empowering the directors to determine the number of directors within the minimum and maximum range will permit management of the Company and the Board to offer seats on the Board to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the Board or alternatively without requesting an incumbent director to resign in order to create a vacancy.

In order to pass the Business Combination Number of Directors Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Business Combination Number of Directors Resolution.

The text of the special resolution to be considered at the Meeting will be substantially as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the number of directors of the Company and the number of directors to be elected at the annual and special meeting of the shareholders of the Company to be held on October 22, 2018, within the minimum and maximum number of directors of the Company provided for in the articles of incorporation of the Company, is hereby determined to be seven (7);

2. the directors of the Company be and they are hereby empowered, by resolution of the directors, to determine, from time to time, the number of directors of the Company and the number to be elected at meetings of the shareholders of the Company subsequent to October 22, 2018, within the minimum and maximum number of directors of the Company provided for in the articles of incorporation of the Company, such number of directors not to exceed at any time 1/3 of the number of directors who held office at the expiration of the last annual general meeting of the Shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

The Board recommends that shareholders vote in favour of the Business Combination Number of Directors Resolution as set out above.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BUSINESS COMBINATION NUMBER OF DIRECTORS RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

2. ELECTION OF DIRECTORS ON COMPLETION OF BUSINESS COMBINATION

The following table sets out the names of nominees for individual election as directors of the Company only **if the Business Combination is completed in accordance with the terms and conditions of the Definitive Agreement**, each nominee's municipality of residence, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Proposed Position(s) with the Company	Number and Percentage of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾
Dean Elterman Ontario, Canada	Medical Director of the Prostate Cancer Rehabilitation Clinic at Princess Margaret Hospital Cancer Centre	Nominee	Director	Nil
Cesare Fazari Ontario, Canada	Founding partner in Northwood Developments	Nominee	Director	Nil
Howard Goldman Ontario, Canada	Entrepreneur and innovator in the fin-tech and cannabis industries	Nominee	Director	Nil
Alex MacGregor Ontario, Canada	Dean of Faculty and President of the Toronto Institute of Pharmaceutical Technology; President and CEO of KGIC Inc.	Nominee	Director	Nil
Ian Morton Ontario, Canada	COO and Director of MSC	Nominee	Director	Nil

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Proposed Position(s) with the Company	Number and Percentage of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾
Ted Witek Ontario, Canada	Senior Vice President, Corporate Partnerships, and Chief Scientific Officer at Innoviva; Senior Fellow at the Institute of Health Policy, Management, and Evaluation (IHPME) of The University of Toronto; Adjunct Professor at the Dalla Lana School of Public Health and Faculty of Pharmacy	Nominee	Director	Nil
Sameet Kanade Ontario, Canada	Director and CFO of Molecular Science Corp.	Nominee	Director	Nil

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Compositions of the committees will be determined by the Board following the completion of the Business Combination.
- (3) Principal occupations for each of the director nominees are set out below.

Nominees Principal Occupations

The principal occupations of the director nominees during the past five years are as follows:

Dean Elterman: Dr. Elterman completed his medical degree followed by residency in urologic surgery at the University of Toronto. He became a fellow of the Royal College of Physicians and Surgeons of Canada in 2011. Dr. Elterman completed a two-year fellowship in Voiding Dysfunction, Neuro-Urology, Female Urology and Pelvic Reconstruction at Memorial Sloan-Kettering Cancer Center and New York Presbyterian Hospital/Weill Cornell Medical College in New York City. Dr. Elterman has worked in the areas of men’s health and survivorship at the Iris Cantor Men’s Health Center at New York Presbyterian Hospital/Weill Cornell Medical College and at the University of Toronto. He is the Medical Director of the Prostate Cancer Rehabilitation Clinic at Princess Margaret Hospital Cancer Centre.

Cesare Fazari: As a founding partner in Northwood Developments for more than 30 years, Mr. Fazari has successfully specialized in commercial retail rollout, completing thousands of turnkey locations with major commercial franchises such as Shoppers Drug Mart, Marshalls, Trade Secrets and Public Mobile to name a few. With his entrepreneurial vision, Mr. Fazari has been the seed venture capital investor in many successful public companies such as Hydrophacary Corp., Ianthus, Drone Delivery Services, and others. Mr. Fazari also sits on the board as a director of the public merchant bank Fountain Asset Corporation and is on the advisory board of several public and private companies. Further, he has a vast portfolio of over one million square feet of real estate holdings which include hundreds of residential units and hundreds of thousands of square feet of commercial office space, commercial retail, industrial space and land. His philanthropic nature has led him to be actively involved in charitable organizations including The Breakfast Club of Canada, The Canadian Cancer Society and the Good Shepard Food Bank.

Howard Goldman: Howard is a serial entrepreneur and innovator in many disciplines of study and work. He is the founder of the Zopa Canada and an avid backer of disruptive fin-Tech technologies. He is an early adopter of the medical cannabis industry in Canada. As a principal shareholder and Director of MSC, Howard brings multiple skill sets to the team. He has over \$1 billion of real estate sales and leasing, development, property management and construction. He is well versed in Crypto-currency and digital payments solutions.

Alex MacGregor: Dr. MacGregor founded the Toronto Institute of Pharmaceutical Technology in 1992. Over the past 15 years, Dr. Alexander MacGregor has led the Toronto Institute of Pharmaceutical Technology to become one of the leading North American institutions for biochemical research and development for postgraduate students. As Dean of Faculty and President of the Toronto Institute of Pharmaceutical Technology, Dr. Alexander MacGregor utilizes years of experience in consulting for global biomedical firms as well as serving as CEO and CSO of Orx Pharmaceutical

Corporation. Prior to establishing the Toronto Institute of Pharmaceutical Technology, Dr. Alexander MacGregor obtained a Doctor of Philosophy in Clinical Pharmacology from the University of London Royal Postgraduate Medical School. In addition, Dr. Alexander MacGregor holds a Bachelor of Science in Medical Biochemistry from the University of Wales, from which he graduated Magna Cum Laude. Following several years of consulting, Dr. Alexander MacGregor earned a Master-Class Certificate in Pharmaceutical Technology from the European Continuing Education College at the University of Liverpool.

Ian Morton: Ian recently joined MSC after an extensive and successful career in the environmental services industry. He is responsible for building and operationalizing a highly proficient suite of laboratory services for the regulated cannabis economy. As an entrepreneur, Ian has established and operated over five companies in the environmental services sector including Summerhill, Eco Generation and Scout Environmental. Under his leadership, Summerhill expanded across Canada and into the United States implementing demand side management programs for electric and gas utilities. Summerhill employs over 425 people on a full and part time basis in seven offices across North America. He's Chairman of the Board at Ample Organics and a member of the Durham College Cannabis Industry Program Advisory Committee. Ian has been recognized by Strategy Magazine for his marketing expertise and was appointed to an advisory panel of eminent Canadians to provide advice and assistance to the Government of Canada on Climate Change. His work has been recognized with a number of individual and organizational awards including the Clean16 category leader for Retail and Consumer Products in the inaugural 2011 Clean50 rankings in Canada. He is the past recipient of The Lung Association's Significant Contribution Award for his work developing the organizations environmental health program.

Ted Witek: Dr. Witek is a health care advisor and scholar based in Toronto and Lisbon. He currently serves as Senior Vice President, Corporate Partnerships, and Chief Scientific Officer at Innoviva in San Francisco (formerly Theravance, Inc). He is also appointed a Senior Fellow at the Institute of Health Policy, Management, and Evaluation (IHPME) of The University of Toronto and Adjunct Professor at the Dalla Lana School of Public Health and Faculty of Pharmacy. Prior to joining Theravance, Dr. Witek, served as President and Chief Executive Officer, Boehringer Ingelheim in Canada from 2008-2014, and in Portugal from 2004-2008. Joining Boehringer in 1992, Dr. Witek held a number of positions of increasing responsibility, during which time he led the global clinical development and launch of several respiratory products, most notably Spiriva®. He also led the Respiratory and Immunology clinical research groups in the United States. In 2001, he moved to Germany to lead the operating team for Spiriva® where he also served as the Boehringer Ingelheim Co-chair of the Joint Operating Committee with Pfizer in their global alliance. In his early research career, he was a senior investigator at Richardson- Vicks (a P&G company) where he studied nasal function methodologies (acoustic reflection/ laser Doppler velocimetry), psychomotor performance with antihistamines, and models of acute respiratory tract infection.

Sameet Kanade: Sameet co-founded Molecular Science Corp. He is also co-founder of Anahit International Corp., a privately-held Canadian company establishing Licensed Producer (LPs) type entities in emerging markets aimed at the global medical cannabis market. He has over a decade of experience at investment banks in Toronto in equity research and structured finance in senior roles. Prior to entry into capital markets, he worked at PricewaterhouseCoopers and Ernst & Young. Sameet holds a Bachelor in Commerce and MBA (University of Toronto), and is an Associate Member of the Inst. of Chartered Accountants of India.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS, FOR ANY REASON, UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

As at the date of this Circular, the MSC nominee directors, as a group, directly or indirectly do not own any Common Shares of the Company other than as set forth in the table above.

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

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

Personal Bankruptcies

None of the directors of the Company have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors of the Company have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. APPROVAL OF CONSOLIDATION

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is set out below (the "**Business Combination Consolidation Resolution**"), which would authorize the Company to amend the articles to consolidate each of the issued and outstanding Common Shares by changing a maximum of up to three (3) pre-consolidation Common Shares, or such lesser number of pre-consolidation Common Shares as the directors of the Company in their discretion may determine, into one (1) post-consolidation Common Share (the "**Consolidation**"). In the event that shareholders pass the Consolidation Resolution and the Board determines to consolidate on a maximum one for three basis, the presently issued and outstanding 4,666,665 Common Shares will be consolidated into approximately 1,555,555 Common Shares. If the Board determines to consolidate the Common Shares on a lesser basis, more Common Shares will remain outstanding following the Consolidation. If the Consolidation would otherwise result in a shareholder holding a fraction of a Common Share, no fraction or fractional certificate will be issued and the shareholder will not receive a whole Common Share for each such fraction held. In all other respects, the post-consolidated Common Shares will have the same attributes as the existing Common Shares.

In order to pass the Business Combination Consolidation Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Business Combination Consolidation Resolution. If the Business Combination Consolidation Resolution does not receive the requisite shareholder approval, the Company will continue with its present share capital.

The Board recommends that shareholders vote in favour of the Business Combination Consolidation Resolution to approve the Consolidation as set out above.

The text of the special resolution to be considered at the Meeting will be substantially as follows:

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The Company is hereby authorized to file articles of amendment with the Ontario Ministry of Government and Consumer Services to amend the articles of the Company such that the issued and outstanding common shares of the Company immediately upon the effective date of such articles of amendment be consolidated on the basis of one "new" common share for up to every three (3) common shares then issued and outstanding (the "**Consolidation**").
2. If such Consolidation would result in any shareholder holding a fractional common share, the number of common shares held by such shareholder shall be rounded up or down to the nearest whole share.
3. The articles of amendment in respect of the Consolidation shall be in such form as may be approved by any officer or director of the Company in order to ensure compliance with the provisions of the *Business Corporations Act* (Ontario) and the Director appointed thereunder, as the same may be amended from time to time.
4. The board of directors of the Company is authorized, in its sole discretion, to determine not to proceed with the Consolidation without further approval of the shareholders of the Company any time prior to the endorsement by the Director of the articles of amendment in respect of the Consolidation.
5. Any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BUSINESS COMBINATION CONSOLIDATION RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

4. BUSINESS COMBINATION NAME CHANGE

At the Meeting, the shareholders will be asked to consider, and if deemed advisable, pass, with or without variation, a special resolution (the "**Business Combination Name Change Resolution**"), to approve, conditional on and effective following the closing of the Business Combination, the amendment of the Company's articles to change its name its name to "Molecular Science Corp." or such other name as the directors of the Company, in their sole discretion, may determine and as may be acceptable to the Director appointed under the OBCA (the "**Name Change**"). The Name Change is intended to be effected immediately prior to the closing of the Business Combination.

As the Name Change will only be effected if the Business Combination will be proceeding, the Board may determine not to implement the Name Change after the Meeting and after receipt of necessary shareholder and regulatory approvals, but prior to the issue of a certificate of amendment under the OBCA, without further action on the part of the shareholders. The Board believes that the Name Change is in the best interests of the Company and therefore unanimously recommends that shareholders vote in favour of the Business Combination Name Change Resolution.

In order to pass the Business Combination Name Change Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Business Combination Name Change Resolution.

The Board recommends that shareholders vote in favour of the Business Combination Name Change Resolution to approve the Name Change as set out below.

The text of the Business Combination Name Change Resolution to be voted on at the Meeting by the shareholders is set forth below:

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Company is hereby authorized to file articles of amendment with the Ontario Ministry of Government and Consumer Services to amend the articles of the Company to change the name of the Company to "Molecular Science Corp." or such name as may be determined by the board of directors of the Company and which is acceptable to the Ontario Ministry of Government and Consumer Services and the Canadian Securities Exchange or such other applicable stock exchange (the "Name Change").
2. The articles of amendment in respect of the Name Change shall be in such form as may be approved by any officer or director of the Company in order to ensure compliance with the provisions of the *Business Corporations Act* (Ontario) and the Director appointed thereunder, as the same may be amended from time to time.
3. The board of directors of the Company is authorized, in its sole discretion, to determine not to proceed with the Name Change without further approval of the shareholders of the Company any time prior to the endorsement by the Director of the articles of amendment in respect of the Name Change.
4. Any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NAME CHANGE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

5. BUSINESS COMBINATION APPOINTMENT OF AUDITORS

The shareholders will be asked to vote for the appointment of MNP LLP as auditor of the Company, to hold office conditional on and effective following the closing of the Business Combination.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MNP LLP AS AUDITORS OF THE COMPANY TO HOLD OFFICE CONDITIONAL ON AND EFFECTIVE FOLLOWING THE CLOSING OF THE BUSINESS COMBINATION UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS OR UNTIL MNP LLP IS REMOVED FROM OFFICE OR RESIGNS AS PROVIDED BY THE COMPANY'S BY-LAWS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

The appointment of MNP LLP, as auditors of the Company will only be effective in the event that the Business Combination is successfully completed.

6. APPROVAL OF NEW STOCK OPTION PLAN

The Company intends to implement a stock option plan (the "New Stock Option Plan") following the closing of the Business Combination. A copy of the New Stock Option Plan is attached hereto as Schedule "B".

