

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Amendment No. 1

to

**FORM S-1**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

**INTELGENX TECHNOLOGIES CORP.**

*(Exact Name of Registrant as Specified in its Charter)*

**Delaware**

*(State or other jurisdiction of  
incorporation or organization)*

**2834**

*(Primary Standard Industrial  
Classification Code Number)*

**87-0638336**

*(I.R.S. Employer  
Identification Number)*

**6420 Abrams, Ville Saint Laurent  
Quebec, H4S 1Y2 Canada**

**(514) 331-7440**

*(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)*

**Horst G. Zerbe**

**Chief Executive Officer**

**IntelGenx Technologies Corp.**

**6420 Abrams, Ville Saint Laurent**

**Quebec, H4S 1Y2 Canada**

**(514) 331-7440**

*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

*With Copies of Communications to:*

**Richard Raymer**

**James Guttman**

**Dorsey & Whitney LLP**

**TD Canada Trust Tower**

**Brookfield Place, 161 Bay Street, Suite 4310**

**Toronto, Ontario M5J 2S1 Canada**

**Tel: (416) 367-7370**

**Approximate Date of Commencement of Proposed Sale to the Public:** As soon as possible after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered<sup>(1)</sup></b>	<b>Proposed Aggregate Offering Price<sup>(2)</sup></b>	<b>Amount of Registration Fee</b>
Units, each consisting of (2)	\$8,724,018	\$1,132
(i) Common Stock <sup>(3)</sup>	--	--
(ii) Warrants to purchase Common Stock <sup>(3)</sup>	--	--
Common stock issuable upon exercise of Warrants <sup>(2)</sup>	\$13,086,026	\$1,699
Agent Warrants <sup>(3)</sup>	--	--
Common Stock issuable upon exercise of Agent Warrants <sup>(2)</sup>	\$916,022	\$119
<b>Total</b>	\$22,726,066	\$2,950 <sup>(4)</sup>

(1) Pursuant to Rule 416 under the Securities Act of 1933, as amended, this registration statement also covers such indeterminate number of additional shares of common stock as may be issuable with respect to the shares being registered hereunder as a result of stock splits, stock dividends, recapitalizations or similar transactions.

(2) Estimated pursuant to Rule 457(o) solely for the purpose of calculating the registration fee.

(3) No registration fee is required pursuant to Rule 457(g).

(4) The registrant previously paid \$700.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED JANUARY 27, 2020**

**PROSPECTUS**

**INTELGEX TECHNOLOGIES CORP.**

**Minimum: CA\$5,000,000**

**Maximum: CA\$10,000,000**

**Up to 20,000,000 Units**

**Each Unit Consisting of One Share of Common Stock  
and  
One Common Stock Purchase Warrant**

We are offering a minimum of CA\$5,000,000 and a maximum of CA\$10,000,000 of units (“Units”), each of which consists of one share (“Offered Share”) of our common stock (“Common Stock”) and one Common Stock purchase warrant (“Warrant”) (the “Offering”). Each Warrant is exercisable to purchase one share of our Common Stock (a “Warrant Share”) at an exercise price of CA\$0.75 per Warrant Share, subject to adjustment. The Warrants will be immediately exercisable and will expire at 5:00 p.m. (Eastern time) on the date that is thirty six (36) months following the issuance date (the “Warrant Expiry Date”). No Units will be issued, however, and purchasers will receive only shares of Common Stock and Warrants. The Common Stock and the Warrants may be transferred separately immediately upon issuance.

Our Common Stock is quoted on the OTCQX under the symbol “IGXT” and on the TSX Venture Exchange (the “TSX-V”) under the symbol “IGX”. The closing price of our Common Stock as quoted on the OTCQX on January 24, 2020 was \$0.45 and the closing price of our Common Stock on the TSX-V on January 24, 2020 was CA\$0.58. The TSXV has conditionally approved the listing of the Offered Shares, the Warrant Shares the Agent Warrant Shares and the Warrants (as defined herein) commencing on closing of the Offering. Listing is subject to us fulfilling all of the applicable listing requirements of the TSXV, including distribution of the Units to a minimum number of public holders. We have not applied and do not intend to apply to list the Agent Warrants (as defined herein) on any securities exchange. The Agent Warrants will not be transferable. **There is no market through which the Agent Warrants may be sold and purchasers may not be able to resell the Agent Warrants granted under this prospectus. This may affect the pricing of the Agent Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Agent Warrants, and the extent of issuer regulation. See “Risk Factors”.**

**Investing in our securities involves a high degree of risk. You should invest in the common stock only if you can afford to lose your entire investment. See “Risk Factors” beginning on page 7.**

Echelon Wealth Partners Inc. (the “Agent”) has agreed to assist us with this Offering on a commercially reasonable “best efforts” basis. The Agent is not purchasing the Units offered by us, and is not required to sell any specific number or dollar amount of Units. We have agreed to (i) pay the Agent a cash fee equal to seven percent (7.0%) of the gross proceeds of the Offering of Units by us (including the Over-Allotment Option, as defined below); (ii) issue to the Agent warrants (“Agent Warrants”) to purchase a number of shares of Common Stock (“Agent Warrant Shares”) equal to seven percent (7.0%) of the aggregate number of Units sold in this Offering (not including any shares of Common Stock underlying the Warrants issued in this Offering); and (iii) grant to the Agent an option to increase the size of the Offering by up to fifteen percent (15.0%), exercisable in whole or in part at any time for a period of thirty (30) days after and including the closing date of the Offering (“Over-Allotment Option”); However, we will only pay a cash fee equal to three and one half percent (3.5%) of the aggregate gross proceeds from the issuance to purchasers on our president’s list (“President’s List”) and will only issue Agent Warrants to purchase up to an additional three and one half percent (3.5%) of the Units sold under the President’s List. Echelon Wealth Partners Inc. is not registered as a broker-dealer under the United States Exchange Act of 1934, as amended (“Exchange Act”) and will not engage in any offers or sales of our shares within the United States or to “U.S. persons” (as such term is defined in Rule 902(k) of Regulation S under the United States Securities Act of 1933, as amended (“Securities Act”)) except to the extent permitted by Rule 15a-6 under the Exchange Act and other applicable securities laws. See “Plan of Distribution” beginning on page 22 for more information on this Offering and the Agent arrangements. All costs associated with the registration will be borne by us.

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	Price to the Public	Agency Fee <sup>(1)</sup>	Net Proceeds to the Company <sup>(2)</sup>
Per Unit	CA\$0.50	CA\$0.035	CA\$0.465
Minimum Offering <sup>(3)</sup>	CA\$5,000,000	CA\$350,000	CA\$4,650,000
Maximum Offering	CA\$10,000,000	CA\$700,000	CA\$9,300,000

(1) For the purpose of estimating the Agent's fees, we have assumed that they will receive their maximum commission on all sales made in the Offering. In addition we have agreed to issue Agent Warrants to purchase a number of shares of Common Stock equal to seven percent (7.0%) of the aggregate number of Units sold in this Offering (not including any shares of Common Stock underlying the Warrants issued in this Offering). Note that we will only pay a cash fee equal to three and one half percent (3.5%) of the aggregate gross proceeds from the issuance to purchasers on our President's List and will only issue Agent Warrants to purchase up to an additional three and one half percent (3.5%) of the Units sold under the President's List. See "Plan of Distribution" beginning on page 22 of this prospectus for a description of compensation payable to the placement agent.

(2) After deducting the Agent's fees (assuming no sales are made to purchasers on our President's List), but before deducting the expenses of the Offering, estimated at \$320,200. Excludes potential proceeds from the exercise of the Warrants offered hereby and expenses of the Offering other than Agent fees. The actual public offering amount, Agent fees, and proceeds to us, if any, are not presently determinable and may be substantially less than the aggregate offering set forth above. Once the offering price has been determined, the Common Stock offering price and Warrant exercise price will remain fixed for the duration of the Offering.

(3) There will be no closing of the Offering unless a minimum of CA\$5,000,000 of Units ("Minimum Offering") are sold.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is January 27, 2020

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You should rely only on the information contained in this prospectus and any related free writing prospectus that we may provide to you in connection with this offering. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date. Neither the delivery of this prospectus nor any sale made in connection with this prospectus shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information contained in this prospectus is correct as of any time after its date.

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## FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this prospectus constitute forward-looking statements within the meaning of applicable securities laws. All statements contained in this registration statement that are not clearly historical in nature are forward-looking, and the words “anticipate”, “believe”, “continue”, “expect”, “estimate”, “intend”, “may”, “plan”, “will”, “shall” and other similar expressions are generally intended to identify forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but on management’s expectations regarding future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Forward-looking statements involve significant known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those implied by forward-looking statements. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this registration statement or incorporated by reference herein are based upon what management believes to be reasonable assumptions, there is no assurance that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this registration statement or as of the date specified in the documents incorporated by reference herein, as the case may be.

Forward-looking statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and other uncertain events. Forward-looking statements, by their nature, are based on assumptions, including those described below, and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from those expressed in the forward-looking statements. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business. Results indicated in forward-looking statements may differ materially from actual results for a number of reasons, including without limitation, risks associated with the ability to obtain sufficient and suitable financing to support operations, R&D clinical trials and commercialization of products; the ability to execute partnerships and corporate alliances; uncertainties relating to the regulatory approval process; the ability to develop drug delivery technologies and manufacturing processes that result in competitive advantage and commercial viability; the impact of competitive products and pricing and the ability to successfully compete in the targeted markets; the successful and timely completion of pre-clinical and clinical studies; the ability to attract and retain key personnel and key collaborators; the ability to adequately protect proprietary information and technology from competitors; and the ability to ensure that we do not infringe upon the rights of third parties. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information include the factors identified throughout this prospectus. The forward-looking statements contained in this prospectus represent our expectations as of the date of this prospectus, and are subject to change after such date. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements were made or to reflect the occurrence of unanticipated events, except as may be required by applicable securities laws.

## PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. To fully understand this Offering, you should read the entire prospectus carefully, including the more detailed information regarding our company, the risks of purchasing the Warrants and our Common Stock discussed under “risk factors,” and our financial statements and the accompanying notes. In this prospectus, the words “Company,” “IntelGenx” “we,” “us,” and “our,” refer collectively to IntelGenx Technologies Corp. and IntelGenx Corp., our wholly-owned Canadian subsidiary.

All amounts are U.S.\$ unless otherwise indicated. Unless otherwise indicated, the term “year,” “fiscal year” or “fiscal” refers to our fiscal year ending December 31<sup>st</sup>.

### **Corporate History**

Our predecessor company, Big Flash Corp., was incorporated in Delaware on July 27, 1999. On April 28, 2006, Big Flash, through its Canadian holding corporation, completed the acquisition of IntelGenx Corp., a Canadian company incorporated on June 15, 2003. The Company did not have any operations prior to the acquisition of IntelGenx Corp. In connection with the acquisition, we changed our name from Big Flash Corp. to IntelGenx Technologies Corp. IntelGenx Corp. has continued operations as our operating subsidiary.

## **Our Business**

### *Overview*

We are a drug delivery company established in 2003 and headquartered in Montreal, Quebec, Canada. Our focus is on the development of novel oral immediate-release and controlled-release products for the pharmaceutical market. More recently, we have made the strategic decision to enter the oral film market and have implemented commercial oral film manufacturing capability. This enables us to offer our partners a comprehensive portfolio of pharmaceutical services, including pharmaceutical R&D, clinical monitoring, regulatory support, tech transfer and manufacturing scale-up, and commercial manufacturing.

Our business strategy is to develop pharmaceutical products based on our proprietary drug delivery technologies and, once the viability of a product has been demonstrated, license the commercial rights to partners in the pharmaceutical industry. In certain cases, we rely upon partners in the pharmaceutical industry to fund development of the licensed products, complete the regulatory approval process with the U.S. Food and Drug Administration (“FDA”) or other regulatory agencies relating to the licensed products, and assume responsibility for marketing and distributing such products.

In addition, we may choose to pursue the development of certain products until the project reaches the marketing and distribution stage. We will assess the potential for successful development of a product and associated costs, and then determine at which stage it is most prudent to seek a partner, balancing such costs against the potential for additional returns earned by partnering later in the development process.

Managing our project pipeline is a key success factor for the Company. We have undertaken a strategy under which we will work with pharmaceutical companies in order to apply our oral film technology to pharmaceutical products for which patent protection is nearing expiration, a strategy which is often referred to as “lifecycle management”. Under §505(b)(2) of the Food, Drug, and Cosmetics Act, the FDA may grant market exclusivity for a term of up to three years following approval of a listed drug that contains previously approved active ingredients but is approved in a new dosage, dosage form, route of administration or combination.

The 505(b)(2) pathway is also the regulatory approach to be followed if an applicant intends to file an application for a product containing a drug that is already approved by the FDA for a certain indication and for which the applicant is seeking approval for a new indication or for a new use, the approval of which is required to be supported by new clinical trials, other than bioavailability studies. We have implemented a strategy under which we actively look for such so-called “repurposing opportunities” and determine whether our proprietary VersaFilm™ technology adds value to the product. We currently have two such drug repurposing projects in our development pipeline.

We continue to develop the existing products in our pipeline and may also perform research and development on other potential products as opportunities arise.

We have established a state-of-the-art manufacturing facility with the intent to manufacture all our VersaFilm™ products in-house as we believe that this:

1. represents a profitable business opportunity,
2. will reduce our dependency upon third-party contract manufacturers, thereby protecting our manufacturing process know-how and intellectual property, and
3. allows us to offer our clients and development partners a full service from product conception through to supply of the finished product.

### *Our Offices and Other Corporate Information*

Our executive offices are located at 6420 Abrams, Ville Saint-Laurent, Quebec, H4S 1Y2, Canada, and our telephone number is (514) 331-7440. Our web site address is <http://www.IntelGenx.com>. Information contained on our web site is not a part of this prospectus.

### *Recent Developments*

On November 13, 2018, we completed a private placement of 1,428,571 shares of Common Stock to Tilray at a subscription price of \$0.70 per share for gross proceeds of \$1,000,000. The proceeds are being used for cannabis-infused VersaFilm™ product development under our definitive license, development and supply agreement with Tilray®. On October 31, 2019, we announced the initiation of the manufacturing scale up activities for our cannabis-infused VersaFilm® product co-development program with Tilray.

On April 2, 2019, we received a complete response letter (“CRL”) from the FDA regarding the New Drug Application (“NDA”) for RIZAPORT® VersaFilm® accepted by the FDA on November 20, 2018. The issues cited in the CRL related to the Chemistry, Manufacturing and Controls section of the application. The FDA requested additional information, but no new bioequivalence study. On September 26, 2019, we announced the resubmission of our 505(b)(2) NDA for RIZAPORT® VersaFilm® for the treatment of acute migraines to the FDA. On October 22, 2019, FDA confirmed that they had accepted the NDA for review and assigned a PDUFA goal date for completion of the review of the RIZAPORT® NDA of March 26, 2020.

On May 8, 2019, we announced that we entered into a definitive worldwide agreement with Aquestive Therapeutics, Inc., a specialty pharmaceutical company focused on developing and commercializing differentiated products to solve therapeutic problems, for the co-development and commercialization of Tadalafil oral films for the treatment of ED. Under the terms of the agreement, the Company and Aquestive each granted to the other exclusive worldwide licenses to intellectual property relating to Tadalafil oral film formulation and manufacturing. The companies will jointly undertake further co-development and commercialization of Tadalafil oral film products, and will equally share (50/50) net profits from worldwide product sales. In connection with the agreement, Aquestive also granted a non-exclusive, royalty bearing U.S. license to any of its intellectual property that may relate to the formulation and manufacturing of our rizatriptan oral film product, RIZAPORT®. We will pay Aquestive a royalty equal to ten percent (10%) of all payments received by us from third parties for U.S. product related milestones and sales. Aquestive previously submitted an NDA for its Tadalafil oral film for the treatment of ED to the FDA. In November 2018, Aquestive received a CRL from the FDA requesting limited additional data from healthy volunteers. Under the terms of the Agreement, both companies will cooperate in responding to the FDA’s CRL.

On October 9, 2019, we announced that an independent DSMB completed its first interim analysis of the ongoing BUENA clinical trial in patients with mild to moderate AD. The DSMB reviewed compiled safety data from twenty five (25) subjects enrolled in the BUENA trial, thirteen (13) of which had completed twenty six (26) weeks of daily treatment. The DSMB did not raise any concerns regarding safety and recommended that the trial continue. Recently, Professor Dr. Ludwig Aigner’s group at the Paracelsus Medical University in Salzburg conducted additional efficacy testing of Montelukast in an AD mouse model in collaboration with us. Overall results demonstrated that the treatment effect was dose-dependent, with higher doses of Montelukast significantly increasing the mice’s cognition in two behavioural tests. Based on this new preclinical data demonstrating that the efficacy of Montelukast VersaFilm is dose dependent, we planned to continue the BUENA clinical trial at an increased daily dose, subject to Health Canada approval.

On December 31, 2019, we issued 415,179 shares of our Common Stock at a deemed price of CA\$0.73 per share of Common Stock in payment of an aggregate of CA\$303,080 in interest owing on our 8.00% convertible unsecured subordinated debentures due June 30, 2020.

On January 9, 2020, we announced that we entered into a feasibility study agreement with an undisclosed partner focused on bringing innovative animal health products to the market. Pursuant to this agreement, we will conduct a feasibility study on an undisclosed molecule for buccal absorption using our proprietary VetaFilm® platform. Based on the successful completion of a feasibility study, we will have exclusive rights to further develop, manufacture and supply the developed product to its partner.

On January 13, 2020, we announced that a cannabis-infused VersaFilm® product had been finalized with our co-development partner, Tilray®, and that all manufacturing scale-up work has been successfully completed. We also announced the signing of a binding term sheet with Orivas for the commercialization of RIZAPORT® in Lithuania, Latvia, Estonia and Poland, with the right of first refusal for a predefined term to include the Republic of Belarus and/or the Republic of Ukraine, as well as any of the Scandinavian countries (Finland, Denmark, Sweden and Norway).

On January 15, 2020, we announced that Health Canada issued a No Objection Letter in response to our amended clinical trial application for the Montelukast VersaFilm® Phase 2a BUENA clinical trial in patients with mild to moderate Alzheimer’s disease. We intend to continue the study with the new approved dose of 30 mg bid (twice daily for a total dosage of 60mg per day). Enrolment of new patient to be treated with the new dose is expected to comment in April, 2020.

## THE OFFERING

**Securities Offered:** Minimum: CA\$5,000,000

Maximum: CA\$10,000,000

Each Unit will consist of one share of our Common Stock and one Common Stock purchase Warrant. Each Warrant will be exercisable to purchase one share of our Common Stock. The Warrants will be exercisable immediately at an exercise price of CA\$0.75 per share and will expire thirty six (36) months following the date of issuance. See “Description of Securities We Are Offering.”

**Use of Proceeds:** We intend to use the net proceeds of the Offering for the Phase 2A Montelukast Study, general working capital requirements and manufacturing facility expansion. We intend to use any additional proceeds received from the exercise of the Over-Allotment Option or any of the Warrants or Agent Warrants to advance other existing projects and for working capital purposes. See “Use of Proceeds.”

**Common Stock outstanding prior to the offering:** 93,942,652

**Shares of Common Stock outstanding after this offering (assuming full exercise of the Warrants) <sup>(1)</sup>** 135,342,652

**Risk Factors** See “Risk Factors” beginning on page 7 and other information in this prospectus for a discussion of the factors you should consider before you decide to invest in our securities.

**OTCQX Ticker Symbol for Common Stock:** IGXT

**TSX Venture Exchange Symbol for Common Stock:** IGX

<sup>(1)</sup> The number of shares of Common Stock shown above to be outstanding after this Offering assumes the exercise of all Warrants and Agent Warrants registered hereunder, is based on 93,942,652 shares outstanding as of January 20, 2020 and excludes:

- 4,014,818 shares of Common Stock issuable upon exercise of outstanding stock options, at a weighted average exercise price of \$0.69 per share;
- 5,612,594 additional shares of Common Stock issuable upon the conversion of CA\$7,577,000 of the 8% Convertible Unsecured Debentures due June 30, 2020 at a conversion price of CA\$1.35 per share;
- 2,000,000 additional shares of Common Stock issuable upon the conversion of \$1,600,000 of the 6% convertible notes at a conversion price of \$0.80 per share;
- 2,654,075 additional shares of Common Stock reserved for issuance upon the exercise of warrants with an exercise price of \$0.80 per share;
- 3,675,358 additional shares of Common Stock reserved for future issuance under our amended and restated 2016 stock option plan, as amended on December 3, 2018;
- 53,846 additional shares of Common Stock issuable upon conversion of 53,846 restricted share units under our PRSU Plan;
- 9,023,962 additional shares of Common Stock reserved for issuance upon the exercise of warrants with an exercise price of \$1.00 per share; and
- 1,226,360 additional shares of Common Stock reserved for issuance upon the exercise of agent warrants with an exercise price of \$0.875 per share.

## SUMMARY HISTORICAL FINANCIAL INFORMATION

The following tables set forth our summary historical financial information. The selected historical financial information is qualified in its entirety by, and should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, our audited consolidated financial statements and related notes incorporated by reference into this prospectus by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 that we filed with the United States Securities and Exchange Commission (“SEC”) on March 22, 2019 and our unaudited consolidated financial statements and related notes incorporated by reference into this prospectus by reference to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 that we filed with the SEC on November 7, 2019.

### RESULTS OF OPERATIONS:

<b>In thousands</b>	<b>Twelve-month period ended December 31, 2018</b>	<b>Nine-month Period ended September 30, 2019</b>
Revenue	\$ 1,824	\$ 674
Research and Development Expenses	5,104	2,884
Selling, General and Administrative Expenses	4,999	4,445
Depreciation of tangible assets	719	523
<b>Operating Loss</b>	<b>(8,998)</b>	<b>(7,178)</b>
<b>Net Loss</b>	<b>(10,108)</b>	<b>(7,999)</b>
<b>Comprehensive Loss</b>	<b>(10,637)</b>	<b>(7,679)</b>

### BALANCE SHEET:

<b>In thousands</b>	<b>December 31, 2018</b>	<b>September 30, 2019</b>
Current Assets	\$ 13,063	5,339
Leasehold improvements and Equipment	6,248	6,310
Security Deposits	707	728
Operating lease right-of-use asset	-	690
Current Liabilities	2,722	2,577
Deferred lease obligations	49	-
Long-term debt	1,140	639
Convertible Debentures	5,047	5,445
Convertible Notes	1,073	1,205
Operating lease liability	-	562
Capital Stock	1	1
Additional Paid-in-Capital	42,048	42,330

## RISK FACTORS

*Our business faces many risks. Any of the risks discussed below, or elsewhere in this report or in our other filings with the SEC, could have a material impact on our business, financial condition, or results of operations.*

*You should carefully consider the risks described under the heading, “Risk Factors”, in our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2018 which are incorporated by reference into this prospectus before making an investment decision. You should also refer to the other information in this prospectus or incorporated by reference into this prospectus, including our financial statements and the related notes thereto. The risks and uncertainties described in this prospectus or incorporated by reference into this prospectus are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. If any of the risks described actually occur, our business, results of operations and financial condition could suffer. In that event the trading price of our Common Stock could decline. The risks described also include forward looking statements and our actual results may differ substantially from those discussed in these forward-looking statements.*

### **Risks Related to Our Securities**

***Our auditors have raised substantial doubts as to our ability to continue as a going concern.***

Our financial statements have been prepared under the assumption that we will continue as a going concern. The opinion of our independent registered public accountants on our audited financial statements as of and for the year ended December 31, 2018 contains an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our ability to raise capital from financing transactions and to attain profitable operations. Our financial statements do not include any adjustments or classifications that may result from the possible inability of us to continue as a going concern. However, if adequate funds are not available to us when we need it, we will be required to curtail our operations which would, in turn, further raise substantial doubt about our ability to continue as a going concern. Should we be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. The use of the net proceeds from the Offering set out under “Use of Proceeds” is based on the assumption that the RIZAPORT® VersaFilm® and cannabis-infused VersaFilm® milestones will be reached in the first half of 2020. Any delay in reaching one or both of the milestones could compromise the achievement of such milestone(s) altogether, which would raise substantial doubt in our ability to continue as a going concern.

***We have a history of losses and our revenues may not be sufficient to sustain our operations.***

Even though we ceased being a “development stage” company in April 2006, we are still subject to all of the risks associated with having a limited operating history and pursuing the development of new products. Our cash flows may be insufficient to meet expenses relating to our operations and the development of our business, and may be insufficient to allow us to develop new products. We currently conduct research and development using our proprietary platform technologies to develop oral controlled release and other delivery products. We do not know whether we will be successful in the development of such products. We have an accumulated deficit of approximately \$30,896 thousand since our inception in 2003 through December 31, 2018. To date, these losses have been financed principally through sales of equity securities. Our revenues for the past five years ended December 31, 2018, December 31, 2017, December 31, 2016, December 31, 2015 and December 31, 2014 were \$1.8 million, \$5.2 million, \$5.2 million, \$5.1 million and \$1.7 million, respectively. Our monthly burn rate for the three-month period ending September 30, 2019 was approximately \$600 thousand. As at September 30, 2019, we had approximately \$4.3 million in cash and working capital of approximately \$2.8 million. We estimate that as at December 31, 2019, we had approximately \$2.4 million in cash and working capital of approximately \$2.5 million. Revenue generated to date has not been sufficient to sustain our operations. In order to achieve profitability, our revenue streams will have to increase and there is no assurance that revenues will increase to such a level.

***Management will have broad discretion as to the use of the proceeds from this Offering and may not use the proceeds effectively.***

We currently intend to allocate the net proceeds to be received from this Offering as described under the heading “Use of Proceeds”. However, our management will have broad discretion as to the application of the net proceeds from this Offering and could use them for purposes other than those contemplated at the time of the Offering if it believes it would be in our best interest to do so. Our security holders may not agree with the manner in which management chooses to allocate and spend the net proceeds. Our management may use the net proceeds for corporate purposes that may not improve our financial condition or market value.

***We may not receive a waiver of default for outstanding indebtedness for which we may be in default in the future.***

The agreements governing our indebtedness include certain debt service and other financial covenants that we must satisfy. In previous years, we have defaulted on certain of these debt service coverage ratio covenants and have received waivers of the defaults. As of December 31, 2019, we were not in compliance with the required minimum debt service coverage ratio on one of our term loans and obtained a waiver of such default from the lender. We cannot provide any assurance that the lender will provide us with a waiver of the default for any future default. A failure to maintain compliance, along with our lender not agreeing to a waiver for the non-compliance, would cause the outstanding borrowings to be in default and payable on demand, which would raise substantial doubt in our ability to continue as a going concern.

***The laws, regulations and guidelines applicable to cannabinoid-based products in Canada and in other countries may change in ways that impact our ability to continue our business as currently conducted or proposed to be conducted.***

Our operations are subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of cannabinoid-based products as well as laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. The successful execution of our cannabis business objectives is contingent upon compliance with all applicable laws and regulatory requirements in Canada and other jurisdictions and obtaining all other required regulatory approvals for the production, sale, import and export of our cannabinoid-based products. The administration, application and enforcement of the laws of Canada and other countries, may significantly delay or impact our ability to participate in the Canadian cannabis market or cannabis markets outside Canada, and our ability to develop, produce and sell cannabinoid-based products.

Further, the regulatory authorities in Canada and in other countries in which we may operate in the future or to which we may export our products may change their administration, interpretation or application of the applicable laws, rules and regulations or their compliance or enforcement procedures at any time. Any such changes could require us to revise our ongoing compliance procedures, requiring us to incur increased compliance costs and expend additional resources. There is no assurance that we will be able to comply or continue to comply with applicable laws, rules and regulations.

***We are dependent on business partners to conduct clinical trials of, obtain regulatory approvals for, and manufacture, market, and sell our products***

We depend heavily on our pharmaceutical partners to pay for part or all of the research and development expenses associated with developing a new product and to obtain approval from regulatory bodies such as the FDA to commercialize these products. We also depend on our partners to distribute these products after receiving regulatory approval. Our revenues from research and development fees, milestone payments and royalty fees are derived from our partners. Our inability to find pharmaceutical partners who are willing to pay us these fees in order to develop new products would negatively impact our business and our cash flows.

We have limited experience in manufacturing, marketing and selling pharmaceutical products. Accordingly, if we cannot maintain our existing partnerships or establish new partnerships with respect to our other products in development, we will have to establish our own capabilities or discontinue the commercialization of the affected product. Developing our own capabilities would be expensive and time consuming and could delay the commercialization of the affected product. There can be no assurance that we would be able to develop these capabilities.