The following is a description of the material terms and conditions of the New Stock Option Plan. The New Stock Option Plan shall be administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The aggregate number of Common Shares which may be reserved for issue under the New Stock Option Plan shall not exceed 10% of the issued and outstanding number of Common Shares. The number of Common Shares subject to an option to a participant shall be determined by the Board, but no participant shall be granted an option which exceeds the maximum number of shares permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The exercise price of the Common Shares covered by each option shall be determined by the Board, provided however, that the exercise price shall not

be less than the price permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The maximum length any option shall be 10 years from the date the option is granted, provided that participant's options expire 90 days after a participant ceases to act for the Company, subject to extension at the discretion of the Board, except upon the death of a participant, in which case the participant's estate shall have 12 months in which to exercise the outstanding options. The New Stock Option Plan includes a provision that should an option expiration date fall within a blackout period or immediately following a blackout period, the expiration date will automatically be extended for 10 business days following the end of the blackout period. The Board has the absolute discretion to amend or terminate the New Stock Option Plan.

Shareholders will be asked to consider and if deemed advisable, pass, with or without variation, an ordinary resolution to approve, conditional on and effective following the closing of the Business Combination, the New Stock Option Plan (the "**Business Combination Stock Option Plan Resolution**").

The text of the Business Combination Stock Option Plan Resolution to be considered at the Meeting will be substantially as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the stock option plan of the Company be approved substantially in the form attached as Schedule "A" to the management information circular dated September 21, 2018 of the Company (the "**New Stock Option Plan**") and the New Stock Option Plan be and is hereby ratified, approved and adopted as the stock option plan of the Company;
2. the form of the New Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. the issued and outstanding stock options previously granted shall be continued under and governed by the New Stock Option Plan;
4. the shareholders of the Company hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
5. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of Schyan, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

The Board recommends that shareholders vote in favour of the Business Combination Stock Option Plan Resolution as set out above.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BUSINESS COMBINATION STOCK OPTION PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

7. BUSINESS COMBINATION RSU/DSU PLAN

The Company intends to implement a share-based compensation plan which permits the grant of restricted share units ("**RSUs**") and/or deferred share units of the Company ("**DSUs**") to certain eligible participants (the "**RSU/DSU Plan**") following closing of the Business Combination. A copy of the RSU/DSU Plan is attached hereto as Schedule "B"

RSUs are performance-based share units which will be granted to Participants (as defined in the RSU/DSU Plan) in the RSU/DSU Plan based on both individual and corporate performance criteria as determined by the Board or the Granting Authority (as defined in the RSU/DSU Plan). The RSUs are paid out to the Participant at no later than three years from the year in which the RSUs were granted. Non-vested RSUs are forfeited if the Participant voluntarily leaves his or her employment with the Company. RSUs provide the Company with a more transparent and objective tool for rewarding performance or compensating Participants, while providing the Participant with a better-defined incentive award.

The proposed RSU/DSU Plan also makes provision for the use of DSUs as partial payment of a Participant's fees. A DSU is a notional share that has the same value as one Common Share as at the grant date. Under the RSU/DSU Plan, a Participant may choose, with the consent of the Company, to take all or part of their fees in DSUs. DSUs are paid out to the Participants as Common Shares when they retire from or no longer service the Company. A retiring Participant can defer the payout of his/her DSUs to the year following his/her departure from the Company. The use of DSUs has the advantage of encouraging higher levels of share ownership by the Participants, thereby aligning their interests more closely with that of the Company while also preserving cash for the Company.

The following is a summary of the additional important provisions of the RSU/DSU Plan. It is not a comprehensive discussion of all of the terms and conditions of the RSU/DSU Plan.

Purpose: The RSU/DSU Plan advances the interests of the Company by encouraging employees, consultants and non-employee directors to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such persons in the Company, (ii) aligning the interests of such persons with the interests of the Company's shareholders generally, (iii) encouraging such persons to remain associated with the Company, and (iv) furnishing such persons with additional incentive in their efforts on behalf of the Company. Under the RSU/DSU Plan, no cash settlements will be made in respect of vested RSUs or DSUs, as settlement will be in the form of Common Shares only.

Administration: Under the RSU/DSU Plan, the Board may, at any time, appoint a committee to, among other things, interpret, administer and implement the RSU/DSU Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with the plan.

Eligible Persons: Under the RSU/DSU Plan, Awards (as defined in the RSU/DSU Plan) may be granted to any non-employee director, officer, employee or consultant, or any of its designated affiliates. A Participant (also known as a Grantee as defined in the RSU/DSU Plan) is an eligible person to whom an Award has been granted under the RSU/DSU Plan.

Number of Securities Issued or Issuable: Subject to the adjustment provisions provided for in the RSU/DSU Plan and the applicable rules and regulations of all regulatory authorities to which the Company is subject (including any stock exchange), the total number of Common Shares reserved for issue pursuant to the RSU/DSU Plan and the Stock Option Plan may not exceed 20% of the issued and outstanding Common Shares from time to time.

Unlike the terms of the Stock Option Plan, if an outstanding Award under the RSU/DSU Plan for any reason expires or is terminated or is cancelled without having been exercised or settled in full, the Common Shares will not be available for re-issue under the RSU/DSU Plan unless appropriate shareholder approval has been received.

Maximum Grant to Any One Participant: The number of Common Shares issued to all Insiders within any one year period and issuable to the insiders at any time, under the RSU/DSU Plan when combined with all the other security based compensations arrangements of the Company (as may be determined under the rules of an applicable stock exchange) may not exceed 10% of the total issued and outstanding Common Shares from time to time; and the number of Common Shares issued, or reserved for issue with respect to Awards, to any one individual within any one year period under the RSU/DSU Plan and all other security based compensations arrangements of the Company (as determined under the rules of an applicable stock exchange) may not exceed 5% of the total issued and outstanding Common Shares.

For the purposes of determining compliance with the above restrictions, the Granting Authority will take into account Common Shares reserved or issued pursuant to stock options together with Common Shares reserved or issued pursuant to all other security-based compensations arrangements of the Company to the extent required by applicable law and applicable rules of an applicable stock exchange.

Restricted Share Units: RSUs granted pursuant to the RSU/DSU Plan will be used to compensate Participants for their individual performance-based achievements and are intended to supplement stock option awards in this specific respect. The goal of such grants is to more closely tie Awards to individual performance based on established Performance Criteria (as defined in the RSU/DSU Plan).

Vesting of Restricted Share Units: The Granting Authority may determine the vesting schedule of any RSUs at the time of grant. Notwithstanding such determination, in the event of a Change of Control (as defined in the RSU/DSU Plan) while the Grantee is employed by the Company or a wholly owned subsidiary of the Company (a "**Subsidiary**") or in the event that the Grantee terminates employment with the Company and its Subsidiaries by reason of Eligible Retirement (as defined in the RSU/DSU Plan), death or total disability (as determined by the Granting Authority in good faith) (each an "**Accelerated Vesting Event**"), the non-vested RSUs will: (i) in the case of a Change of Control, Eligible Retirement or death being the Accelerated Vesting Event, immediately become 100% vested, or (ii) in the case of total disability being the Accelerated Vesting Event, vest on the sixtieth (60th) day following the Grantee's termination.

If the Grantee terminates employment with the Company and its Subsidiaries for any reason other than such Eligible Retirement, total disability or death or termination without cause, any non-vested RSUs granted thereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Company or is otherwise terminated by the Company for cause, all non-vested RSUs of the Grantee will be immediately cancelled without compensation or liability therefor and be of no further force and effect.

Settlement of Vested Units: Payment to the Grantee in respect of vested RSUs will be made in the form of Common Shares only and will be evidenced by book entry registration or by a certificate registered in the name of the Grantee as soon as practicable following the date on which the units become vested; provided that the settlement date may not be later than the third anniversary of the date of grant and all payments in respect of vested RSUs in the Grantee's notional account maintained by the Company will be paid in full on or before December 31 of the same calendar year.

Deferred Share Units: DSUs granted pursuant to the RSU/DSU Plan will be used as a means of reducing the cash payable by the Company in respect of a Participant's compensable amounts. In so doing, the interests of a Participant will become more closely aligned with those of the Company and its shareholders. Vested DSUs will be settled upon the third business day (or such other period of time as permitted by the Granting Authority under the grant agreement) following the Eligible Retirement or death of the applicable Participant or at the time the Participant otherwise ceases to hold office subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of the RSU/DSU Plan.

Vesting of Deferred Share Units: Subject to the vesting provisions otherwise stipulated by the Granting Authority, where a Grantee is terminated for cause or where a non-employee director resigns or is otherwise removed as a result of losing his/her eligibility to serve on the Board due to an order by a regulatory body or stock exchange or for culpable conduct as determined by the Granting Authority, all unvested DSUs in the Grantee's notional account maintained by the Company will be immediately cancelled without liability or compensation therefor and be of no further force and effect (unless otherwise determined by the Granting Authority).

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by or is a director of the Company or a related entity or in the event of the Grantee being terminated without cause, the non-vested DSUs will immediately become 100% vested.

Assignability: Awards granted under the RSU/DSU Plan are non-transferable and non-assignable to anyone other than to the estate of a Participant in the event of death and then only in accordance with the terms of the RSU/DSU Plan.

Financial Assistance: The Company does not provide financial assistance to Participants to facilitate the purchase of Common Shares upon the exercise of options granted under the RSU/DSU Plan.

Other Material Information: Appropriate adjustments to the RSU/DSU Plan and to Awards granted thereunder will be made by the Company to give effect to adjustments in the number and type of Common Shares (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of Common Shares, payment of stock dividends or other prescribed changes in the Company's capital. In the event of any merger, acquisition, amalgamation, arrangement or other scheme of reorganization that results in a Change of Control, the Company may take whatever action with respect to the Awards outstanding that it deems necessary or desirable including accelerating the vesting date of Awards to the date which is immediately preceding the Change of Control. Moreover, if approved by the Board prior to or within 30 days after such time as a Change of Control is deemed to

have occurred, the Board has the right to require that all or any portion of the Awards be settled and discharged in cash based on the "cash value" of such Awards in lieu of settlement by issue of Common Shares.

The Company has no equity compensation plans other than the proposed New Stock Option Plan and the RSU/DSU Plan.

Shareholders will be asked to approve the following resolution:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the RSU/DSU Plan of the Company as attached as Schedule “B” to the information circular dated September 21, 2018 be and it is hereby approved, subject to additional amendments or changes as may be determined by the directors.”

REPORT ON CORPORATE GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company’s approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

Board of Directors

The Board is currently composed of four directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer.

Of the proposed MSC Director Nominees, Ian Morton, the Chief Operating Officer of MSC, Mr. Fazari, due to his interest in the building on which MSC’s facilities are located and his interest in Northwood Construction which is the company hired to build the lab, and Howard Goldman and Sameet Kanade who each have a consulting services agreement with MSC, are each considered not to be "independent". The remaining proposed directors are considered by the Board to be "independent" within the meaning of NI 52-110.

If the Business Combination is completed, the current directors of the Company will cease to be directors of the Company and the MSC Directors Nominee will become the directors of the Company in their stead.

In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

Directorships

The following table sets forth the proposed MSC Director Nominees, who currently hold directorships with other

reporting issuers:

Name of Director	Reporting Issuer
Cesare Fazari	Fountain Asset Corp. (TSXV)

Orientation and Continuing Education

The board of MSC (the “**MSC Board**”) does not have a formal orientation or education program for its members. The legal counsel of MSC advises the MSC Board on a regular basis on any changes in laws or regulations relevant to the duties and responsibilities of directors. Each of the directors of the MSC has the responsibility for ensuring that he or she maintains the skill and knowledge necessary to meet his or her obligations as a director.

Due to the size of the MSC Board, no formal program currently exists for the orientation of new directors. Historically, board members who are familiar with MSC and the nature of its business have been nominated. Each new director brings a different skill set and professional background, and with this information, the MSC Board is able to determine what orientation regarding (a) the role of the MSC Board, its committees and its directors, and (b) the nature and operations of the business of MSC will be necessary and relevant to each new director.

Ethical Business Conduct

The MSC Board expects management to operate the business of MSC in a manner that enhances shareholder value and is consistent with the highest level of integrity. MSC promotes ethical business conduct through avoiding or minimizing conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), directors of MSC who are a party to, or are a director or an officer of or have a material interest in a party to, a material contract or material transaction or a proposed material contract or proposed material transaction, are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction. In certain cases, an independent committee of the MSC Board may be formed to deliberate on such matters in the absence of the interested party.

In addition, MSC promotes ethical business conduct designed to promote integrity and to deter wrongdoing through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest.

Nomination of Directors

The MSC Board has not appointed a nominating committee and does not believe that such a committee is warranted at the present time. The nominees are generally the result of recruitment efforts by the MSC Board members, including both formal and informal discussions among MSC Board members, officers and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the MSC Board. Prior to standing for election, new nominees to the MSC Board of directors are reviewed by the entire MSC Board.

Other Board Committees

The MSC Board currently does not have any standing committees other than the audit committee.

Assessments

Currently the MSC Board has not implemented a formal process for assessing the MSC Board or its committees. The MSC Board will review each director's continuation on the MSC Board annually. The MSC Board believes that this will allow each director the opportunity to confirm his or her desire to continue as a member of the MSC Board and allow MSC to replace directors where the MSC Board makes a determination in that regard.

SECURITIES AUTHORIZED FOR ISSUE UNDER EQUITY COMPENSATION PLANS

The Company currently has no long-term incentive plans, other than the current stock option plan of the Company approved at the last meeting of shareholders held on April 23, 2018 (the “**Stock Option Plan**”). There are no options currently issued under the current Stock Option Plan.

At the Meeting, shareholders will be asked to approve the new Stock Option Plan, a 10% "rolling" stock option plan and the RSU/DSU Plan, both effective on completion of the Business Combination, as described under "*Particular Matters to be Acted Upon*".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as otherwise disclosed in this Circular, no informed person or proposed director of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the most recently completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

OTHER MATTERS

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at its office by mail at the address set out below to request copies of this Circular.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Toronto, Ontario, on the 21st day of September, 2018.

BY ORDER OF THE BOARD

"Lisa McCormack" (signed)
President, Chief Executive Officer, Secretary and Director

SCHEDULE "A"

(Stock Option Plan - Attached)

MOLECULAR SCIENCE CORP.

STOCK OPTION PLAN

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

Definitions

For the purposes of this Plan, the following terms have the following meanings:

“**Administrator**” is defined in Section 0.

“**Applicable Laws**” means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations, guidelines, orders and policies of any Persons having authority over that Person, property, transaction or event.

“**Associated Consultant**” has the meaning ascribed to it in section 2.22 of National Instrument 45-106.

“**Blackout Period**” means the period during which designated Persons cannot trade Shares pursuant to the Corporation’s policy, if any, respecting restrictions on trading which is in effect at that time.