Our existing agreements with pharmaceutical industry partners are generally subject to termination by the counterparty on short notice upon the occurrence of certain circumstances, including, but not limited to, the following: a determination that the product in development is not likely to be successfully developed or not likely to receive regulatory approval; our failure to satisfy our obligations under the agreement, or the occurrence of a bankruptcy event. If any of our partnerships are terminated, we may be required to devote additional resources to the product, seek a new partner on short notice, or abandon the product development efforts. The terms of any additional partnerships or other arrangements that we establish may not be favorable to us.

We are also at risk that these partnerships or other arrangements may not be successful. Factors that may affect the success of our partnerships include the following:

- Our partners may incur financial and cash-flow difficulties that force them to limit or reduce their participation in our joint projects;
- Our partners may be pursuing alternative technologies or developing alternative products that are competitive to our product, either on their own or in partnership with others;
- Our partners may reduce marketing or sales efforts, or discontinue marketing or sales of our products, which may reduce our revenues received on the products;
- Our partners may have difficulty obtaining the raw materials to manufacture our products in a timely and cost effective manner or experience delays in production, which could affect the sales of our products and our royalty revenues earned;
- Our partners may terminate their partnerships with us. This could make it difficult for us to attract new partners, and it could adversely affect how the business and financial communities perceive us;
- Our partners may pursue higher priority programs or change the focus of their development programs, which could affect the partner's commitment to us. Pharmaceutical and biotechnology companies historically have re-evaluated their priorities from time to time, including following mergers and consolidations, a common occurrence in recent years; and
- Our partners may become the target of litigation for purported patent or intellectual property infringement, which could delay or prohibit commercialization of our products and which would reduce our revenue from such products.

***There is no public market for the Warrants, which could limit their respective trading price or a holder's ability to sell them.***

There is currently no trading market for the Warrants. As a result, a market may not develop for the Warrants and holders may not be able to sell the Warrants. Future trading prices of the Warrants will depend on many factors, including prevailing interest rates, the market for similar securities, general economic conditions and our financial condition, performance and prospects. Accordingly, holders may be required to bear the financial risk of an investment in the Warrants for an indefinite period of time until their maturity. We do not intend to apply for listing or quotation of the Warrants on any securities exchange or automated quotation system.

***You may experience dilution as a result of this offering and future equity offerings.***

Giving effect to the issuance of the Common Stock upon exercise of the Warrants and Agent Warrants, the receipt of the expected net proceeds and the use of those proceeds, this offering may have a dilutive effect on our expected net income available to our stockholders per share and funds from operations per share. Furthermore, we are not restricted from issuing additional securities in the future, including Common Stock, securities that are convertible into or exchangeable for, or that represent the right to receive, Common Stock or substantially similar securities. To the extent that we raise additional funds through the sale of equity or convertible debt securities, the issuance of such securities will result in dilution to our stockholders. We may sell Common Stock or other securities in any other offering at a price per share that is less than the price per share paid by investors in this Offering, and investors purchasing Common Stock or other securities in the future could have rights superior to existing stockholders. The price per share at which we sell additional shares of Common Stock, or securities convertible or exchangeable into Common Stock, in future transactions may be higher or lower than the price per share paid by investors in this offering. We are entitled to repay all or any portion of the Debentures (as defined below) by issuing and delivering shares of Common Stock to the debenture holders at an issue price of ninety five percent (95%) of the current market price of the shares of Common Stock (as defined in the trust indenture in respect of the Debentures dated as of July 12, 2017).

## USE OF PROCEEDS

The table below illustrates, in order or priority, how we intend to use the proceeds of the Offering assuming net proceeds of CA\$4,250,000 (in the case that the Minimum Offering amount is raised) and net proceeds of CA\$8,900,000 (in the case that the Maximum Offering amount is raised).

### Use of Net Proceeds

	Minimum Offering	Maximum Offering
Phase 2A Montelukast Study	CA\$2,000,000	CA\$2,000,000
General Working Capital Requirements	CA\$2,250,000	CA\$1,900,000
Manufacturing Facility Expansion	-	CA\$5,000,000
<b>TOTAL</b>	<b>CA\$4,250,000</b>	<b>CA\$8,900,000</b>

We intend to use any additional proceeds received from the exercise of the Over-Allotment Option or any of the Warrants or Agent Warrants to advance other existing projects and for working capital purposes.

Although we intend to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments in our business and unforeseen events. We believe that a minimum gross proceeds of \$5 million would allow us to remain operational through our two earliest near term milestones, being (1) the FDA approval of our RIZAPORT® VersaFilm® and the commencement of its commercialization, and (2) the obtaining of a micro-processing license from Health Canada for our cannabis-infused VersaFilm® and the commencement of its commercialization. See “Description of Business – Near Term Milestones” for a description of these and other significant near term milestones, and expected costs and timing thereof. See also “Negative Cash Flows and Burn Rate” below.

The use of the net proceeds from the Offering as set forth above is based on the assumption that the RIZAPORT® VersaFilm® and cannabis-infused VersaFilm® milestones will be reached in the first half of 2020. If there is a delay in reaching one or both of those milestones, we may be required to implement substantial rationalization measures that could materially alter our operations in order to remain solvent until such time as those milestones can be met. Measures could include the scaling down or cessation of our Montelukast BUENA clinical trial and the suspension of other ongoing projects and related research and development. Even with such rationalization measures, any delay in reaching one or both of the milestones could compromise the achievement of such milestone(s) altogether, which would raise substantial doubt in our ability to continue as a going concern. We are dependent on our partners to successfully commercialize our products, including RIZAPORT® VersaFilm® and cannabis-infused VersaFilm®, and there is no assurance that such partnerships will be successful. See “Risk Factors - We are dependent on business partners to conduct clinical trials of, obtain regulatory approvals for, and manufacture, market, and sell our products.” Even if such milestones are met, our ability to continue as a going concern will depend on our ability to raise capital from future financing transactions. See “Risk Factors – Our auditors have raised substantial doubts as to our ability to continue as a going concern”.

### *Montelukast Study*

The objectives of the Company's 26-week, randomized, double blind, and placebo controlled Phase II a proof of concept study are to evaluate the safety, feasibility, tolerability, and efficacy of Montelukast buccal film in patients with mild to moderate Alzheimer's disease. The trial design includes testing of up to 70 patients. The trial is ongoing and expected to conclude in the second half of 2020.

### *Manufacturing Facility Expansion*

The Company is considering a project to expand its existing manufacturing facility. The project is expected to create a fivefold increase in our production capacity, provide us with a larger scale solvent coating capability and further progress us towards our objective of becoming a full-service company for our partners. The total estimated cost to complete the expansion project is CA\$5 million and, subject to receiving sufficient funds pursuant to the Offering, we expect that the project could be initiated in the second quarter of 2020.

### *Negative Cash Flows and Burn Rate*

For the year ended December 31, 2018, cash used in operating activities by the Company was \$8.53 million and the Company had a net loss of \$10.637 million for the same period. The monthly burn rate of the Company for the three-month period ending September 30, 2019 was approximately \$600 thousand. As at September 30, 2019, the Company had approximately \$4.3 million in cash and working capital of approximately \$2.8 million. We estimate that as at December 31, 2019, we had approximately \$2 million in cash and working capital of approximately \$2 million.

Other than as set out herein, the Company does not expect to incur any material capital expenditures during the next 12 months unless additional financing is completed. While we have an aggregate of CA\$7,577,000 of Debentures due to mature on June 30, 2020, we are entitled to repay all or any portion of the Debentures upon maturity by issuing and delivering shares of Common Stock to the debenture holders.

The Company has a history of negative operating cash flows and is reliant on continued availability of financing to fund its operating activities. It is possible that the Company may never have sufficient revenue to achieve profitability and positive cash flow. Management expects that the Company will continue to incur losses for at least the next 12 months as it pursues commercialization of Tadalafil, Montelukast, and cannabis-infused VersaFilm technologies and other products. Additional funding will be required, despite completion of the Offering, in order to become profitable, in particular through the commercialization of the Company's various VersaFilm products. If funding is insufficient at any time in the future, the Company may not be able to develop or commercialize its products or take advantage of business opportunities. See "Risk Factors".

## **DILUTION**

If you invest in our securities, you will experience dilution to the extent of the difference between the public offering price of the Units (attributing no value to the Warrants) and the net tangible book value of our Common Stock immediately after this offering.

Net tangible book value per share is equal to total assets less intangible assets and total liabilities, divided by the number of shares of our outstanding Common Stock. Our net tangible book value as of September 30, 2019 was approximately \$2.6 million, or \$0.03 per share of Common Stock.

After giving effect to assumed sale of 10,000,000 units in this offering at an assumed public offering price of CA\$0.50 per unit after deducting estimated placement agent fees and estimated offering expenses payable by us, and attributing no value to the warrants, our as adjusted net tangible book value as of September 30, 2019 would have been approximately \$5.9 million, or \$0.06 per share. This represents an immediate increase in net tangible book value of \$0.03 per share to existing stockholders and an immediate dilution in net tangible book value of \$0.263 per share to new investors purchasing our units in this offering. The following table illustrates this per share dilution:

Assumed public offering price per Unit		CA \$	0.50
Net tangible book value per share as of September 30, 2019	\$	0.03	
Increase per share attributable to new investors	\$	0.03	
As adjusted net tangible book value per share after this Offering		\$	0.06
Dilution per share to new investors		\$	0.263

A 1% increase (decrease) in the number of units offered by us would be required to increase (decrease) our as adjusted net tangible book value by approximately \$38,000 and dilution per share to new investors by approximately \$0.001, assuming a public offering price of CA\$0.50 per unit.