“**Board**” means the board of directors of the Corporation.

“**Broker**” is defined in Section 0.

“**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Ontario.

“**Change of Control**” means that after the date of this Agreement any of the following shall occur:

any “person” (as that term is defined in National Instrument 45-106, other than a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation acting in such capacity or a corporation owned directly or indirectly by the shareholders of the Corporation in substantially the same proportions as their ownership of shares in the capital of the Corporation, becomes the beneficial owner, directly or indirectly, of securities of the Corporation representing 25% or more of the total voting power represented by the Corporation’s then outstanding voting securities;

during any period of two consecutive years, individuals who at the beginning of such period constitute the Board cease to be a majority thereof (otherwise than through death, disability or retirement in accordance with the Corporation’s normal retirement policies);

the shareholders of the Corporation approve a merger or consolidation of the Corporation with any other corporation, limited liability corporation, partnership, joint venture, trust or other entity other than a merger or consolidation which would result in the voting securities of the Corporation outstanding immediately prior thereto

continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 50% of the total voting power represented by the voting securities of the Corporation or such surviving entity.

“**Committee**” is defined in Section 0.

“**Consultant**” means a Person, other than an Employee or a Director, that:

is engaged to provide consulting, technical, management or other services to the Corporation or to a related entity, other than services provided in relation to a distribution of securities;

provides the services under a written contract with the Corporation or a related entity; and

in the reasonable opinion of the Board, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a related entity.

“**Corporation**” means Molecular Science Corp.

“**Director**” means a director of the Corporation or any related entity.

“**Disability**” means a physical or mental incapacity or disability that prevents the Eligible Person from performing the essential duties of the Eligible Person’s employment or service with the Corporation or any related entity, and which cannot be accommodated under applicable human rights laws without imposing undue hardship on the Corporation or the related entity employing or engaging the Eligible Person, as determined by the Board for the purposes of this Plan.

“**Eligible Person**” means any Employee, Executive Officer, Director or Consultant and includes a permitted assign (as the term is defined in section 2.22 of National Instrument 45-106) of an Eligible Person.

“**Employee**” means:

an individual who is considered an employee of the Corporation or any related entity under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);

an individual who works full-time for the Corporation or any related entity providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the relevant related entity over the details and methods of work as an employee of the Corporation or the relevant related entity, but for whom income tax deductions are not made at source; or

an individual who works for the Corporation or any related entity on a continuing and regular basis providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the relevant related entity over the details and methods of work as an employee of the Corporation or the relevant related entity, but for whom income tax deductions are not made at source.

“**Executive Officer**” means an executive officer (as that term is defined in National Instrument 45-106) of the Corporation or a related entity.

“**Investor Relations Person**” means a person that is a registrant or that provides services that include investor relations activities (as that defined in section 2.22 of National Instrument 45-106).

“**Governmental Authority**” means:

any federal, provincial, state, local, municipal, regional, territorial, aboriginal or other government, any governmental or public department, branch or ministry, or any court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and

any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

“**Grant Date**” means, for any Option, the date on which that Option was granted.

“**Option**” means an option to purchase Shares granted to an Eligible Person under the terms of this Plan.

“**Option Agreement**” means an option agreement substantially in the form attached as Exhibit “A” to this Plan.

“**Option Exercise Price**” is defined in Section 0.

“**Option Expiry Date**” is defined in Section 0.

“**Participant**” means an Eligible Person to whom an Option has been granted.

“**Person**” will be broadly interpreted and includes:

a natural person, whether acting in his or her own capacity, or in his or her capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;

a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and

a Governmental Authority.

“**Plan**” means this stock option plan of the Corporation.

“**related entity**” means, with respect to the Corporation, a person that controls or is controlled by the Corporation or that is controlled by the same person that controls the Corporation.

“Related Person” has the meaning ascribed to it in section 2.22 of National Instrument 45-106, including among others, a Director or Executive Officer or a related entity of the Corporation or an associate or permitted assign of such persons.

“Retirement” means retirement from active employment or service with the Corporation or a related entity:

at or after age 65; or

with the consent of any officer of the Corporation as may be designated for the purposes of this Plan by the Board, at or after any earlier age and on the completion of any number of years of service as the Board may specify.

“Share Compensation Arrangement” means any stock option plan of the Corporation (other than this Plan) and any stock option granted by the Corporation outside of this Plan.

“Shares” means common shares in the capital of the Corporation.

“Termination Date” means the date on which a Participant ceases to be an Eligible Person and, in the case of an Employee, means the date that is determined by the Board in its sole discretion as the date on which the Employee ceases to actively perform services for the Corporation or any related entity (excluding any notice period which may extend beyond the date on which active services cease).

“Withholding Obligations” is defined in Section 0.

Certain Rules of Interpretation

In this Plan, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words “including” or “includes” in this Plan is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.

The division of this Plan into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan.

References in this Plan to an Article, Section, Schedule or Exhibit are to be construed as references to an Article, Section, Schedule or Exhibit of or to this Plan unless otherwise specified.

Unless otherwise specified in this Plan, time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day. Unless otherwise determined by the Board, if an Option would, under the terms of this Plan or the Option Agreement, otherwise terminate on a day which is not a Business Day, the Option will terminate on the next Business Day.

Unless otherwise specified, any reference in this Plan to any statute, rule or policy includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute, rule or policy as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.

Governing Law

This Plan is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

ESTABLISHMENT OF PLAN

Purpose

The Corporation establishes this Plan to govern the grant, administration and exercise of Options which may be granted to Eligible Persons.

The principal purposes of this Plan are to provide the Corporation with the advantages of the incentive inherent in equity ownership on the part of Eligible Persons who are responsible for the continued success of the Corporation; to create in those Eligible Persons a proprietary interest in, and a greater concern for, the welfare and success of the Corporation; to encourage Eligible Persons to remain with the Corporation and any related entity; and to attract new Employees, Executive Officers, Directors and Consultants.

This Plan is expected to benefit shareholders by enabling the Corporation to attract and retain personnel of the highest calibre by offering them an opportunity to share in any increase in value of the Shares resulting from their efforts.

Shares Reserved and Plan Limits

The number of Shares that may be reserved for issuance under this Plan and under any other Share Compensation Arrangement will not exceed, in the aggregate, 10% of the outstanding Shares (on a non-diluted basis) on each Grant Date.

The Corporation will at all times during the term of this Plan reserve and keep available the number of Shares necessary to satisfy the requirements of this Plan.

Exercised Options

Any number of Shares which have been issued on the exercise of an Option will again be available for grants under this Plan, and will be considered to be part of the pool of Shares available for Options under this Plan.

Limits on Certain Grants

Unless approval of shareholders as required under Applicable Laws (or the applicable rules and policies of any stock exchange or market on which the shares are listed, if any) is obtained, no Options shall be granted to any Employee or Consultant who is an Investor Relations Person, an Associated Consultant, an Executive Officer or permitted assign of these persons if, after the grant of Options:

the number of securities, calculated on a fully diluted basis, reserved for issuance under Options granted to:

Related Persons, exceeds 10% of the outstanding securities of the Corporation, or

a Related Person, exceeds 5% of the outstanding securities of the Corporation, or the number of securities, calculated on a fully diluted basis, issued within 12 months to:

Related Persons, exceeds 10% of the outstanding securities of the Corporation, or

a Related person and associates of the Related Person, exceeds 5% of the outstanding securities of the Corporation.

Cancelled, Surrendered or Terminated Options

If and to the extent any Option granted under this Plan expires or is cancelled, terminated or surrendered without having been exercised in whole or in part, the number of Shares subject to that Option will be considered to be part of the pool of Shares available for Options under this Plan.

Non-Exclusivity

Nothing contained in this Plan will prevent the Board from adopting other or additional incentive compensation arrangements, whether Share Compensation Arrangements or otherwise.

ADMINISTRATION OF PLAN

Administration of the Plan

This Plan will be administered by the Board or by the Committee appointed under this Section 0. The Board or, if applicable, the Committee is referred to in this Plan as the “**Administrator**”.

The Board may at any time appoint a committee (the “**Committee**”), consisting of not less than two of its members, to administer this Plan on behalf of the Board in accordance with any terms and conditions that the Board may prescribe, consistent with this Plan. Once appointed, the Committee will continue to serve until otherwise directed by the Board. From time to time, the Board may appoint additional members, remove members (with or without cause), fill vacancies however caused, or remove all members of the Committee and thereafter directly administer this Plan.

A majority of the members of the Committee will constitute a quorum, and all resolutions to be passed at a meeting will require the affirmative vote of a majority of the members voting. All members of the Committee may vote on any matters within the Committee’s authority, subject to any conflicts of interest (and a member may be counted in determining the existence of a quorum at any meeting of the Committee during which a vote is held in respect of which the member is precluded from voting).

Subject to the provisions of this Plan and Applicable Laws, (and the applicable rules and policies of any stock exchange or market on which the Shares are listed, if any), the Administrator will have sole authority, in its absolute discretion, to:

administer this Plan in accordance with its express terms;

determine all questions arising in connection with the administration, interpretation, and application of this Plan;

prescribe, amend, and rescind rules and regulations relating to the administration of this Plan;
and

make all other determinations necessary or advisable for administration of this Plan.

All determinations made by the Administrator in good faith on matters referred to in this Section 0 will be final, conclusive, and binding on the Corporation and the relevant Participant.

Record Keeping

The Corporation will maintain a register in which will be recorded:

with respect to each Option granted to a Participant:

the name and address of the Participant;

the Grant Date;

the number of Shares issuable under the Option as of the Grant Date;

the Option Exercise Price;

any vesting provisions;

the number of Shares issued under the Option (and the dates of issuance); and

the Option Expiry Date; and

the aggregate number of Shares subject to Options.

Adjustments to Options

If any material change in the outstanding Shares occurs prior to the complete exercise of any Option by reason of any stock dividend, split, recapitalization, amalgamation, merger, consolidation, combination or exchange of shares or other similar corporate change, an equitable adjustment may be made in one or more of the maximum number or kind of shares issuable under this Plan or subject to outstanding Options, and the Option Exercise Price of each Option. Any adjustment under this Section 0 will be made in the sole discretion of the Board, acting on recommendations made by the Administrator, and will be conclusive and binding for all purposes of this Plan.

No fractional Shares will be issued on the exercise of an Option. If, as a result of any adjustment as provided in this Section 0, a Participant would be entitled to a fractional Share, the Participant will have the right to purchase only the number of full Shares that is calculated under that adjustment, and no payment or other adjustment will be made with respect to that fractional Share.

Termination of the Plan

The Board may terminate this Plan at any time in its absolute discretion (without shareholder approval). If this Plan is terminated, no further Options will be granted but the Options then outstanding will continue in full force and effect in accordance with the provisions of this Plan, until the time they are exercised, cancelled or surrendered or expire under the terms of this Plan and the applicable Option Agreements.

General

The existence of any Option will not affect, in any way, the right or power of the Corporation to:

- make or authorize any recapitalization, reorganization or other change in the Corporation's capital structure or business;
- participate in any amalgamation, combination, merger or consolidation;
- create or issue any securities or change the rights and conditions attaching to any of its securities;
- effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business; or
- effect any other corporate act or proceeding, whether of similar character or otherwise.

Compliance with Applicable Laws

This Plan, the grant and exercise of Options, the Corporation's obligation to issue Shares on the exercise of Options, and all other actions taken under this Plan will be subject to Applicable Laws, including the applicable rules and policies of any stock exchange or market on which the Shares are listed, if any, and to any approvals by any Governmental Authority which, in the opinion of counsel to the Corporation, are necessary or advisable.

No Option will be granted and no Shares issued under this Plan if that grant or issue would require registration of this Plan or of Shares under the securities laws of any foreign jurisdiction. Any purported grant of any Option or issue of Shares under this Plan in violation of this Section 0 will be void.

Shares issued to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under Applicable Laws.

TERMS OF OPTIONS

Grants

Subject to the provisions of this Plan, the Board will have the authority to grant Options to Eligible Persons, and to determine the terms, restrictions and conditions applicable to the exercise of those Options, including, for each Option:

- the number of Shares issuable under the Option;

- the Option Exercise Price;

- the Option Expiry Date;

- the vesting provisions, if any;

- the nature and duration of the restrictions, if any, to be imposed on the sale or other disposition of Shares acquired on the exercise of the Option; and

the events, if any, that could give rise to a forfeiture of the Participant's rights under the Option, and the period in which such a forfeiture can occur.

Each Option will be confirmed by an Option Agreement executed by the Corporation and by the Participant to whom that Option is granted. Subject to specific variations approved by the Board in respect of any Option, those variations not to be inconsistent with the provisions of this Plan, all terms and conditions set out in this Plan will be incorporated by reference into and form part of each Option.

Multiple Grants

An Eligible Person may be granted Options on more than one occasion under this Plan and be granted separate Options on any one occasion.

Option Exercise Price

The Board will, on the Grant Date, set the option exercise price (the "**Option Exercise Price**") in respect of Shares issuable under each Option granted to a Participant. The Option Exercise Price will not be less than the fair market value of each Share issuable on the exercise of an Option. For the purposes of this Section 0, "fair market value" means:

if the Shares are not listed on a stock exchange or market, the value of each Share determined by the Board, taking into account any considerations which it determines to be appropriate at the relevant time; and

if the Shares are listed on a stock exchange or market:

if at least one board lot has traded on the trading day immediately preceding the Grant Date, the closing price of the Shares on such stock exchange or market on the trading day immediately preceding the Grant Date; or

if there has not been at least one board lot traded on the trading day immediately preceding the Grant Date, the volume weighted average trading price of the Shares on such stock exchange or market for the five trading days immediately preceding the Grant Date,

subject to the minimum Option Exercise Price permitted by such stock exchange or market.

Option Expiry Date

The Board will, on the Grant Date, set the option expiry date (the "**Option Expiry Date**") of each Option granted to a Participant. The Option Expiry Date set under this Section 0 will be no later than ten years after the Grant Date, and will be subject to earlier expiry in accordance with Section 0 and Section 0, and later expiry in accordance with Section 0.

Vesting of Options

The Board may determine, at the time of granting an Option to an Eligible Person pursuant to the Plan, the maximum number of Shares that may be exercised by such Eligible Person in each year during the term of the Option.

Exercise of Options

An Option will be exercisable until 5:00 p.m. (Toronto time) on the Option Expiry Date, subject to any vesting provisions.

Subject to the provisions of this Plan and the related Option Agreement, an Option may be exercised from time to time by delivery to the Corporation of a written notice of exercise, substantially in the form of Schedule "A" to Exhibit "A" to this Plan, specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Exercise Price of the Shares to be purchased. Payment of the Option Exercise Price must be made by cash, bank draft or certified cheque.