Investors that acquire additional shares of our common stock through the exercise of the warrants offered hereby may experience additional dilution depending on our net tangible book value at the time of exercise.

The number of shares of Common Stock to be outstanding after this Offering assumes the exercise of all Warrants and Agent Warrants registered hereunder, is based on 93,942,652 shares outstanding as of January 20, 2020 and excludes:

- 4,014,818 shares of Common Stock issuable upon exercise of outstanding stock options, at a weighted average exercise price of \$0.69 per share;
- 5,612,594 additional shares of Common Stock issuable upon the conversion of CA\$7,577,000 of the 8% Convertible Unsecured Debentures due June 30, 2020 at a conversion price of CA\$1.35 per share;
- 2,000,000 additional shares of Common Stock issuable upon the conversion of \$1,600,000 of the 6% convertible notes at a conversion price of \$0.80 per share;
- 2,654,075 additional shares of Common Stock reserved for issuance upon the exercise of warrants with an exercise price of \$0.80 per share;
- 3,675,358 additional shares of Common Stock reserved for future issuance under our amended and restated 2016 stock option plan, as amended on December 3, 2018;
- 53,846 additional shares of Common Stock issuable upon conversion of 53,846 restricted share units under our PRSU Plan;
- 9,023,962 additional shares of Common Stock reserved for issuance upon the exercise of warrants with an exercise price of \$1.00 per share; and
- 1,226,360 additional shares of Common Stock reserved for issuance upon the exercise of agent warrants with an exercise price of \$0.875 per share.

## DESCRIPTION OF BUSINESS

### Overview

We are a drug delivery company established in 2003 and headquartered in Montreal, Quebec, Canada. Our focus is on the development of novel oral immediate-release and controlled-release products for the pharmaceutical market. More recently, we have made the strategic decision to enter the oral film market and have implemented commercial oral film manufacturing capability. This enables us to offer our partners a comprehensive portfolio of pharmaceutical services, including pharmaceutical R&D, clinical monitoring, regulatory support, tech transfer and manufacturing scale-up, and commercial manufacturing.

Our business strategy is to develop pharmaceutical products based on our proprietary drug delivery technologies and, once the viability of a product has been demonstrated, license the commercial rights to partners in the pharmaceutical industry. In certain cases, we rely upon partners in the pharmaceutical industry to fund development of the licensed products, complete the regulatory approval process with the U.S. Food and Drug Administration (“FDA”) or other regulatory agencies relating to the licensed products, and assume responsibility for marketing and distributing such products.

In addition, we may choose to pursue the development of certain products until the project reaches the marketing and distribution stage. We will assess the potential for successful development of a product and associated costs, and then determine at which stage it is most prudent to seek a partner, balancing such costs against the potential for additional returns earned by partnering later in the development process.

Managing our project pipeline is a key success factor for the Company. We have undertaken a strategy under which we will work with pharmaceutical companies in order to apply our oral film technology to pharmaceutical products for which patent protection is nearing expiration, a strategy which is often referred to as “lifecycle management”. Under §505(b)(2) of the Food, Drug, and Cosmetics Act, the FDA may grant market exclusivity for a term of up to three years following approval of a listed drug that contains previously approved active ingredients but is approved in a new dosage, dosage form, route of administration or combination.

The 505(b)(2) pathway is also the regulatory approach to be followed if an applicant intends to file an application for a product containing a drug that is already approved by the FDA for a certain indication and for which the applicant is seeking approval for a new indication or for a new use, the approval of which is required to be supported by new clinical trials, other than bioavailability studies. We have implemented a strategy under which we actively look for such so-called “repurposing opportunities” and determine whether our proprietary VersaFilm™ technology adds value to the product. We currently have two such drug repurposing projects in our development pipeline.

We continue to develop the existing products in our pipeline and may also perform research and development on other potential products as opportunities arise.

We have established a state-of-the-art manufacturing facility with the intent to manufacture all our VersaFilm™ products in-house as we believe that this:

1. represents a profitable business opportunity,
2. will reduce our dependency upon third-party contract manufacturers, thereby protecting our manufacturing process know-how and intellectual property, and
3. allows us to offer our clients and development partners a full service from product conception through to supply of the finished product.

#### Near Term Milestones

Key products in our pipeline that we believe have significant near term milestones include the following:

<b>RIZAPORT® VersaFilm®</b>	
General Description of Product	The product is a 10mg oral thin-film formulation of Rizatriptan, the active drug in Maxalt-MLT® orally disintegrating tablets. Maxalt-MLT® is a leading branded anti-migraine product marketed by Merck & Co. The product is indicated for the treatment of acute migraines.
Latest Developments	On September 26, 2019, we announced the resubmission of its 505(b)(2) NDA for RIZAPORT® VersaFilm® for the treatment of acute migraines to the FDA. On April 2, 2019, we received a CRL from the FDA regarding the NDA for RIZAPORT® VersaFilm® accepted by the FDA on November 20, 2018. The issues cited in the CRL related to the Chemistry, Manufacturing and Controls section of the application. The FDA requested additional information, but no new bioequivalence study. On October 22, 2019, FDA confirmed that they had accepted the NDA for review and assigned a Prescription Drug User Fee Act goal date for completion of the review of the RIZAPORT® NDA of March 26, 2020.

Next milestone and expected costs and timing	The FDA has assigned a Prescription Drug User Fee Act goal date for completion of the review of the RIZAPORT® NDA of March 26, 2020. We do not expect to have to incur any additional costs to obtain the FDA approval. If FDA approval of the NDA is obtained, commercialization is expected to begin in the first half of 2020 in the USA with Gensco Pharma. It is also expected to launch in Europe with Exeltis in Q3 / Q4 2020. Under an agreement with its partner for commercialization in the United States, a milestone payment of \$125,000 would be payable to us by our partner upon obtaining FDA approval.
Capacity for commercialization in current manufacturing facility	Upon commercial launch, we would manufacture the product from our Health Canada-certified cGMP manufacturing facility in Montreal.  Given the limited capacity of the current facility for solvent-based products, we believe that a smaller coating line can support approximately 12-18 months of commercialization. However, an expansion will be required to increase the manufacturing capacity to help meet additional demand.

<b><u>Cannabis-Infused VersaFilm®</u></b>	
General Description of Product	10mg CBD and/or THC infused VersaFilm® product.
Latest Developments	On November 13, 2018, we completed a private placement of 1,428,571 shares of Common Stock to Tilray at a subscription price of \$0.70 per share for gross proceeds of \$1,000,000. The proceeds are being used for cannabis- infused VersaFilm® product development under its definitive license, development and supply agreement with Tilray.  On October 31, 2019, we announced the initiation of the manufacturing scale-up activities for its cannabis-infused VersaFilm® product co- development program with Tilray.
Next milestone and expected costs and timing	Commercial launch of the product is subject to obtaining a micro-processing license from Health Canada. This is expected to be obtained in the first half of 2020. The expected remaining cost for this project relating to commercialization ramp up is approximately \$450,000, 80% of which will be paid by Tilray under the partnership agreement between the parties.
Capacity for commercialization in current manufacturing facility	We are capable of commercializing the Cannabis VersaFilm product in the current manufacturing facility as solvent-based coating will not be required for this product.

<b>Montelukast</b>	
General Description of Product	10mg Montelukast VersaFilm® is a buccal film developed for mild to moderate Alzheimer's Disease. The dose per film has been increased to 30 mg.
Latest Developments	<p>On October 9, 2019, we announced that an independent DSMB completed its first interim analysis of the ongoing Montelukast VersaFilm® Phase 2a (BUENA) clinical trial in patients with mild to moderate Alzheimer's disease. The DSMB reviewed compiled safety data from 25 subjects enrolled in the BUENA trial, 13 of which had completed 26 weeks of daily treatment. The DSMB did not raise any concerns regarding safety and recommended that the trial continue.</p> <p>Recently, Prof. Dr. Ludwig Aigner's group at the Paracelsus Medical University in Salzburg conducted additional efficacy testing of Montelukast in an AD mouse model in collaboration with us. Overall results demonstrated that the treatment effect was dose-dependent, with higher doses of Montelukast significantly increasing the mice's cognition in two behavioural tests. Based on this new preclinical data demonstrating that the efficacy of Montelukast VersaFilm® is dose-dependent, we plan to continue the BUENA clinical trial with an increased daily dose.</p>
Next milestone and expected costs and timing	We have obtained Health Canada approval for the increased daily dose and expect to restart screening under the amended protocol by April 2020 with increased dosage of 30mg twice daily for a total dosage of 60mg per day. Costs associated with the ongoing BUENA clinical trial are approximately \$200,000 per month. Completion of the Buena trial is expected by the first half of 2021.
Capacity for commercialization in current manufacturing facility	Commercialization of this product is not expected until 2023 at the earliest, assuming successful clinical trials and the satisfaction of other conditions. Our current manufacturing facility would not support the manufacture of the Montelukast VersaFilm product, but the planned expansion of the manufacturing facility would provide for the ability to manufacture the product in our own facility.