Despite any provision contained in this Plan or in any Option Agreement, the Corporation's obligation to issue Shares to a Participant pursuant to the exercise of an Option will be subject to delivery by the Participant of all representations, agreements and undertakings, including as to future dealings in those Shares, that counsel to the Corporation reasonably determines to be necessary or advisable, if any, in order to safeguard against the violation of the laws of any jurisdiction.

Blackout Periods

No Option may be exercised during a Blackout Period, if the Participant is then restricted from trading in Shares pursuant to any policy of the Corporation or Applicable Laws. If an Option Expiry Date set under Section 0 falls on a date within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, the expiry date for that Option will be automatically extended, without any further act or formality, to that date which is the tenth Business Day after the end of the Blackout Period. This Section 0 will not extend any termination date determined under Section 0 or 0.

Amendments to Plan or Options

The Board may amend this Plan or any Option at any time, subject to the requirements of any stock exchange or market on which the Shares are listed, if any, including any shareholder approval requirements, provided that:

if an amendment impairs any Option or is adverse to a Participant, the amendment will only be made effective after the written consent of the Participant who is affected by the amendment is received; and

any reduction in the Option Exercise Price for an Option held by an insider may be subject to the receipt of disinterested shareholder approval as required any stock exchange or market on which the Shares are listed, if any.

Withholding of Tax

The Corporation will have the right to deduct and withhold from any amount payable or consideration deliverable to a Participant, either under this Plan or otherwise, any amount or consideration that may be necessary to enable the Corporation to comply with the applicable requirements or administrative policies of any Governmental Authority relating to the deduction, withholding or remittance of tax or any other required deductions or remittances with respect to awards under this Plan (collectively, "**Withholding Obligations**").

The Corporation will also have the right in its discretion to satisfy any liability for any Withholding Obligations by withholding and selling, or causing a broker engaged by the Corporation (a “**Broker**”), to sell, on behalf of any Participant, that number of Shares issued to the Participant pursuant to an exercise of Options as is sufficient to fund the Withholding Obligations (after deducting commissions payable to the Broker, if any, and other costs and expenses).

The Corporation may require a Participant, as a condition to granting an Option or the exercise of an Option, to make any arrangements that the Corporation may in its discretion require so that the Corporation can satisfy Withholding Obligations, including:

requiring the Participant to remit the amount of any Withholding Obligations to the Corporation in advance;

requiring the Participant to indemnify and reimburse the Corporation for any Withholding Obligations;

withholding and selling Shares acquired by the Participant under this Plan, or causing a Broker to sell those Shares on behalf of the Participant, withholding from the proceeds realized from that sale the amount required to satisfy any Withholding Obligations, and remitting that amount directly to the Corporation; or

any combination of these options.

Any Shares of a Participant that are sold by the Corporation, or by a Broker, to fund Withholding Obligations will be sold as soon as practicable, and, if applicable, in transactions effected on the exchange on which the Shares are then listed for trading. In effecting the sale of any Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Corporation nor the Broker will be liable for any loss arising out of any sale of Shares, including any loss relating to the manner or timing of any sale, the prices at which the Shares are sold, or otherwise. In addition, neither the Corporation nor the Broker will be liable for any loss arising from a delay in transferring any Shares to a Participant. The sale price of Shares sold on behalf of Participants will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

Termination of Employment or Service

Unless otherwise determined by the Board or otherwise specified in the relevant Option Agreement, if a Participant ceases to be an Eligible Person, any unvested portion of any Option held by that Participant will be immediately forfeited as of the Termination Date, and each Option held by that Participant will terminate on the earlier of the Option Expiry Date set under Section 0 (without including any extended expiry terms determined under Section 0) and:

in the case of termination of employment by the Corporation or a related entity without cause, or the failure of a Director standing for election to be re-elected, or the failure by the Corporation or a related entity to renew a contract for services at the end of its term, the date which is 90 days after the Termination Date;

in the case of the death of the Participant, the date which is one year after the death;

in the case of the Disability or Retirement of the Participant, the date which is one year after the Termination Date; and

in all other cases, the Termination Date.

Unless otherwise determined by the Board, Options will not be affected by any change of employment or provision of services within or among the Corporation or any Related entity, so long as the Participant continues to be an Eligible Person.

Options granted under this Plan are not part of a Participant's regular employment or consulting compensation, and no value will be attributed to any Options as part of calculating any Participant's damages for wrongful dismissal, or any amount due to a Participant with respect to reasonable notice, notice of termination, severance or termination pay, or compensation in lieu of notice.

Change of Control

In the event of an actual or potential Change of Control, the Board may, in its sole discretion and on the terms it sees fit, but subject to Section 0:

accelerate the vesting of any unvested Options;

permit the conditional exercise of any Options;

amend the terms of any Options to permit the Participants to exercise the Options on a "cashless" basis (to permit the Participants to tender the underlying Shares to the Change of Control transaction, or to obtain the advantage of holding the underlying Shares during the Change of Control transaction);

cause any Options to be terminated; and

cause any Options to be exchanged for options or other securities of another entity involved in the Change of Control transaction.

If the Board determines to terminate or cause the exchange of any Options under Section 0, the Corporation will give the affected Participants at least 14 days' advance notice of the termination or exchange.

Transferability

Subject to Section 0 and Section 0, the Options and all benefits and rights accruing to a Participant in accordance with the terms and conditions of this Plan are not directly or indirectly transferable and cannot be assigned, charged, pledged or hypothecated, or otherwise alienated, by a Participant, whether voluntarily, involuntarily, by operation of law or otherwise.

On a Participant's death, vested Options, benefits and rights may pass by the Participant's will or the laws of descent and distribution to the legal representative of the Participant's estate or any other person who acquires his or her vested Options by bequest or inheritance. No transfer of a vested Option by will or by the laws of descent and distribution will be effective to bind the Corporation until the Administrator has been furnished with any evidence that the

Administrator may deem necessary to establish the validity of the transfer and the acceptance by the transferee of the terms and conditions of this Plan and the relevant Option Agreement.

Any Participant that is not an individual will not effect or permit any transfer or change of ownership of the Participant so long as that Participant holds Options, except with the permission of the Administrator. Any unauthorized transfer or change of ownership which is determined by the Administrator to be an indirect transfer of an Option will result in the forfeiture of the Option.

MISCELLANEOUS PROVISIONS

No Rights as Shareholder

The holder of an Option will not have any rights as a shareholder of the Corporation with respect to any of the Shares issuable on exercise of that Option until that holder has exercised that Option in accordance with the terms of this Plan and has been issued the Shares.

No Employment Rights

Nothing in this Plan or any Option will confer on a Participant any right to continue in the employment or service of the Corporation or any related entity or affect in any way the right of the Corporation or any related entity to terminate the Participant's employment or service at any time; nor will anything in this Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any related entity to extend the employment or service of any Participant beyond the date on which the Participant's relationship with the Corporation or any related entity would otherwise be terminated due to Retirement or pursuant to the provisions of any employment, consulting or other contract for services with the Corporation or any related entity.

No Undertaking or Representation

The Participants, by participating in this Plan, will be deemed to have accepted all risks associated with acquiring Shares pursuant to this Plan. Each Participant acknowledges that the Shares are subject to, and may be required to be held indefinitely under, applicable securities laws. The Corporation, the related entity and the Administrator make no undertaking, representation, warranty or guarantee as to the future value or price, or as to the listing on any exchange or other market, of any Shares issued under this Plan, and will not be liable to any Participant for any loss resulting from that Participant's participation in this Plan or as a result of the amendment, suspension or termination of this Plan or any Option.

Further Assurances

Each Participant will, when requested to do so by the Corporation, sign and deliver all documents relating to the granting or exercise of Options deemed necessary or desirable by the Corporation.

Submission to Jurisdiction

Without prejudice to the ability of the Corporation or any Participant to enforce this Plan or any Option Agreement in any other proper jurisdiction, the Corporation and each Participant irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity, arising from this Plan and each Option Agreement. To the extent permitted by Applicable Laws, the Corporation and each Participant:

irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Plan or any Option Agreement in the courts of that Province, or that the subject matter of this Plan or any Option Agreement may not be enforced in those courts;

irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called on to enforce the judgment of the courts referred to in this Section 0, of the substantive merits of any suit, action or proceeding; and

to the extent the Corporation or any Participant has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that Person irrevocably waives that immunity in respect of its obligations under this Plan and any Option Agreement.

EXHIBIT "A"
TO STOCK OPTION PLAN

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE •.

STOCK OPTION AGREEMENT

THIS OPTION AGREEMENT made as of the • day of •, •.

BETWEEN:

MOLECULAR SCIENCE CORP.

(herein called the "**Corporation**"),

OF THE FIRST PART,

- and -

•

(herein called the "**Optionee**"),

OF THE SECOND PART,

WHEREAS the Corporation has adopted a stock option plan (such plan as amended from time to time being hereinafter called the "**Plan**"), a copy of which Plan as constituted on the date hereof has been provided to the Optionee;

AND WHEREAS the Corporation has agreed to grant an option to the Optionee upon the exercise of which the Optionee may acquire common shares (each, a "**Share**") in the capital stock of the Corporation;

NOW THEREFORE the parties hereto agree as follows:

- 1. Definitions** - In this Option Agreement, capitalized terms used herein are not defined herein shall have the meanings assigned thereto in the Plan.
- 2. Grant and Terms of Option** - The Corporation hereby grants to the Optionee, subject to the terms and conditions of the Plan and as hereinafter set out, an option to purchase • Shares (hereinafter called the "**Option Shares**") at the price of CDN\$• per Option Share (the "**Option Price**"), the said option to terminate at 5:00 p.m. (Toronto time) on • (hereinafter called the "**Expiry Date**").
- 3. Vesting of Option** - The option hereby granted shall vest as follows:

<u>Number of Option Shares</u>	<u>Vesting Date</u>

- 4. Method of Exercising Option** - The option hereby granted shall be exercisable by the Optionee in accordance with the Plan and the terms and provisions hereof. The option shall be exercisable by the Optionee by the Optionee (a) delivering to the Corporation an executed notice in the form of Schedule "A" hereto specifying the number of Shares in respect of which the option is exercised; (b) paying in full the Option Price for each such Share; and (c) surrendering this Option Agreement

to the Corporation. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Corporation in amount of aggregate Option Price shall constitute payment of the Option Price unless the cheque is not honored upon presentation in which case the option shall not have been validly exercised.

5. **Partial Exercise** - In the event of a partial exercise of the option hereby granted prior to the Expiry Date, the Optionee shall be entitled to receive a replacement Option Agreement for the Unissued Option Shares represented by this Option Agreement, in which case the Corporation and the Optionee shall execute and deliver to the other the replacement Option Agreement.
6. **Compliance with Securities Law** - The Optionee agrees, unless otherwise notified by the Corporation, that:
 - (a) no sales or transfer of any or all of the Option Shares will be made except pursuant to an opinion of counsel satisfactory to the Corporation to the effect that such sales or transfer will not result in the violation of applicable securities laws; and
 - (b) the Corporation may cause the certificates representing the Option Shares to bear a legend referring to transfer restrictions and the Corporation may issue to its transfer agent "stop transfer" instructions with respect to the Option Shares.
7. **Adoption of the Stock Option Plan** - The Optionee acknowledges and agrees that this Option Agreement shall be subject to the provisions of the Plan, the terms of which are hereby adopted by reference. For certainty, it is agreed and acknowledged that the Plan may be amended from time to time at the sole discretion of the Corporation and the Option Agreement shall be subject to the provisions of such amended Plan. In the event of any inconsistency between the terms or provisions of this Option Agreement and those of the Plan, the terms and provisions of the Plan shall govern. The Optionee further acknowledges that all decisions and interpretations of the Board respecting this Option Agreement or the Plan pursuant to which this Option is granted shall be conclusive and binding on all holders of options granted thereunder.
8. **Bona Fides** - The Corporation and Optionee jointly represent and warrant that, if the Optionee is an Employee or a Consultant of the Corporation or a related entity of the Corporation, the Optionee is a bona fide Employee or a Consultant, as the case may be, of the Corporation or of a related entity of the Corporation.
9. **Non-assignability** - The Optionee shall not be entitled to assign this Option Agreement nor any of the options or other rights or benefits provided for herein.
10. **Time of the Essence** - Time shall be of the Essence of this Option Agreement.
11. **Successor of the Corporation** - This Option Agreement shall be binding upon any successor or successors of the Corporation.

IN WITNESS WHEREOF this Option Agreement has been executed by the parties hereto.

MOLECULAR SCIENCE CORP.

Per: _____
Authorized Signing Officer

SIGNED, SEALED & DELIVERED
In the presence of:

Witness

} _____
•

SCHEDULE "A"

TO: MOLECULAR SCIENCE CORP. (the "Corporation")

NOTICE OF EXERCISE OF OPTION

The undersigned Optionee hereby subscribes for _____ common shares of the Corporation (or such number of common shares or other securities to which such Option Agreement entitles the undersigned in lieu thereof or in addition thereto under the provisions of such Option Agreement) pursuant to the within Option Agreement at \$● per share for an aggregate subscription amount of \$_____ (the "**Aggregate Option Price**") on the terms specified in the said Option Agreement and encloses herewith a cheque or money order payable to the order of the Corporation in payment of the Aggregate Option Price.

The undersigned hereby directs that the said securities be registered as follows:

(Insert full name and address of purchaser including postal code)

DATED at _____, _____ this ____ day of _____, 20____.

Name of Optionee

Signature of Optionee

SCHEDULE "B"

(RSU/DSU Plan - Attached)

MOLECULAR SCIENCE CORP.

RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT COMPENSATION PLAN

1. Purpose

- (a) **Background.** The Corporation currently has in place a Stock Option Plan, pursuant to which Options have been granted to purchase Common Shares of the Corporation. Subject to section 14, the Corporation now also adopts this RSU/DSU Plan on the terms and conditions herein set forth (as may be amended from time to time) in order to provide the Corporation with flexibility in designing various equity-based compensation arrangements for the Officers, Non-Employee Directors, Consultants and Employees of the Corporation and its Designated Affiliates. Section 14 sets forth the provisions concerning the effective date of the RSU/DSU Plan, its termination, and application to Awards under the existing and continuing Stock Option Plan.
- (b) **Purpose.** The purpose of this Plan is to advance the interests of the Corporation by encouraging Officers, Non-Employee Directors, Consultants and Employees to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such Persons in the Corporation, (ii) aligning the interests of such Persons with the interests of the Corporation's shareholders generally, (iii) encouraging such Persons to remain associated with the Corporation, and (iv) furnishing such Persons with additional incentive in their efforts on behalf of the Corporation. The Board also contemplates that through the Plan, the Corporation will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Corporation.

Restricted Share Units granted pursuant to this RSU/DSU Plan will be used to compensate Participants for their individual performance-based achievements and are intended to supplement stock option awards in this specific respect. The goal of such grants is to more closely tie Awards to individual performance based on established Performance Criteria.

Deferred Share Units granted pursuant to this RSU/DSU Plan will be used as a means of reducing the cash payable by the Corporation in respect of a Participant's compensable amounts. In so doing, the interest of each Participant will become more closely aligned with those of the Corporation and its shareholders.

2. Definitions

For purposes of this Plan, the following terms shall have the meaning set forth below:

- (a) **"Act"** means the *Business Corporations Act* (Ontario), or its successor, as amended, from time to time;
- (b) **"Affiliate"** means any corporation that is an affiliated company of the Corporation as defined in *Securities Act* (Ontario), as may be amended from time to time;
- (c) **"Awards"** shall mean, collectively, Restricted Share Units and Deferred Share Units;
- (d) **"Board"** means the board of directors of the Corporation;
- (e) **"Change of Control"** means the occurrence of any one or more of the following events:
- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Common Shares prior to the completion of the transaction hold less than 50% of the outstanding voting shares of the successor corporation after completion of the transaction;

- (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Corporation to another entity, other than a disposition to a wholly-owned Affiliate in the course of a reorganization of the assets of the Corporation and its Affiliates;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (iv) the acquisition by any “offeror” (as defined in section 89 of the *Securities Act* (Ontario) as at the date hereof) of beneficial ownership of 50% or more of the votes attached to the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (v) any person, entity or group of persons or entities acting jointly or in concert acquires the right to direct the management and policies of the Corporation; or
- (vi) as a result of or in connection with: (A) a contested election of directors, or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent management information circular of the Corporation for election to the Board shall not constitute a majority of the Board.

As to any given Awards or all Awards, the Granting Authority may establish, in the terms of the Award, additional conditions or events that must occur in order for a “Change of Control” to occur under such Award(s) (including the termination of employment);

- (f) “**Committee**” means the Corporation’s compensation committee and any other committee of the Board constituted as provided for in section 3 and authorized by the Board to take actions with respect to the RSU/DSU Plan as provided in section 3, provided that such Committee is composed of two or more Non-Employee Directors;
- (g) “**Common Shares**” means the common shares of the Corporation, as adjusted in accordance with the provisions of section 9 of this RSU/DSU Plan;
- (h) “**Consultant**” shall have the meaning ascribed to it under the applicable policies and rules of an applicable stock exchange in effect from time to time;
- (i) “**Control**” shall mean, with respect to any Person, the possession, directly or indirectly, severally or jointly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise;
- (j) “**Corporation**” means Molecular Science Corp., a corporation existing under the Act, and includes any successor corporation thereof;
- (k) “**Deferred Share Units**” shall mean a right, granted in accordance with section 6 hereof, to receive a Common Share;
- (l) “**Designated Affiliate**” means the Affiliates of the Corporation designated by the Committee for purposes of the RSU/DSU Plan from time to time;
- (m) “**Effective Date**” shall mean the date as of which an Award shall take effect, provided that the Effective Date shall not be a date prior to the date the Granting Authority determines an Award shall be made and, unless otherwise specified by the Granting Authority, the Effective Date will be the date the Granting Authority determines an Award shall be made;
- (n) “**Eligible Retirement**” shall mean, if determined by the Granting Authority in its sole discretion,

termination of service, under circumstances as shall constitute retirement for age as determined by the Granting Authority or in accordance with the written policies established by the Granting Authority as they may be amended or revised from time to time;

- (o) **“Employees”** means:
 - (i) an individual who is considered an employee under the ITA (such as an individual for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at the source) of the Corporation or any Designated Affiliate;
 - (ii) an individual who works full-time for the Corporation or any Designated Affiliate thereof providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any Designated Affiliate thereof over the details and methods of work as an employee of the Corporation or any Designated Affiliate thereof, but for whom income tax deductions are not made at the source; or
 - (iii) an individual who works for the Corporation or any Designated Affiliate thereof on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any Designated Affiliate thereof over the details and methods of work as an employee of the Corporation or any Designated Affiliate thereof, but for whom income tax deductions are not made at the source
- (p) **“Granting Authority”** shall mean the Board, the Committee or other committee, as applicable, that is charged with exercising the powers and responsibility as to a specific matter in question affecting this RSU/DSU Plan or an Award;
- (q) **“Insiders”** shall mean a reporting insider as defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*;
- (r) **“ITA”** shall mean the *Income Tax Act* (Canada) and any regulations thereunder as amended from time to time;
- (s) **“Market Value”** of a Common Share as of a relevant date shall mean the fair market value as determined by the Granting Authority:
 - (i) in accordance with the rules of the applicable stock exchange if the Common Shares are then listed on such exchange; or
 - (ii) if the Common Shares are not publicly traded at the time a determination of its fair market value is required to be made hereunder, the determination of fair market value shall be made in good faith by the Granting Authority using any fair and reasonable means selected in the Granting Authority’s discretion;
- (t) **“Non-Employee Director”** shall mean an individual who is a member of the Board but who is not otherwise an Employee or a Consultant of the Corporation or of any Designated Affiliate at the date the Award is granted;
- (u) **“Officer”** shall mean any officer of the Corporation;
- (v) **“Option”** shall mean an option granted in accordance with the terms of the Stock Option Plan to purchase a Common Share;
- (w) **“Participants”** or **“Grantees”** shall mean those individuals to whom Awards have been granted from time to time under the RSU/DSU Plan. The executors and administrators of such Participant’s estate, any Person or Persons who acquire the right to exercise and Award directly from the Participant by bequest or inheritance or any other permitted transferee of the Participant under section 8 hereof shall be treated as a Participant solely for the purposes of exercising

and enforcing an Award according to the terms thereof and of this RSU/DSU Plan;

- (x) **“Performance Criteria”** shall mean such financial, personal and/or other performance criteria as may be determined by the Granting Authority with respect to Awards of Restricted Share Units and, for greater certainty, the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Corporation and any other factors which the Granting Authority deems appropriate and relevant;
- (y) **“Person”** shall mean, unless the context otherwise requires or unless and to the extent otherwise limited or required by applicable law or rules of a Stock Exchange, any natural person, firm, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity;
- (z) **“Restricted Period”** shall mean the period established by the Granting Authority with respect to an Award during which the Award either remains subject to forfeiture or is not exercisable by the Participant;
- (aa) **“Restricted Share Unit”** shall mean a right, granted in accordance with section 6 hereof, to receive a Common Share;
- (bb) **“RSU/DSU Plan”** shall mean this Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended and restated from time to time;
- (cc) **“Shareholder Approval Date”** means the date on which this RSU/DSU Plan is approved by shareholders of the Corporation;
- (dd) **“Stock Exchange”** shall mean such other stock exchange where the Shares of the Corporation are listed for trading as at the relevant time;
- (ee) **“Stock Option Plan”** means the Corporation’s stock option plan as it exists on the date hereof and as may be amended from time to time;
- (ff) **“Termination”** means: (i) in the case of an Employee, the termination of the employment of the Employee with or without cause by the Corporation or a Designated Affiliate or the cessation of employment of the Employee with the Corporation or a Designated Affiliate, other than the Eligible Retirement, of the Employee; and (ii) in the case of a Consultant, the termination of the services of the Consultant by the Corporation or any Designated Affiliate;
- (gg) **“Vested”** or **“Vesting”** shall mean, with respect to an Award, that the applicable conditions established by the Granting Authority or this RSU/DSU Plan have been satisfied or, to the extent permitted under the RSU/DSU Plan, waived, whether or not the Participant’s rights with respect to such Award may be conditioned upon prior or subsequent compliance with any confidentiality, non-competition or non-solicitation obligations.

3. Administration

- (a) **Powers of the Board and the Committee.** Subject to and consistent with the terms of the RSU/DSU Plan, applicable law and applicable rules of the Stock Exchange, and subject to the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Board will have the general power to administer the RSU/DSU Plan in accordance with its terms (including all powers specified in clause 3(a)(ii) hereof and make all determinations required or permitted to be made, provided, however, that the Board may delegate all or any portion of such powers to the Committee or to other committees; and provided, further, that with respect to Awards of the Corporation’s executive officers, the Committee shall have such powers as are set forth in clause 3(a)(i) hereof.

- (i) **Specific Provisions Concerning Delegation of Authority to the Committee.** In addition

to any authority of the Committee specified under any other terms of the RSU/DSU Plan, and notwithstanding any other provision herein to the contrary, insofar as Awards under the RSU/DSU Plan are to be made to executive officers, the Committee will make recommendations to the Board with respect to Awards.

The foregoing shall not limit the Board in delegating any other powers to the Committee or in delegating any or all determinations or other powers with respect to certain types of Awards, including the full power to make Awards and to exercise the other powers set forth in clause 3(a)(ii) hereof and the other powers granted herein to the Granting Authority.

- (ii) **Specific Powers of the Granting Authority.** Without limiting the lead-in paragraph of subsection 3(a) hereof, the powers of the Granting Authority shall include the powers to, subject to subsection 10(c) hereof:
- (1) interpret the RSU/DSU Plan and instruments of grant evidencing the Awards;
 - (2) prescribe, amend and rescind such procedures and policies, and make all determinations it deems necessary or desirable for the administration and interpretation of the RSU/DSU Plan and instruments of grant evidencing Awards;
 - (3) determine those Persons who are eligible to be Participants, grant one or more Awards to such Persons and approve or authorize the applicable form and terms of the related instrument of grant;
 - (4) determine the terms and conditions of Awards granted to any Participant, including, without limitation, and subject always to the RSU/DSU Plan (1) subject to subsection 4(b) and 4(c), the type, and number of Common Shares subject to an Award, (2) the conditions to the Vesting of an Award or any portion thereof, including terms relating to lump sum or instalment Vesting, the period for achievement of any applicable Performance Criteria as a condition to Vesting and the conditions, if any, upon which Vesting of any Award or portion thereof will be waived or accelerated without any further action by the Granting Authority, (3) the circumstances upon which an Award or any portion thereof shall be forfeited, cancelled or expire, (4) the consequences of a Termination with respect to an Award, (5) the manner of exercise or settlement of the Vested portion of an Award, including whether an Award shall be settled on a current or deferred basis, and (6) whether and the terms upon which any Common Shares delivered upon exercise or settlement of an Award must continue to be held by a Participant for any specified period;
 - (5) set forms of consideration, if any, to be paid with respect to the settlement of an Award (except to the extent certain forms of consideration must be paid to satisfy the requirements of applicable law);
 - (6) determine whether and the extent to which any Performance Criteria or other conditions applicable to Vesting of an Award have been satisfied or shall be waived or modified;
 - (7) amend the terms of any instrument of grant or other documents evidencing Awards; provided, however, that subject to subsection 5(d) hereof, no amendment of an Award may, without the consent of the holder of the Award, adversely affect such Person's rights with respect to such Award in any material respect;
 - (8) accelerate or waive any condition to the Vesting of any Award, all Awards, any class of Awards or Awards held by any group of Participants; and
 - (9) determine whether and the extent to which adjustments shall be made pursuant to

section 9 hereof and the terms of any such adjustments.

However, the Granting Authority shall not have any discretion under this subsection 3(a) or any other provisions of the RSU/DSU Plan that would modify the terms or conditions of any Award that is intended to be exempt from the definition of “salary deferral arrangement” in the ITA if the exercise of such discretion would cause the Award to not be or cease to be exempt. The Granting Authority will also exercise its discretion in good faith in accordance with the Corporation’s intention that the terms of the Awards and the modifications or waivers permitted hereby are in compliance with applicable law and the rules of the Stock Exchange.

- (b) **Effects of Granting Authority’s Decision.** Any action taken, interpretation or determination made, or any rule or regulation adopted by the Granting Authority pursuant to this RSU/DSU Plan shall be made in its sole discretion and shall be final, binding and conclusive on all affected Persons, including, without limitation, the Corporation, any of its Designated Affiliates, any grantee, holder or beneficiary of an Award, any shareholder and any Employee, Consultant or Non- Employee Director.
- (c) **Liability Limitation and Indemnification.** No member of the Granting Authority or the Board generally shall be liable for any action or determination made in good faith pursuant to the RSU/DSU Plan or any instrument of grant evidencing any Award granted under the RSU/DSU Plan. To the fullest extent permitted by law, the Corporation shall indemnify and save harmless, and shall advance and reimburse the expenses of, each Person made, or threatened to be made, a party to any action or proceeding in respect of the RSU/DSU Plan by reason of the fact that such Person is or was a member of the Granting Authority or is or was a member of the Board in respect of any claim, loss, damage or expense (including legal fees) arising therefrom.
- (d) **Delegation and Administration.** The Granting Authority may, in its discretion, delegate such of its powers, rights and duties under the RSU/DSU Plan, in whole or in part, to such committee, Person or Persons as it may determine, from time to time, on terms and conditions as it may determine, except the Granting Authority shall not, and shall not be permitted to, delegate any such powers, rights or duties: (i) with respect to the grant, amendment, administration or settlement of any Award of a Participant, (ii) with respect to the establishment or determination of the achievement of the Performance Criteria, or (iii) with respect to any matter that would be in violation of applicable law or the rules of any Stock Exchange. The Granting Authority may also appoint or engage a trustee, custodian or administrator to administer and implement the RSU/DSU Plan or any aspect of it, subject to the exception of the immediately preceding sentence hereof.