<b>Tadalafil</b>	
General Description of Product	2.5mg, 5mg, 10mg and 20mg tadalafil oral film developed to be bioequivalent to Cialis (Eli Lilly) indicated for erectile dysfunction.
Latest Developments	<p>On May 8, 2019, we announced that we had entered into the Co- Development Agreement with Aquestive, a specialty pharmaceutical company focused on developing and commercializing differentiated products to solve therapeutic problems, for the co-development and commercialization of Tadalafil oral films for the treatment of erectile dysfunction. Under the terms of the Co-Development Agreement, the Company and Aquestive have each granted to the other exclusive worldwide licenses to their respective intellectual property relating to Tadalafil oral film formulation and manufacturing. The companies will jointly undertake further co-development and commercialization of Tadalafil oral film products, and will equally share (50/50) net profits from worldwide product sales. At this time the brand name Exordia is expected to be used for the commercialization of this product.</p> <p>Aquestive previously submitted an NDA for its Tadalafil oral film for the treatment of erectile dysfunction to the FDA. In November 2018, Aquestive received a CRL from the FDA requesting limited additional data from healthy volunteers. Under the terms of the Agreement, both companies will cooperate in responding to the FDA's CRL.</p>
Next milestone and expected costs and timing	In responding to the CRL, the Company and Aquestive intend to submit a protocol for new irritation study to FDA for review and approval. The study is expected to commence in the first half of 2020. The estimated cost of the irritation study is \$900,000, which would be shared 50/50 between us and Aquestive under the partnership agreement between the parties. Both companies are seeking a commercialization partner that would support the study cost. Commercialization of this product is not expected before first half of 2021.
Capacity for commercialization in current manufacturing facility	Upon commercialization, the product would be manufactured by Aquestive pursuant to the Co-Development Agreement.

## Recent Developments

On November 13, 2018, we completed a private placement of 1,428,571 shares of Common Stock to Tilray at a subscription price of \$0.70 per share for gross proceeds of \$1,000,000. The proceeds are being used for cannabis-infused VersaFilm™ product development under our definitive license, development and supply agreement with Tilray®. On October 31, 2019, we announced the initiation of the manufacturing scale up activities for our cannabis-infused VersaFilm® product co-development program with Tilray.

On April 2, 2019, we received a CRL from the FDA regarding the NDA for RIZAPORT® VersaFilm® accepted by the FDA on November 20, 2018. The issues cited in the CRL related to the Chemistry, Manufacturing and Controls section of the application. The FDA requested additional information, but no new bioequivalence study. On September 26, 2019, we announced the resubmission of our 505(b)(2) NDA for RIZAPORT® VersaFilm® for the treatment of acute migraines to the FDA. On October 22, 2019, FDA confirmed that they had accepted the NDA for review and assigned a PDUFA goal date for completion of the review of the RIZAPORT® NDA of March 26, 2020.

On May 8, 2019, we announced that we entered into a definitive worldwide agreement with Aquestive Therapeutics, Inc., a specialty pharmaceutical company focused on developing and commercializing differentiated products to solve therapeutic problems, for the co-development and commercialization of Tadalafil oral films for the treatment of ED. Under the terms of the agreement, the Company and Aquestive each granted to the other exclusive worldwide licenses to intellectual property relating to Tadalafil oral film formulation and manufacturing. The companies will jointly undertake further co-development and commercialization of Tadalafil oral film products, and will equally share (50/50) net profits from worldwide product sales. In connection with the agreement, Aquestive also granted a non-exclusive, royalty bearing U.S. license to any of its intellectual property that may relate to the formulation and manufacturing of our rizatriptan oral film product, RIZAPORT®. We will pay Aquestive a royalty equal to ten percent (10%) of all payments received by us from third parties for U.S. product related milestones and sales. Aquestive previously submitted NDA for its Tadalafil oral film for the treatment of ED to the FDA. In November 2018, Aquestive received a CRL from the FDA requesting limited additional data from healthy volunteers. Under the terms of the Agreement, both companies will cooperate in responding to the FDA's CRL.

On October 9, 2019, we announced that an independent DSMB completed its first interim analysis of the ongoing BUENA clinical trial in patients with mild to moderate AD. The DSMB reviewed compiled safety data from twenty five (25) subjects enrolled in the BUENA trial, thirteen (13) of which had completed twenty six (26) weeks of daily treatment. The DSMB did not raise any concerns regarding safety and recommended that the trial continue. Recently, Professor Dr. Ludwig Aigner's group at the Paracelsus Medical University in Salzburg conducted additional efficacy testing of Montelukast in an AD mouse model in collaboration with us. Overall results demonstrated that the treatment effect was dose-dependent, with higher doses of Montelukast significantly increasing the mice's cognition in two behavioural tests. Based on this new preclinical data demonstrating that the efficacy of Montelukast VersaFilm is dose dependent, we planned to continue the BUENA clinical trial at an increased daily dose, subject to Health Canada approval.

On December 31, 2019, we issued 415,179 shares of our Common Stock at a deemed price of CA\$0.73 per share of Common Stock in payment of an aggregate of CA\$303,080 in interest owing on our 8.00% convertible unsecured subordinated debentures due June 30, 2020.

On January 9, 2020, we announced that we entered into a feasibility study agreement with an undisclosed partner focused on bringing innovative animal health products to the market. Pursuant to this agreement, we will conduct a feasibility study on an undisclosed molecule for buccal absorption using our proprietary VetaFilm® platform. Based on the successful completion of a feasibility study, we will have exclusive rights to further develop, manufacture and supply the developed product to its partner.

On January 13, 2020, we announced that a cannabis-infused VersaFilm® product had been finalized with our co-development partner, Tilray®, and that all manufacturing scale-up work has been successfully completed. We also announced the signing of a binding term sheet with Orivas for the commercialization of RIZAPORT® in Lithuania, Latvia, Estonia and Poland, with the right of first refusal for a predefined term to include the Republic of Belarus and/or the Republic of Ukraine, as well as any of the Scandinavian countries (Finland, Denmark, Sweden and Norway).

On January 15, 2020, we announced that Health Canada issued a No Objection Letter in response to our amended clinical trial application for the Montelukast VersaFilm® Phase 2a BUENA clinical trial in patients with mild to moderate Alzheimer's disease. We intend to continue the study with the new approved dose of 30 mg bid (twice daily for a total dosage of 60mg per day). Enrolment of new patient to be treated with the new dose is expected to comment in April, 2020.

## DESCRIPTION OF CAPITAL STOCK

The authorized share capital of the Company consists of 200,000,000 shares of Common Stock with a par value of \$0.00001 and 20,000,000 shares of preferred stock with a par value of \$0.00001. As at January 20, 2020, there were 93,942,652 shares of Common Stock issued and outstanding and no preferred stock issued and outstanding.

### Common Stock

The holders of Common Stock are entitled to one vote per share on all matters voted on by stockholders, including the election of directors. Except as otherwise required by law, the holders of Common Stock exclusively possess all voting power. The holders of Common Stock are entitled to dividends as may be declared from time to time by our board of directors from funds available for distribution to holders. No holder of Common Stock has any pre-emptive right to subscribe to any securities of ours of any kind or class or any cumulative voting rights. The outstanding shares of Common Stock are, and the shares, upon issuance and sale as contemplated will be, duly authorized, validly issued, fully paid and non-assessable.

#### *Rights Upon Dissolution or Winding Up*

The Delaware General Corporation Law provides that upon dissolution, liquidation or winding-up of the Company, holders of Common Stock have the lowest priority in the distribution of assets and will only receive a distribution if all senior obligations have been paid. If all senior obligations have been paid, the holders of shares of Common Stock will be entitled to receive our assets available for distribution proportionate to their pro rata ownership of the outstanding shares of Common Stock.

#### *Anti-Takeover Effects of Various Provisions of Delaware Law and Our Certificate of Incorporation and By-laws*

The Delaware General Corporation Law, our certificate of incorporation and our by-laws contain provisions that may have some anti-takeover effects and may delay, defer or prevent a tender offer or takeover attempt that a stockholder might consider in his, her or its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders.

#### *Delaware Anti-Takeover Statute*

We are subject to Section 203 of the Delaware General Corporation Law (“Section 203”). Subject to specific exceptions, Section 203 prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the time the stockholder becomes an interested stockholder, unless:

- the business combination, or the transaction in which the stockholder became an interested stockholder, is approved by our board of directors prior to the time the interested stockholder attained that status;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding those shares owned by persons who are directors and also officers and employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- at or after the time a stockholder became an interested stockholder, the business combination is approved by our board of directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least two-thirds of our outstanding voting stock that is not owned by the interested stockholder.

“Business combinations” include mergers, asset sales and other transactions resulting in a financial benefit to the interested stockholder. Subject to various exceptions, in general, an “interested stockholder” is a stockholder who, together with his, her or its affiliates and associates, owns, or within three years did own, 15% or more of the shares of our outstanding voting stock. These restrictions could prohibit or delay the accomplishment of mergers or other takeover or change of control attempts with respect to us and, therefore, may discourage attempts to acquire us.

## **Warrants**

As of the date of this prospectus we had outstanding warrants to purchase an aggregate of 2,654,075 shares of our Common Stock at an exercise price of \$0.80, expiring on June 1, 2021, as well as the outstanding Warrants to purchase a total of 9,023,962 shares of our Common Stock which are exercisable until October 22, 2021 at an exercise price of \$1.00 per share of our Common Stock and the outstanding Agent Warrants to purchase a total of 1,226,360 shares of Common Stock which are exercisable until October 22, 2021 at an exercise price of \$0.875 per share of our Common Stock.

## **Preferred Stock**

Our board of directors is authorized to issue all and any of the shares of preferred stock in one or more series, fix the number of shares, determine or alter for each such series voting powers or other rights, qualifications, limitations or restrictions thereof. As of the date of this prospectus, there are no shares of preferred stock outstanding.

## **Convertible Debentures**

The Company has an aggregate of CA\$7,577,000 of 8% Convertible Unsecured Subordinated Debentures due June 30, 2020 (the “Debentures”). The Debentures mature on June 30, 2020 and bear interest at annual rate of 8% payable semi-annually on the last day of June and December of each year, commencing on December 31, 2017.

### *Conversion*

The Debentures are convertible at the option of the holders at any time prior to the close of business on the earlier of June 30, 2020 and the business day immediately preceding the date specified by the Company for redemption of Debentures. The conversion price will be CA\$1.35 per share of Common Stock, being a conversion rate of approximately 740 Shares per CA\$1,000 principal amount of Debentures, subject to adjustment in certain events. The Corporation is entitled to repay all or any portion of the Debentures upon maturity by issuing and delivering shares of Common Stock to the debenture holders.

### *Redemption*

Since June 30, 2019 and prior to June 30, 2020, the Debentures may be redeemed at the Company’s sole option, in whole or in part, from time to time on required prior notice, at a redemption price equal to the principal amount of the Debentures, irrespective of the current market price. In addition thereto, at the time of redemption, the Company will pay to the holder accrued and unpaid interest up to but not including the date of redemption.

### *Subordination*

The payment of the principal of, and interest on, the Debentures is subordinated in right of payment to the prior payment in full of all Senior Indebtedness of the Company, including indebtedness under the Company’s present and future bank credit facilities and any other secured creditors. “Senior Indebtedness” of the Company is defined as the principal of and premium, if any, and interest on and other amounts in respect of all indebtedness of the Company other than indebtedness evidenced by the Debentures and all other existing and future debentures or other instruments of the Company which, by the terms of the instrument creating or evidencing the indebtedness, is expressed to be pari passu with, or subordinate in right of payment to, the Debentures. Subject to statutory or preferred exceptions or as may be specified by the terms of any particular securities, each Debenture ranks pari passu with each other Debenture, and with all other present and future subordinated and unsecured indebtedness of the Company except for sinking fund provisions (if any) applicable to different series of debentures or similar obligations of the Company. The Debentures will not limit the ability of the Company to incur additional indebtedness, including indebtedness that ranks senior to the Debentures, or from mortgaging, pledging or charging its properties to secure any indebtedness.

The Debentures are also effectively subordinated to claims of creditors of the Company’s subsidiaries, except to the extent the Company is a creditor of such subsidiaries ranking at least pari passu with such other creditors.

## **Convertible Notes**

As of the date of this prospectus, we have \$1,600,000 outstanding under our 6% convertible unsecured subordinated notes, due June 1, 2021 (the “Notes”) pursuant to which 2,000,000 shares of our Common Stock are issuable upon full conversion of all of such Notes.

### *Interest*

The Notes bear interest from, and including, the date of issue at the rate of 6.00% per annum, payable in arrears on March 1, June 1, September 1 and December 1, with the last such payment falling due on June 1, 2021.

### *Default*

Under the terms of the Notes, an event of default in respect of the Notes will occur if any one or more of the following described events has occurred and is continuing with respect to the Notes: (a) failure to pay principal or premium, if any, when due on the Notes, whether at maturity, upon redemption, by declaration or otherwise; (b) certain events of bankruptcy, insolvency or reorganization of the Company under bankruptcy or insolvency laws; or (c) the Company breaches any representation or covenant in the Note that could reasonably be expected to have a material adverse effect. If an Event of Default has occurred and is continuing, an investor may, with the written consent of the holders of more than 50% of the principal amount of the Notes then outstanding, by written notice to the Company, declare all outstanding Notes to be immediately due and payable without presentment, demand, protest or any other notice of any kind, all of which will be expressly waived by the Company.

### *Subordination*

The Notes are junior to any of the Company’s the principal of, premium, if any, and interest on (i) all indebtedness for money borrowed or guaranteed by the Company other than the Company’s subordinated debt securities, unless the indebtedness expressly states to have the same rank as, or to rank junior to, the Company’s subordinated debt securities, (ii) and any deferrals, renewals or extensions of any such indebtedness.

### *Conversion*

Each holder of Notes may, at its option, at any time prior to payment in full of the principal amount of the Note or the conversion of the note at the option of the Company, convert, in whole or in part, the outstanding principal amount of its Notes and all accrued and unpaid interest on such Note into 6,250 fully paid and nonassessable shares of Common Stock for each \$5,000 aggregate principal amount of Notes then outstanding (the “Conversion Ratio”). Any interest payable in Conversion Shares shall be converted based on the Conversion Ratio.

At any time following the date on which the Common Stock trades on the OTCQX or other United States market or exchange at a price of \$1.40 or greater for 20 consecutive trading days, the Company may elect to convert the then outstanding principal amount of the Notes and any interest payable in shares of Common Stock based on the Conversion Ratio.

### *Waiver and Amendment*

Any provision of the Notes may be amended, waived or modified upon the written consent of the Company and the holders of more than 50% of the principal amount of the Notes then outstanding. A consent or waiver may not reduce the principal amount of any Note without the holder’s written consent, or (ii) reduce the rate of interest of any Note without the holder’s written consent.

## **DESCRIPTION OF SECURITIES WE ARE OFFERING**

We are offering Units, each unit consisting of one share of our Common Stock and one Common Stock purchase Warrant. Each Warrant is exercisable for one share of our Common Stock. The Units will not be issued or certificated. The shares of Common Stock and Warrants that we are issuing are immediately separable and will be issued separately. The shares of Common Stock issuable from time to time upon exercise of the Warrants, if any, are also being offered pursuant to this prospectus.

## Common Stock

Holders of our Common Stock have the rights set forth above under the heading “Description of Capital Stock-Common Stock.”

## Warrants

The Warrants will be issued under and pursuant to a warrant indenture (the “Warrant Indenture”) between us and TSX Trust Company (the “Warrant Agent”). The following summary of certain terms and provisions of the Warrants is not complete and is subject to, and qualified in its entirety by the provisions of the Warrant Indenture, the form of which is filed as an exhibit to the registration statement of which this prospectus is a part.

Each Warrant entitles its holder to purchase one Warrant Share at the Exercise Price of CA\$0.75 during the thirty six (36) months following the closing date. No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Any fractional entitlements will be rounded down to the nearest whole number.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- (i) the issuance of shares of Common Stock or securities exchangeable for or convertible into shares of Common Stock to all or substantially all of the holders of shares of Common Stock by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of shares of Common Stock upon the exercise of any outstanding warrants or options);
- (ii) the subdivision, redivision or change of the outstanding shares of Common Stock into a greater number of shares;
- (iii) the consolidation, reduction or combination of the outstanding shares of Common Stock into a lesser number of shares;
- (iv) the issuance to all or substantially all of the holders of shares of Common Stock of rights, options or warrants under which such holders are entitled, during a period expiring not more than forty five (45) days after the record date for such issuance, to subscribe for or purchase shares of Common Stock, or securities exchangeable for or convertible into shares of Common Stock, at a price per share to the holder (or at an exchange or conversion price per share) of less than ninety five percent (95%) of the “current market price”, as defined in the Warrant Indenture, of shares of Common Stock on such record date; and
- (v) the issuance or distribution to all or substantially all of the holders of shares of Common Stock of securities of the Company, including rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

- (i) the reclassification of the Common Shares;
- (ii) a consolidation, amalgamation, arrangement or merger of the Company with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company’s outstanding Common Stock or a change of the shares of Common Stock into other shares); or
- (iii) the transfer of the Company’s property and assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least one percent (1.0%) in the exercise price.

From time to time, us and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions, provided that in the opinion of the Warrant Agent, based on an opinion of counsel, the rights of the Warrant Agent and of the holders of the Warrants are in no way prejudiced thereby. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may be made only by “extraordinary resolution”, which is defined in the Warrant Indenture as a resolution either (i) passed at a meeting of the holders of Warrants duly convened for that purpose and held in accordance with the provisions of the Warrant Indenture at which there are holders of Warrants present in person or represented by proxy representing at least twenty five (25.0%) of the aggregate number of the then-outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than sixty six and two thirds percent (66⅔%) of the aggregate number of the then-outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed in one or more counterparts by the holders of Warrants representing not less than sixty six and two thirds percent (66⅔%) of the aggregate number of the then-outstanding Warrants.

### **Agent Warrants**

The following summary of certain terms and provisions of the Agent Warrants is not complete and is subject to, and qualified in its entirety by the provisions of the Agent Warrants, the form of which is filed as an exhibit to the registration statement of which this prospectus is a part.

The Agent Warrants will entitle the holders thereof to purchase up to an aggregate of 1,610,000 Agent Warrant Shares (assuming completing of the Maximum Offering, exercise of the Over-Allotment Option in full, and no sales to President’s List Purchasers) at an exercise price of CA\$0.75 per Agent Warrant Share, subject to adjustment, at any time until the Warrant Expiry Time. After the Warrant Expiry Time, unexercised Agent Warrants will become void. The Agent Warrants will be issued in certificated form and will not be transferable.

### **LEGAL PROCEEDINGS**

Neither we nor our subsidiary is a party to, nor is any of our property the subject of, any material legal proceedings. There are no proceedings pending in which any of our officers, directors or 5% shareholders are adverse to us or any of our subsidiaries or in which they are taking a position or have a material interest that is adverse to us or any of our subsidiaries.

### **PLAN OF DISTRIBUTION**

We have engaged Echelon Wealth Partners Inc. pursuant to an agency agreement by and between Echelon Wealth Partners Inc. and us, dated January 27, 2020 (“Agency Agreement”). The Agent is not purchasing or selling any Units offered by this prospectus, nor is it required to arrange the purchase or sale of any specific number or dollar amount of the Units, but has agreed to use its commercially reasonable “best efforts” to arrange for the sale of all of the Units offered hereby. The obligations of the Agent under the Agency Agreement are conditional and may be terminated in its discretion on the basis of its assessment of the state of the financial markets and in certain other stated circumstances. The Agent may engage one or more sub-agents or selected dealers to assist with this offering. Any sales in the United States will only be made by U.S. registered broker-dealers. The price per Unit will be determined based upon arm’s-length negotiations between the purchasers and us.