4. **Shares Subject to the Plan**

- (a) **Aggregate Plan Limits.** Subject to adjustment pursuant to section 9 hereof, the maximum aggregate number of Common Shares that may be subject to issuance at any given time in connection with the Awards granted under the RSU/DSU Plan shall not exceed 10% of the issued and outstanding Common Shares as at <@>, 2018, (being the record date of the annual and special meeting of the shareholders of the Corporation) unless disinterested shareholder approval for an additional listing of Common Shares under this RSU/DSU Plan has been obtained. Notwithstanding the foregoing, at no time shall the amount of Common Shares that may be subject to issuance under this RSU/DSU Plan and the number of Common Shares that may be issued under the Stock Option Plan together exceed 20% of the total number of issued and outstanding Common Shares of the Corporation (calculated on a non-diluted basis) as at the date of shareholder approval of the RSU/DSU Plan and Stock Option Plan from time to time. For the purposes of computing the foregoing limits the following shall not be counted against such limitations:
 - (i) Common Shares subject to any Option granted under the Stock Option Plan that are reserved on the Shareholder Approval Date (or any portion thereof) where the Option has expired or is forfeited, surrendered, cancelled or otherwise terminated;

- (ii) To the extent that any Options which lapse unexercised, are cancelled or expire without Vesting, the Common Shares reserved thereunder will be treated as not having been issued for the purposes of computing the foregoing limitation; and any issuance of Common Shares pursuant to the terms of an Option will reduce the number of Common Shares reserved for issuance pursuant to the Option;
 - (iii) Any available shares under a pre-existing shareholder approved plan of a company acquired by the Corporation or a Designated Affiliate or with which the Corporation or a Designated Affiliate combines, and not adopted in contemplation of such acquisition or combination (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination); provided that Awards using such available shares shall not be made after the date Awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Non-Employee Directors prior to such acquisition or combination.
- (b) **Certain Additional Limits.** For as long as the Common Shares are listed for trading on an applicable stock exchange,
- (i) the total number of Common Shares reserved and available for issuance pursuant to this RSU/DSU Plan together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation including the Stock Option Plan shall, subject to the adjustments provided for herein and therein, not exceed 20% of the issued and outstanding Common Shares from time to time;
 - (ii) the number of Common Shares reserved for issuance pursuant to this RSU/DSU Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to any one person within a one-year period shall not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time;
 - (iii) the number of Common Shares which may be reserved for issuance pursuant to this RSU/DSU Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to all Insiders shall not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time;
 - (iv) the number of Common Shares which may be issued pursuant to this RSU/DSU Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to all Insiders within a one-year period shall not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time;
 - (v) the number of Common Shares which may be issued pursuant to this RSU/DSU Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to any one Insider and such Insider's Affiliates or associates within a one-year period shall not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time;
 - (vi) the number of Common Shares which may be issued pursuant to this RSU/DSU Plan together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation to any one consultant in any 12-month period shall not exceed 2% of

the Common Shares outstanding on a non-diluted basis from time to time; and

- (vii) the number of Common Shares which may be issued pursuant to this RSU/DSU Plan together with those Common Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation to all employees conducting investor relations activities in any 12-month period shall not exceed the aggregate of 2% of the Common Shares outstanding on a non-diluted basis from time to time.

For the purposes of determining compliance with the above restrictions, the Granting Authority will take into account Common Shares reserved or issued pursuant to Options together with Common Shares reserved or issued pursuant to all of the Corporation's security-based compensation arrangements (including this RSU/DSU Plan) to the extent required by applicable law and applicable rules of an applicable stock exchange.

- (c) **Source of Common Shares.** Except as expressly provided in the RSU/DSU Plan, Common Shares delivered to Participants in connection with the exercise or settlement of Awards may be authorized but unissued Common Shares, Common Shares purchased in the open-market or in private transactions. The Board shall take such action as may be necessary to authorize and reserve for issuance from unissued Common Shares such number of Common Shares as may be necessary to permit the Corporation to meet its obligations under the RSU/DSU Plan; provided, however, that the Corporation may satisfy its obligations from treasury shares or Common Shares purchased in the open market or private transactions.

5. **General Provisions Relating to Awards**

- (a) **Eligibility.** Awards will be granted only to those Persons who are, at the time of the grant, Officers, Non-Employee Directors, Consultants and Employees to the Corporation or its Designated Affiliates. If any Participant is (pursuant to the terms of his or her employment or otherwise) subject to a requirement that he or she not benefit personally from an Award, the Granting Authority may grant any Award to which such Person would otherwise be entitled to the Person's employer or to any other entity designated by them that directly or indirectly imposes such requirement on the Person. The Granting Authority shall have the power to determine other eligibility requirements with respect to Awards or types of Awards.

- (b) **Terms of Grant.** Subject to the other express terms of this RSU/DSU Plan, grants of Awards under the RSU/DSU Plan shall contain such terms and conditions as the Granting Authority may specify. Without limiting the foregoing,

- (i) Each Award granted under the RSU/DSU Plan shall be evidenced by an instrument of grant, in such form or forms as the Granting Authority shall approve from time to time, which shall set forth such terms and conditions consistent with the terms of the RSU/DSU Plan as the Granting Authority may determine. Each instrument of grant shall set forth, at a minimum, the type and Effective Date of the Award evidenced thereby, the number of Common Shares subject to such Awards and the applicable Vesting conditions. Reference in the RSU/DSU Plan to an instrument of grant shall include any supplements or amendments thereto.
- (ii) The term or Restricted Period of each Award that is a Restricted Share Unit shall be for such period as may be determined by the Granting Authority; provided, however, that in no event shall the term of any Restricted Share Unit exceed a period of ten years (or such other shorter term as may be required in respect of an Award so that such Award does not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA).
- (iii) The terms, conditions and/or restrictions contained in an Award may differ from terms, conditions and restrictions contained in any other Awards.

- (iv) The Granting Authority may specify such other terms and conditions, consistent with the terms of the RSU/DSU Plan, as the Granting Authority shall determine or as shall be required under any other provisions of the RSU/DSU Plan. Such terms may include, without limitation, provisions requiring forfeiture of Awards in the event of termination of employment by the Participant and provisions permitting a Participant to make elections relating to his or her Award.
- (c) **Vesting Conditions.** Subject to terms of the RSU/DSU Plan, the Granting Authority shall determine any and all conditions to the Vesting of all and/or any portion of Awards and shall specify the material terms thereof in the applicable instrument of grant on, or as soon as reasonably practicable following, the Effective Date of the Award. Vesting of an Award, or portion thereof, may be conditioned upon passage of time, continued employment, satisfaction of Performance Criteria, or any combination of the foregoing, as determined by the Granting Authority.
- (d) **Change of Control.** Unless otherwise provided in the Award or by direction of the Granting Authority as to all or any type of number of Awards, in the event of a Change of Control and notwithstanding any other Vesting or other restrictions or conditions, the Granting Authority may take whatever action with respect to the Awards outstanding that it deems necessary or desirable, including following:
 - (i) the Granting Authority may waive all restrictions and conditions of all Restricted Share Units and Deferred Share Units then outstanding with the result that those types of Awards shall be deemed satisfied, and the Restricted Period or other limitations on payment in full with respect thereto shall be deemed to have expired, as of the date of the Change of Control or such other date as may be determined by the Granting Authority, provided that, in no event shall a payment be made in respect of a Deferred Share Unit granted to a Participant prior to the date such Participant ceases to be an Employee or Director of the Corporation or of a Designated Affiliate.

Notwithstanding the above provision of this subsection 5(d), but subject to any contractual rights created by the terms of an Award, the Granting Authority shall not be required to take any action described in the preceding provisions, and any decision made by the Granting Authority, in its sole discretion, not to take some or all of the actions described in the preceding provisions shall be final, binding and conclusive with respect to the Corporation and all other interested Persons. Any acceleration of Vesting shall be deemed to have occurred immediately prior to the Change of Control, no matter when the determination of the Granting Authority occurs.

Moreover, if approved by the Board prior to or within 30 days after such time as a Change of Control shall be deemed to have occurred, the Board shall have at any time the right to require that all or any portion of the Awards be settled and discharged in cash based on the “cash value” of such Awards in lieu of settlement by issuance of Common Shares. Such requirement may be specified in any arrangement relating to such Change of Control transaction to which the Corporation is a party or may be specified in any notice sent by the Corporation, which arrangement or notice may also specify the terms and timing of such settlement. If not so specified, the Board may require settlement at any time within a 45-day period immediately following the date that the Change of Control is deemed to have occurred. The Corporation may require Participants to verify the amount and completeness of any settlement of Awards as a condition to the final settlement and payment.

- (e) **Fractional Common Shares.** No fractional Common Shares shall be issued under the RSU/DSU Plan and there shall be no entitlement or payment for any fractional Common Shares and no payment shall be made in lieu of a fractional Common Share.
- (f) **Compliance with the ITA.** The terms and conditions applicable to any Award (or portion thereof) granted to a Participant who is subject to taxation under the ITA are intended to comply with the ITA. Without limiting the foregoing,
 - (i) the terms of any such Award (or portion thereof) permitting the deferral of payment or

other settlement thereof shall be subject to such requirements and shall be administered in such manner as the Committee may determine to be necessary or appropriate to comply with the applicable provisions of the ITA as in effect from time to time; and

- (ii) any elections allowed to be exercised by a Participant shall be deemed to be void or shall be deemed amended or altered so as not to cause the Award to be considered a “salary deferral arrangement” under the ITA, as defined in subsection 248(1) or create adverse tax consequences under the ITA.

6. **Restricted Share Units and Deferred Share Units**

- (a) **Grants.** The Granting Authority may from time to time grant one or more Awards of Restricted Share Units and/or Deferred Share Units to Officers, Non-Employee Directors, Consultants and Employees of the Corporation on such terms and conditions, consistent with the RSU/DSU Plan, as the Granting Authority shall determine and which terms shall be contained in a grant agreement substantially in the form annexed hereto as Schedule A (in respect of Restricted Share Units) and Schedule B (in respect of Deferred Share Units).
- (b) **Vesting Terms.** Restricted Share Units shall become Vested at such times, in such instalments and subject to such terms and conditions consistent with subsection 5(c) hereof as may be determined by the Granting Authority and set forth in the applicable instrument of grant, provided that the conditions to Vesting of Restricted Share Units may be based on the Participant’s continued employment, and having regard to the satisfaction of any Performance Criteria established by the Granting Authority, provided however that Restricted Share Units shall become Vested and be paid out no later than December 31 of the third calendar year following the calendar year in which the Grantee rendered the employment services in respect of which the Award is being made. Unless otherwise provided at the time of the grant, the Vesting of Deferred Share Units shall occur at such times, in such instalments and subject to such terms and conditions as may be determined by the Granting Authority and set forth in the applicable instrument of grant.
- (c) **Settlement.** Unless otherwise determined by the Granting Authority (including by the terms of the Award of the RSU/DSU Plan) and subject to the immediately preceding sentence and to subsection 6(b) hereof, Restricted Share Units shall be settled upon or as soon as reasonably practicable following the Vesting thereof and Deferred Share Units shall be settled on the third business day (or such other period of time as permitted by the Granting Authority under the grant agreement) following the Eligible Retirement or death of the applicable Participant or at the time the Participant otherwise ceases to hold office subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of this RSU/DSU Plan.

Notwithstanding the foregoing, Restricted Share Units shall also Vest in accordance with the following terms:

- (i) upon the death of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date the Corporation is duly notified of the Participant’s death. The Common Shares represented by the Restricted Share Units held by the Participant shall be issued, as determined by the Granting Authority, to the Participant’s estate forthwith;
- (ii) in the case of Eligible Retirement of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date of Eligible Retirement, and the Common Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith;
- (iii) in the case of total disability of the Participant, all unvested Restricted Share Units credited to the Participant will Vest within 60 days following the date in which the Participant is determined to be totally disabled, and the Common Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith;

and

- (iv) in the case of termination without cause by the Corporation of a Participant (other than Eligible Retirement), all unvested Restricted Share Units credited to the Participant shall Vest on the date of such termination, and the Common Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith. For clarity, where a Participant is terminated for cause or where the Participant has voluntarily terminated his/her employment or service with the Corporation, all unvested Restricted Share Units as at the date of such termination or cessation of service shall be immediately cancelled without liability or compensation therefor and be of no further force and effect.

Settlement of Restricted Share Units and Deferred Shares Units in Common Shares shall be made by delivery of one Common Share for each such Restricted Share Unit or Deferred Share Unit then being settled.

Upon payment of any amount pursuant to settlement of Deferred Share Units or Restricted Share Units granted under this section 6 in Common Shares, the particular Deferred Share Units or Restricted Share Units in respect of which such payment was made shall be cancelled and no further payments (whether in Common Shares or otherwise) shall be made in relation to such Deferred Share Units or Restricted Share Units.

If any Restricted Share Unit or Deferred Share Unit is cancelled in accordance with the terms of the RSU/DSU Plan or the agreements evidencing the grant, the Common Shares reserved for issuance pursuant to such Award shall, upon cancellation of such Restricted Share Unit or Deferred Share Unit, as applicable, revert to the RSU/DSU Plan and shall be available for other Awards.

- (d) **Dividend Equivalents.** Neither the Participant nor his or her legal personal representative shall have any rights or privileges of a shareholder in respect of any of the Common Shares issuable upon exercise of the Award granted to him or her (including any right to receive dividends or other distributions therefrom or thereon) unless and until certificates representing such Common Shares have been issued and delivered.
- (e) **Timing Requirements.** Notwithstanding any other provision of the RSU/DSU Plan, all amounts payable to, or in respect of a grantee in respect of Deferred Share Units including, without limitation, the delivery of Shares shall not be made prior to the date such grantee ceases to be an Employee (including a Non-Employee Director) of the Corporation or a Designated Affiliate and shall be paid or delivered on or before December 31 of the calendar year commencing immediately following the date the grantee ceases to be an Employee (including a Non-Employee Director) of the Corporation or a Designated Affiliate. All Deferred Share Units granted to a Participant shall have such terms and conditions as are necessary to comply with paragraph 6801(d) of the Regulations of the ITA.
- (f) **No Other Benefit.**
 - (i) No amount will be paid to, or in respect of, a Participant (or a Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the RSU/DSU Plan to compensate for a downward fluctuation in the price of a Common Share or the value of any Award granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant (or a person with whom the Participant does not deal at arm's length within the meaning of the ITA), for such purpose.
 - (ii) The Corporation makes no representations or warranties to Participants with respect to the RSU/DSU Plan or any Deferred Share Units or Restricted Share Units whatsoever. Participants are expressly advised that the value of any Deferred Share Units or Restricted Share Units in the RSU/DSU Plan will fluctuate as the trading price of the Common Shares fluctuates.

- (iii) In seeking the benefits of participation in the RSU/DSU Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Common Shares and all other risks associated with the holding of Deferred Share Units or Restricted Share Units.

7. **Consequences of Termination**

- (a) **General Provisions.** Unless otherwise determined by the Granting Authority (including by the terms of the Award or the RSU/DSU Plan).
 - (i) if employment of an Employee, Officer or service of a Non-Employee Director is terminated for any reason whatsoever other than death, total disability, Eligible Retirement, termination without cause by the Corporation, or if service of a Consultant is terminated for any reason whatsoever other than death, subject to subsection 6(c) hereof any non-vested Award granted pursuant to the RSU/DSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.
 - (ii) If employment of an Employee or Officer or service of a Non-Employee Director is terminated for cause or retirement which is not Eligible Retirement or is otherwise voluntarily terminated by the Employee, Officer or Non-Employee Director, any non-Vested Award granted pursuant to the RSU/DSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.
- (b) **Discretion of the Granting Authority.** Notwithstanding any other provision hereof and without limiting the discretion of the Granting Authority, the Granting Authority may (whether by terms of the Award or by its election notwithstanding the terms of an Award):
 - (i) allow non-Vested Awards to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or total disability;
 - (ii) provide that the Awards with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants. Without limiting the foregoing, but rather as an example for the foregoing, Awards to Non-Employee Directors may specify that they will become Vested in full upon Eligible Retirement, death, total disability or other change of status even though Awards to Employees do not provide for such acceleration;
 - (iii) provide for the continuation of any Award for such period and upon such terms and conditions as are determined by the Granting Authority in the event that a Participant ceases to be an Employee, Officer, Non-Employee Director or Consultant;
 - (iv) subject to the applicable rules of the Stock Exchange, provide that Vested Awards may be exercised for periods longer or different from those set forth in subsection 7(a) hereof; or
 - (v) set any other terms for the exercise or termination of Awards upon termination of employment or service.

Notwithstanding the foregoing, all Awards granted to Participants who are subject to the ITA shall be on terms that will be designed to prevent them from being considered a “salary deferral arrangement” as defined in subsection 248(1) of the ITA.

- (c) **Leave of Absence.** If an Employee is on military, sick leave or other bona fide leave of absence, such Person shall be considered an “Employee” for purposes of an outstanding Award during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), or, if longer, so long as the Person’s

right to reemployment is guaranteed either by statute or by contract. If the period of leave exceeds 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), the employment relationship shall be deemed to have been terminated on the ninety-first (91st) day (or the first day immediately following any period of leave in excess of 90 days as approved by the Granting Authority) of such leave, unless the Person's right to reemployment is guaranteed by statute or contract.

8. **Transferability**

- (a) **Transfer Restrictions.** Unless otherwise provided in the instrument of grant evidencing an Award, no Award, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for payment of the Participant's debts, judgments, alimony or separate maintenance.
- (b) In the case where transfer is made following the death of a Participant to the Participant's legal personal representative, such legal personal representative may only receive the entitlement under the Award provided that it is exercised (if exercisable) at any time up to and including, but not after, 5:00 p.m. (Toronto time) on the date which is 1 year following the date of death of the Participant or up to 5:00 p.m. (Toronto time) on the date on which the Award granted to such participant expires, whichever is the earlier; such entitlement shall only occur in cases where the Award has Vested in accordance with the provisions of the RSU/DSU Plan and where it is found that the Participant is legally entitled to the Award.

9. **Adjustments**

- (a) **No Restriction on Action.** The existence of the RSU/DSU Plan and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the shareholders of the Corporation to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the capital structure or business of the Corporation, (ii) any merger, consolidation, amalgamation or change in ownership of the Corporation, (iii) any issue of bonds, debentures, capital, preferred or prior preference shares ahead of or affecting the capital Common Share of the Corporation or the rights thereof, (iv) any dissolution or liquidation of the Corporation, (v) any sale or transfer of all or any part of the assets or business of the Corporation, or (vi) any other corporate act or proceeding with respect to the Corporation. No Participant or any other Person shall have any claim against any member of the Board of Directors or the Granting Authority, or the Corporation or any employees, officers or agents of the Corporation as a result of any such action.
- (b) **Recapitalization Adjustment**
- (i) In the event that (A) a dividend shall be declared upon the Common Shares or other securities of the Corporation payable in Common Shares or other securities of the Corporation, (B) the outstanding Common Shares shall be changed into or exchanged for a different number or kind of shares or securities of the Corporation or of another corporation or entity, whether through an arrangement, plan of arrangement, amalgamation, or other similar statutory procedure or a share recapitalization, subdivision, consolidation or otherwise, (C) there shall be any change, other than those specified in (A) or (B) above, in the number or kind of outstanding Common Shares or of any securities into which such Common Shares shall have been changed or for which they shall have been exchanged, or (D) there shall be a distribution of assets or shares to shareholders of the Corporation out of the ordinary course of business then, the Granting Authority shall determine whether an adjustment in the number or kind of Common Shares theretofore authorized but not yet covered by Awards, in the number or kind of Common Shares theretofore subject to outstanding Awards, in the number or

kind of Common Shares generally available for Awards or available in any calendar year under the RSU/DSU Plan and/or such other adjustment as may be appropriate should be made, in order to ensure that, after any such event, the Common Shares subject to the RSU/DSU Plan and each Participant's proportionate interest shall be maintained substantially as before the occurrence of the event, and if the Granting Authority determines that an adjustment should be made, such adjustment shall be made and be effective and binding for all purposes.

- (ii) Any adjustment to any Award granted to a Participant which has been designed to fall within a specific exemption to the definition of "salary deferral arrangement" in subsection 248(1) of the ITA shall be such as to ensure the continued availability of such exemption.

10. **Amendment and Termination**

- (a) **General.** Subject to the provisions of subsection 10(c) hereof, the Board may amend, suspend or terminate this RSU/DSU Plan, or any portion thereof, at any time, subject to those provisions of applicable law and the rules of the Stock Exchange, if any, that require the approval of shareholders or any governmental regulatory body.
- (b) **Amendments Specifically Permitted.** Without limiting the generality of the foregoing, the Board may make the following types of amendments to the RSU/DSU Plan without seeking shareholder approval (unless and to the extent prohibited by applicable law or rule of a Stock Exchange):
 - (i) amendments of a technical, clerical or "housekeeping" nature including, without limiting the generality of the foregoing, any amendments for the purpose of curing any ambiguity, error or omission in the RSU/DSU Plan or to correct or supplement any provision of the RSU/DSU Plan that is inconsistent with any other provision of the RSU/DSU Plan;
 - (ii) amendments necessary to comply with the provisions of applicable law and the applicable rules of the Stock Exchange;
 - (iii) amendments necessary in order for Awards to qualify for favourable treatment under the ITA or under the United States *Internal Revenue Code*;
 - (iv) amendments respecting administration of the RSU/DSU Plan;
 - (v) any amendments to the vesting provision of the RSU/DSU Plan or any Award;
 - (vi) any amendments to the early termination provisions of the RSU/DSU Plan or any Award, whether or not such Award is held by an Insider, provided such amendment does not entail an extension of an Award beyond the original expiry date;
 - (vii) any amendments in the termination provision of the RSU/DSU Plan or any Award, other than an Award held by an Insider in the case of an amendment extending the term of an Award, provided any such amendment does not entail an extension of the expiry date of such Award beyond its original expiry date;
 - (viii) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of Participants of Common Shares under the RSU/DSU Plan, and the subsequent amendment of any such provision;
 - (ix) the addition or modification of a cashless exercise feature, payable in cash or Common Shares, which provides for a full deduction of the number of underlying Common Shares from the RSU/DSU Plan reserve;

- (x) adjustments to outstanding Awards in the event of a Change of Control or similar transaction entered into by the Corporation;
 - (xi) amendments necessary to suspend or terminate the RSU/DSU Plan; and
 - (xii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law or the rules of the Stock Exchange.
- (c) **Shareholder Approval**. To the extent required by applicable law or by the rules of the Stock Exchange, shareholder approval will be required for the following types of amendments:
- (i) any amendment extending the term of an Award beyond its original expiry date except as otherwise permitted by the RSU/DSU Plan;
 - (ii) any amendment extending eligibility to participate in the RSU/DSU Plan to persons other than Officers, Non-Employee Directors, Consultants or Employees or increasing the annual limit on Awards to Non-Employee Directors;
 - (iii) any amendment permitting the transfer of Awards, other than for normal estate settlement purposes or to a trust governed by a registered retirement savings plan, registered retirement income fund, tax free savings account, registered education savings plan or similar plan;
 - (iv) any amendment increasing the maximum aggregate number of Common Shares that may be subject to issuance at any given time in connection with Awards granted under the RSU/DSU Plan;
 - (v) any amendment to these amendment provisions;
 - (vi) the adoption of any option exchange involving an Award; and
 - (vii) any other amendment required to be approved by shareholder under applicable law or rules of a Stock Exchange.

To the extent of any conflict between subsection 10(b) and subsection 10(c), Section 10(c) shall prevail.

11. **Regulatory Approval**

Notwithstanding anything herein to the contrary, the Corporation shall not be obligated to cause to be issued any Common Shares or cause to be issued and delivered any certificates evidencing Common Shares pursuant to the RSU/DSU Plan, unless and until the Corporation is advised by its legal counsel that the issuance and delivery of the Common Shares and such Common Share certificates is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada, the United States and any other applicable jurisdiction, and the requirements of the Stock Exchange. The Corporation shall in no event be obligated to take any action in order to cause the issuance or delivery of Common Shares or such certificates to comply with any such laws, regulations, and delivery of such Common Shares or certificates and in order to ensure compliance with such laws, regulations, rules, orders and requirements, that the Participant, or any permitted transferee of the Participant under section 7 hereof or, after his or her death, the Participant's estate, as described in section 7 hereof, make such covenants, agreements and representations as the Granting Authority deems necessary or desirable.

12. **No Additional Rights**

No Person shall have any claim or right to be granted Awards under the RSU/DSU Plan, and the grant of any Awards under the RSU/DSU Plan shall not be construed as giving a Participant any right to continue in the employment of the Corporation or affect the right of the Corporation to terminate the employment of a Participant. Unless otherwise determined by the Granting Authority, neither any period

of notice, if any, nor any payment in lieu thereof, upon Termination shall be considered as extending the period of employment for the purposes of the RSU/DSU Plan.

13. **Miscellaneous Provision**

- (a) **Shareholder Rights.** A Participant shall not have the right or be entitled to exercise any voting rights, receive any dividends or have or be entitled to any other rights as a shareholder in respect of Common Shares subject to an Award unless and until such Common Shares have been paid for in full and issued and certificates therefor have been issued to the Participant. A Participant entitled to Common Shares as result of the settlement of a Restricted Share Unit or Deferred Share Unit shall not be deemed for any purpose to be or have any such rights as a shareholder of the company by virtue of such exercise or settlement, except to the extent a Common Share certificate is issued therefor and then only from the date such certificate is issued. No adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date such Common Share certificate is issued.
- (b) **Withholding.** The Corporation or any Designated Affiliate may withhold from any amount payable to a Participant, either under this RSU/DSU Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation or any Designated Affiliate will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or that any other required deductions are paid or otherwise satisfied, at the minimum statutory rate. Subject to the other provisions of the RSU/DSU Plan, the Corporation shall also have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Common Shares, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to a Participant hereunder. The Corporation may require a Participant, as a condition to the settlement of a Restricted Share Unit or a Deferred Share Unit, to pay or reimburse the Corporation for any such withholding (at the minimum statutory rate) or other required deduction amounts related to the settlement of Restricted Share Units or Deferred Share Units.
- (c) **Governing Law.** The RSU/DSU Plan, all instruments of grant evidencing Awards granted hereunder and any other agreements or other documents relating to the RSU/DSU Plan shall be interpreted and construed in accordance with the laws of Ontario (and the federal laws having application therein), except to the extent the terms of the RSU/DSU Plan, any supplement to the RSU/DSU Plan, or the Award in question expressly provides for application of the laws of another jurisdiction. The Granting Authority may provide that any dispute as to any Award shall be presented and determined in such forum as the Granting Authority may specify, including through binding arbitration. Any reference in the RSU/DSU Plan, in any instruments of grant evidencing Awards granted hereunder or in any other agreement or document relating to the RSU/DSU Plan to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.
- (d) **Compliance with Securities Laws.** The obligation of the Corporation to issue and deliver Common Shares in accordance with the RSU/DSU Plan is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Common Shares cannot be issued to a Participant upon the exercise of an Award for any reason whatsoever, the obligation of the Corporation to issue such Common Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Award will be returned to the relevant Participant as soon as practicable.
- (e) **Compliance with Laws of Other Jurisdictions.** Awards may be granted to Participants who are citizens or residents of a jurisdiction other than Canada or the United States on such terms and conditions different from those under the RSU/DSU Plan as may be determined by the Granting Authority to be necessary or advisable to achieve the purposes of the RSU/DSU Plan while also complying with applicable local laws, customs and tax practices, including any such terms and conditions as may be set forth in any supplement to the RSU/DSU Plan intended to govern the terms

of any such Award. In no event shall the eligibility, grant, exercise or settlement of an Award constitute a term of employment, or entitlement with respect to employment, of any employee.

- (f) **Funding.** Except as would not result in adverse tax consequences to a Participant, no provision of the RSU/DSU Plan shall require or permit the Corporation, for the purpose of satisfying any obligations under the RSU/DSU Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Corporation maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the RSU/DSU Plan other than as unsecured general creditors of the Corporation, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other Officers, Non-Employee Directors, Consultants or Employees under general law.
- (g) **No Guarantee of Tax Consequences.** Neither the Board, nor the Corporation nor the Granting Authority makes any commitment or guarantee that any specific tax treatment will apply or be available to any Person participating or eligible to participate hereunder.

14. **Effective Date and Term of RSU/DSU Plan**

- (a) **Effective Date of the Plan.** The RSU/DSU Plan shall initially become effective on the Shareholder Approval Date, and any subsequent amendments to the RSU/DSU Plan, shall become effective upon their adoption by the Board, subject to approval by the shareholders of the Corporation at the next annual meeting of shareholder of the Corporation or any adjournment thereof, to the extent required. The effective date of this RSU/DSU Plan, as so amended, shall be the date of approval by the shareholders. If the shareholders do not approve the RSU/DSU Plan, or any amendments to the RSU/DSU Plan requiring shareholder approval, the RSU/DSU Plan or such amendments shall not be effective, and any and all actions taken prior thereto under the amendments effected hereby, including the making of any Awards subject to such approval being obtained, shall be null and void or shall, if necessary, be deemed to have been fully rescinded. However, in such case the Stock Option Plan shall remain in effect.
- (b) **Effect on Existing Awards.** Subject to subsection 14(a) hereof all new Awards granted on or after the effective date of the amendments as provided in subsection 14(a) hereof are granted under and subject to the terms of this RSU/DSU Plan as amended and restated and all outstanding Options granted under the Stock Option Plan shall continue to be governed by the terms of the Stock Option Plan and to the terms of their individual option agreements as in effect from time to time including provisions concerning change of control or other related events.
- (c) **Termination.** The Board may suspend or terminate the RSU/DSU Plan at any time, provided that such suspension or termination shall not affect any Awards that became effective pursuant to the RSU/DSU Plan prior to such termination or suspension. The RSU/DSU Plan shall automatically terminate on failure to receive requisite shareholder confirmation every year (or such other period of time as required by the Stock Exchange) from the date of its initial approval by shareholders provided that such termination shall not affect any Awards that became effective pursuant to the RSU/DSU Plan prior to such termination.