The minimum amount of funds to be raised under the Offering is CA\$5,000,000 and the maximum amount to be raised is CA\$10,000,000 (“Maximum Offering”). The Agent, in accordance with the Agency Agreement, shall hold in trust all funds received from subscriptions under this prospectus until the Minimum Offering has been raised. We may undertake one or more closings on a rolling basis after the Minimum Offering has been raised. If the Minimum Offering is not raised on or before the date that is ninety (90) days after the final receipt for the Canadian prospectus issued is issued by Autorité des marchés financiers du Québec, the Agent shall return the funds to those who purchased Units under the Offering, without any deductions or interest.

## **Commissions and Expenses**

We have agreed to pay the Agent an aggregate cash placement fee equal to seven percent (7.0%) of the gross proceeds in this Offering (including the Over-Allotment Option), for an aggregate cash commission of CA\$805,000 (assuming completion of the Maximum Offering). However, we will only pay a cash fee equal to three and one half percent (3.5%) of the aggregate gross proceeds from the issuance to purchasers on our President's List.

We estimate the total offering expenses of this Offering that will be payable by us, excluding the Agency Fee, will be approximately \$320,200 which includes legal and printing costs, various other fees and reimbursement of the Agent's expenses.

In addition, we have agreed (i) to issue to the Agent, or its designees, warrants to purchase a number of shares of Common Stock equal to an aggregate of seven percent (7.0%) of the number of shares of Common Stock issued in connection with this Offering (not including any shares of Common Stock underlying the Warrants and Agent Warrants issued in this Offering); (ii) to issue Agent Warrants to purchase up to an additional three and one half percent (3.5%) of the Units sold under the President's List; and (iii) to grant the Agent an option to increase the size of the Offering by up to fifteen percent (15.0%), exercisable in whole or in part at any time for a period of thirty (30) days after and including the closing date of the Offering. Each Agent Warrant shall entitle the Agent to acquire one Agent Warrant Share at an exercise price equal to CA\$0.75, subject to adjustment, at any time until 5:00 p.m. on the Warrant Expiry Date.

Upon the consummation of this Offering, we will grant to the Agent a right of first refusal under which the placement agent shall have the right to act as sole placement agent in connection with a public or private offering of debt, equity or equity-based securities, or if we otherwise require advisory services for a period ending eight (8) months from the date of the closing of the Offering. Notwithstanding anything herein to the contrary, in the event that the Agency Agreement is terminated without consummating this Offering, the Agent will not be granted a right of first refusal. If, during the term of any right of first refusal granted to the Agent, the Agent does not act as the sole placement agent in connection with a public or private offering of debt, equity or equity-based securities or advisory services, the Agent shall be entitled to receive the fees set forth in the Agency Agreement.

## **Indemnification**

We have agreed to indemnify the Agent and its respective affiliates, officers, directors, employees, partners, agents, successors and assigns against certain liabilities. We have also agreed to contribute to payments the Agent may be required to make in respect of such liabilities.

## **Electronic Distribution**

This prospectus may be made available in electronic format on websites or through other online services maintained by the Agent, or by an affiliate. Other than this prospectus in electronic format, the information on the Agent's website and any information contained in any other website maintained by the Agent is not part of this prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or the placement agent, and should not be relied upon by investors.

The foregoing does not purport to be a complete statement of the terms and conditions of the Agency Agreement. A copy of the Agency Agreement is included as an exhibit to the registration statement of which this prospectus forms a part. See "Where You Can Find Additional Information" on page 25.

## Notice to Investors

### *European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), with effect from and including the date on which the Prospectus Directive is or was implemented in that Relevant Member State (“Relevant Implementation Date”), no offer or sale of any securities which are the subject of the Offering contemplated by this prospectus has been or will be made to the public in that Relevant Member State other than any offer or sale where a prospectus has been or will be published in relation to such securities that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the relevant competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except, with effect from and including the Relevant Implementation Date, that an offer of such securities may be made to the public in that Relevant Member State at any time:

- to any persons or entities which are “qualified investors” as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than “qualified investors”), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriters for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of securities shall result in the requirement that the Company or the Agent must publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

In the case of any securities being offered to a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that any securities acquired by it as part of the offering contemplated by this prospectus have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in a Relevant Member State to “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive or in circumstances in which the prior consent of the underwriters has been obtained to each such proposed offer or resale. The Company, the Agent and their respective affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a “qualified investor” as so defined and who has notified the underwriters of such fact in writing may, with the consent of the underwriters, be permitted to subscribe for or purchase securities in the offering contemplated by this prospectus subject to compliance at all times by the company and the underwriters with the provisions of Article 3(2) of the Prospectus Directive.

### *Switzerland*

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”), or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under article 652a or article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under articles 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or the Offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the Offering, the Company or the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority (“FINMA”), and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of securities.

#### **Other**

From time to time, the Agent and its affiliates have provided, and may in the future provide, various investment banking, financial advisory and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees. In the course of their businesses, the placement agent and its affiliates may actively trade our securities or loans for their own account or for the accounts of customers, and, accordingly, the placement agent and its affiliates may at any time hold long or short positions in such securities or loans. Except for services provided in connection with this offering, the placement agent has not provided any investment banking or other financial services during the 180-day period preceding the date of this prospectus and we do not expect to retain the placement agent to perform any investment banking or other financial services for at least 90 days after the date of this prospectus.

The Offering of securities pursuant to this prospectus shall also comply with (i) the rules and regulations of the TSX-V and (ii) the applicable laws of each jurisdiction in which the securities may be offered or sold.

#### **LEGAL MATTERS**

The validity of the Common Stock offered hereby will be passed upon by Dorsey & Whitney, LLP.

#### **EXPERTS**

IntelGenx Technologies Corp. financial statements for the years ended December 31, 2018 and 2017 included in this registration statement have been audited by Richter, LLP, Montreal, Quebec, an independent registered public accounting firm, as stated in their report, and have been so included in reliance upon the report of said firm and their authority as experts in accounting and auditing. This report expresses an unqualified opinion.

#### **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We file reports and other information with the Securities and Exchange Commission. We have also filed a registration statement on Form S-1, including exhibits, with the SEC with respect to the shares being offered in this offering. This prospectus is part of the registration statement, but it does not contain all of the information included in the registration statement or exhibits. For further information with respect to us and our Common Stock, we refer you to the registration statement and to the exhibits and schedules to the registration statement. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference. You may inspect a copy of the registration statement and other reports we file with the Securities and Exchange Commission without charge at the SEC’s principal office in Washington, D.C., and copies of all or any part of the registration statement may be obtained from the Public Reference Section of the SEC, 100 F Street NE, Washington, D.C. 20549, upon payment of fees prescribed by the SEC. The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the Web site is <http://www.sec.gov>. The SEC’s toll free investor information service can be reached at 1-800-SEC-0330.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

The SEC allows us to incorporate by reference the information contained in documents that we file with them. We are incorporating by reference into this prospectus the documents listed below (excluding any information furnished under Items 2.02 or 7.01 in any Current Report on Form 8-K):

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 that we filed with the SEC on March 22, 2019;
- Our Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 that we filed with the SEC on November 7, 2019;
- Our Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 that we filed with the SEC on August 8, 2019;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2019 that we filed with the SEC on May 9, 2019;
- Our Proxy Statement on Schedule 14A that we filed with the SEC on March 22, 2019, as amended on April 30, 2019 (the “Proxy Statement”); and
- Our Current Reports on Form 8-K filed with the SEC on February 7, 2019, March 8, 2019, May 7, 2019, May 8, 2019, January 10, 2020 and January 16, 2020.

By incorporating by reference our Annual Report on Form 10-K, and our Proxy Statement, we can disclose important information to you by referring you to our Annual Report on Form 10-K, and our Proxy Statement, which are considered part of this prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

All documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the effective date of the initial registration statement of which this prospectus is a part and all such documents that we file with the SEC after the date of this prospectus and before the termination of the offering of our securities shall be deemed incorporated by reference into this prospectus and to be a part of this prospectus from the respective dates of filing such documents. Unless specifically stated to the contrary, none of the information that we disclose under Items 2.02 or 7.01 of any Current Report on Form 8-K that we may from time to time furnish to the SEC will be incorporated by reference into, or otherwise included in, this prospectus.

Any statement contained in a document incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Copies of the documents incorporated by reference in this Prospectus may be obtained on written or oral request without charge from our Corporate Secretary at 6420 Abrams, Ville Saint Laurent, Quebec H4S 1Y2, Canada (telephone: (514) 331-7440).

We also maintain a web site at <http://www.intelgenx.com> through which you can obtain copies of documents that we have filed with the SEC. The contents of that site are not incorporated by reference into or otherwise a part of this prospectus.

**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 13. Other Expenses of Issuance and Distribution**

The following table sets forth the costs and expenses payable by us in connection with the distribution of the securities being registered.

SEC registration fee	\$	2,950
Legal fees and expenses	\$	290,000
Accountants' fees and expenses	\$	17,500
Warrant agent fees	\$	6,000
Printing expenses	\$	2,750
Miscellaneous expenses	\$	1,000
<b>Total:</b>	\$	<u>320,200</u>

All amounts except the SEC registration fee are estimated. All of the expenses set forth above are being paid by us.

**Item 14. Indemnification of Directors and Officers**

Section 145 of the Delaware General Corporation Law (the "DGCL"), provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Section 145 further provides that a corporation similarly may indemnify any such person serving in any such capacity who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor, against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or such other court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

We have agreed to indemnify our officers and directors to the fullest extent permitted by law. Such indemnification is intended to supplement our officers' and directors' liability insurance.

Our certificate