SCHEDULE A TO APPENDIX B

RESTRICTED SHARE UNIT AGREEMENT

THIS RESTRICTED SHARE UNIT AGREEMENT (the “**Agreement**”) is made as of the [■] day of [■],[■]

B E T W E E N :

MOLECULAR SCIENCE CORP.
(herein called the “**Corporation**”)

- and -

[■]
(herein called the “**Grantee**”)

This Agreement is made pursuant to the terms and conditions of the Corporation’s Restricted Share Unit and Deferred Share Unit Compensation Plan (in effect from time to time, the “**RSU/DSU Plan**”), which is incorporated by reference herein. The Grantee accepts the terms and conditions of the RSU/DSU Plan and all rules and procedures adopted thereunder, as amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of the RSU/DSU Plan, the terms of the RSU/DSU Plan shall prevail. Certain terms with initial capital letters used in this Agreement have the meanings set out in the RSU/DSU Plan.

Each RSU (as defined below) granted to the Grantee hereunder represents a right of the Grantee to receive one common share of the Corporation as presently constituted (each a “**Common Share**”) on the terms set out herein.

The Corporation has granted to the Grantee, as of the Date of Grant set out in Exhibit 1 hereto, that number of restricted share units (the “**RSUs**”) equal to the number of RSUs set out in Exhibit 1, upon the terms and conditions set out in this Agreement, including the following:

Restricted Share Units. Each RSU granted to the Grantee hereunder represents a right of the Grantee to receive one Common Share on the date the said RSU vests.

Grantee’s Notional Account. The Corporation shall maintain in its books a notional account for the Grantee (the “**Grantee’s Account**”) recording the number of RSUs granted to the Grantee and the number of RSUs that have Vested. Upon payment in satisfaction of vested RSUs through the issue of Common Shares from treasury, such Vested RSUs shall be cancelled.

Vesting. Subject to the earlier vesting provisions set out herein, the RSUs granted by the Corporation to the Grantee as set out on Exhibit 1 shall vest in accordance with the vesting provisions set out on Exhibit 1 hereto (provided that in no event will the Grantee become entitled to acquire a fraction of a Common Share).

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by the Corporation or a wholly owned subsidiary of the Corporation (a “**Subsidiary**”) or in the event that the Grantee terminates employment with the Corporation and its Subsidiaries by reason of

Eligible Retirement, death or total disability (as determined by the Committee in good faith) (each an “**Accelerated Vesting Event**”), the non-vested RSUs will:

- (i) in the case of a Change of Control, Eligible Retirement or death being the Accelerated Vesting Event, immediately become 100% vested, or
- (ii) in the case of total disability being the Accelerated Vesting Event, vest on the sixtieth (60th) day following the Grantee’s termination.

If the Grantee terminates employment with the Corporation and its Subsidiaries for any reason other than such Eligible Retirement, total disability or death or termination without cause, any non-vested RSUs granted hereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Corporation or is otherwise terminated by the Corporation for cause, all non-Vested RSUs of the Grantee shall be immediately cancelled without compensation or liability therefor and be of no further force and effect.

In no event will the Grantee become entitled to acquire a fraction of a Common Share:

Settlement of Vested RSUs. Payment to the Grantee in respect of Vested RSUs will be made in the form of Common Shares only and will be evidenced by book entry registration or by a certificate registered in the name of the Grantee as soon as practicable following the date on which the RSUs become Vested; provided that the settlement date shall not be later than the third anniversary of the Date of Grant and all payments in respect of Vested RSUs in the Grantee’s Account shall be paid in full on or before December 31 of the same calendar year.

No Shareholder Rights. The Grantee will have none of the rights of a shareholder of the Corporation with respect to any Common Shares underlying the RSUs, including the right to vote such shares and receive any dividends that may be paid thereon, until such time, if any, that the Grantee has been determined to be a shareholder of record by the Corporation’s transfer agent or one or more certificates of Common Shares are delivered to the Grantee in settlement thereof. Further, nothing herein will confer upon the Grantee any right to remain in the employ of the Corporation or its Subsidiaries.

RSUs Non-Transferable. RSUs are non-transferable (except to a Grantee’s estate as contemplated under this Agreement).

No Other Benefit. No amount will be paid to, or in respect of, the Grantee under the RSU/DSU Plan to compensate for a downward fluctuation in the value of Common Shares, nor will any other form of benefit be conferred upon, or in respect of, the Grantee for such purpose.

The Corporation makes no representations or warranties to the Grantee with respect to the RSU/DSU Plan or the RSUs whatsoever. The Grantee is expressly advised that the value of RSUs in the RSU/DSU Plan will fluctuate as the value of Common Shares fluctuates.

In seeking the benefits of participation in the RSU/DSU Plan, the Grantee agrees to exclusively accept all risks associated with a decline in the value of Common Shares and all other risks associated with participation in the RSU/DSU Plan.

Withholding Tax. As set out in section 13 of the RSU/DSU Plan, if the Corporation determines that under the requirements of applicable tax laws, the Corporation is obligated to withhold for remittance to any taxing authority any amount, the Corporation may require the Grantee to pay to the Corporation, such amount as the Corporation is obliged to remit in connection with the issuance of the Common Shares as set out in section 13 of the RSU/DSU Plan.

Income Taxes: The Grantee acknowledges that he/she will be liable for income tax relating to grants and dispositions of RSUs. The Grantee hereby acknowledges that the Corporation is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her

own tax advisor.

No Inducement. By executing a copy of this Agreement, the Grantee hereby accepts the grant of RSUs and hereby confirms and acknowledges that his or her participation in the RSU/DSU Plan is voluntary and that he or she has not been induced to enter into this Agreement or participate in RSU/DSU Plan by expectation of employment or continued employment with the Corporation.

Reorganization. The existence of any RSUs shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Binding Effect. This Agreement shall enure to the benefit of and be binding upon the Corporation and the Grantee and each of their respective heirs, executors, administrators, successors and permitted assigns.

Unfunded and Unsecured RSU/DSU Plan. Unless otherwise determined by the Board, this Agreement and the RSU/DSU Plan shall be unfunded and the Corporation will not secure its obligations under this Agreement or the RSU/DSU Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of RSUs under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to principles of conflict of laws.

Effective Date. The effective date of this Agreement shall be the Date of Grant.

Severability. The invalidity or unenforceability of any provision of the RSU/DSU Plan or Agreement shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Agreement.

MOLECULAR SCIENCE CORP.

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

EXHIBIT 1 TO SCHEDULE A

MOLECULAR SCIENCE CORP.

**RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT
COMPENSATION PLAN**

NOTICE OF RESTRICTED SHARE UNITS GRANTED

Grantee: _____

Address: _____

You have been granted Restricted Share Units of Molecular Science Corp. (the “**Corporation**”), as follows:

Date of Grant: _____

Number of Restricted Share Units: _____

Starting Value of Restricted Share Unit Grant: _____

Vesting Schedule: _____

By your signature and the signature of the Corporation’s representative below, you and the Corporation agree that this Restricted Share Unit Grant is granted under and governed by the terms and conditions of the Corporation’s Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended from time to time.

MOLECULAR SCIENCE CORP.

Name:

Title:

Date:

GRANTEE

Name:

Title:

Date:

Signature of Grantee

SCHEDULE B TO APPENDIX B
DEFERRED SHARE UNIT AGREEMENT

THIS DEFERRED SHARE UNIT AGREEMENT (the “**Agreement**”) is made as of the [■] day of [■],[■]

B E T W E E N :

MOLECULAR SCIENCE CORP.
(herein called the “**Corporation**”)

- and -

[■]
(herein called the “**Grantee**”).

This Agreement is made pursuant to the terms and conditions of the Corporation’s Restricted Share Unit and Deferred Share Unit Compensation Plan (in effect from time to time, the “**RSU/DSU Plan**”), which is incorporated by reference herein. The Grantee accepts the terms and conditions of the RSU/DSU Plan and all rules and procedures adopted thereunder, as amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of the RSU/DSU Plan, the terms of the RSU/DSU Plan shall prevail. Certain terms with initial capital letters used in this Agreement have the meanings set out in the RSU/DSU Plan.

The Corporation has granted to the Grantee, as of the Date of Grant set out in Exhibit 1 hereto, that number of deferred share units (the “**DSUs**”) equal to the number of DSUs set out in Exhibit 1 hereto upon the terms and conditions set out in this Agreement, including the following:

1. **Definitions:**

- (a) “**Distribution Date**” means either the Separation Date or such later date as the Grantee may elect (by written notice delivered to the Corporation prior to the Separation Date), provided that in no event shall a Grantee be permitted to elect a date which is later than December 1 of the calendar year following the calendar year in which the Separation Date occurs. In the case of death of a Grantee, the Distribution Date shall have the meaning ascribed to it under section 5 hereof;
- (b) “**Related Entity**” has the meaning ascribed to the term “related entity” in section 2.22 of National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators, as amended from time to time; and
- (c) “**Separation Date**” means the date on which the Grantee ceases service as a director of and is not at that time an employee or officer, of the Corporation or a Related Entity.

2. **Deferred Share Units.** Each Vested DSU granted to the Grantee hereunder represents a right of the Grantee to receive one Common Share on the Distribution Date.

Grantee’s Notional Account. The Corporation shall maintain in its books a notional account for the Grantee (the “**Grantee’s Account**”) recording the number of DSUs granted to the Grantee and the number of DSUs that have Vested. Upon payment in satisfaction of Vested DSUs through the issuance of Common Shares on or about the Distribution Date (in accordance with the provisions herein), such Vested DSUs

shall be cancelled as of the applicable Distribution Date.

Vesting. Subject to the earlier vesting provisions set out herein, the DSUs granted by the Corporation to the Grantee as set out on Exhibit 1 shall vest in accordance with the vesting provisions set out on Exhibit 1; provided that where a Grantee is terminated for cause or where a non-employee director resigns or is otherwise removed as a result of losing his/her eligibility to serve on the Board of Directors due to an order by a regulatory body or stock exchange or for culpable conduct as determined by the Granting Authority, all unvested DSUs in the Grantee's account shall be immediately cancelled without liability or compensation therefor and be of no further force and effect (unless otherwise determined by the Granting Authority).

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by or is a director of the Corporation or a Related Entity or in the event of the Grantee being terminated without cause, the non-vested DSUs will immediately become 100% vested.

In no event will the Grantee become entitled to acquire a fraction of a Common Share.

Distribution of Vested DSUs. The Corporation shall within 10 business days after the Distribution Date issue to the Grantee a number of treasury Common Shares equal to the number of Vested DSUs in the Grantee's Account. In the case of a Grantee's Death, the Distribution Date shall be on or before the 30th business day after the Corporation is duly notified of the death of the Grantee and such distribution shall be made to the estate of the Grantee.

Reporting of DSUs. Statements of the Grantee's Account will be provided to Grantees on an annual basis.

No Shareholder Rights. The Grantee will have none of the rights of a shareholder of the Corporation with respect to any Common Shares underlying the DSUs, including the right to vote such shares and receive any dividends that may be paid thereon, until such time, if any, that the Grantee has been determined to be a shareholder of record by the Corporation's transfer agent or one or more certificates of Common Shares are delivered to the Grantee in settlement thereof. Further, nothing herein will confer upon the Grantee any right to remain in the employ of the Corporation or its Subsidiaries.

DSUs Non-Transferable. DSUs are non-transferable (except to a Grantee's estate as provided for in this Agreement).

No Other Benefit. No amount will be paid to, or in respect of, the Grantee under the RSU/DSU Plan to compensate for a downward fluctuation in the value of Common Shares, nor will any other form of benefit be conferred upon, or in respect of, the Grantee for such purpose.

The Corporation makes no representations or warranties to the Grantee with respect to the RSU/DSU Plan or the DSUs whatsoever. The Grantee is expressly advised that the value of DSUs in the RSU/DSU Plan will fluctuate as the value of Common Shares fluctuates.

In seeking the benefits of participation in the RSU/DSU Plan, the Grantee agrees to exclusively accept all risks associated with a decline in the value of Common Shares and all other risks associated with participation in the RSU/DSU Plan.

Withholding Tax. As set out in section 13 of the RSU/DSU Plan, if the Corporation determines that under the requirements of applicable tax laws, the Corporation is obligated to withhold for remittance to any taxing authority any amount, the Corporation may require the Grantee to pay to the Corporation, such amount as the Corporation is obliged to remit in connection with the issuance of the Common Shares as set out in section 13 of the RSU/DSU Plan.

Income Taxes: The Grantee acknowledges that he/she will be liable for income tax relating to grants and dispositions of DSUs. The Grantee hereby acknowledges that the Corporation is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

No Inducement. By executing a copy of this Agreement, the Grantee hereby accepts the grant of DSUs and hereby confirms and acknowledges that his or her participation in the RSU/DSU Plan is voluntary and that he or she has not been induced to enter into this Agreement or participate in RSU/DSU Plan by expectation of employment or continued employment with the Corporation.

Reorganization. The existence of any DSUs shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Binding Effect. This Agreement shall enure to the benefit of and be binding upon the Corporation and the Grantee and each of their respective heirs, executors, administrators, successors and permitted assigns.

Unfunded and Unsecured RSU/DSU Plan. Unless otherwise determined by the Board, this Agreement and the RSU/DSU Plan shall be unfunded and the Corporation will not secure its obligations under this Agreement or the RSU/DSU Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of DSUs under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to principles of conflict of laws.

Effective Date. The effective date of this Agreement shall be the Date of Grant.

Severability. The invalidity or unenforceability of any provision of the RSU/DSU Plan or Agreement shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Agreement.

MOLECULAR SCIENCE CORP.

Name:

Title:

Date:

GRANTEE

Name:

Title:

Date:

Signature of Grantee

**EXHIBIT 1 TO SCHEDULE B
MOLECULAR SCIENCE CORP.**

RESTRICTED SHARE UNIT AND DEFERRED SHARE

**UNIT
COMPENSATION PLAN**

NOTICE OF DEFERRED SHARE UNITS GRANTED

Grantee: _____

Address: _____

You have been granted Deferred Share Units of Molecular Science Corp. (the “**Corporation**”), as follows:

Date of Grant: _____

Number of Deferred Share Units: _____

Starting Value of Deferred Share Unit Grant: _____

Vesting Schedule: _____

By your signature and the signature of the Corporation’s representative below, you and the Corporation agree that this Deferred Share Unit Grant is granted under and governed by the terms and conditions of the Corporation’s Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended from time to time.

MOLECULAR SCIENCE CORP.

Name: _____
Title:
Date:

GRANTEE

Signature of Grantee
Name:
Title:
Date: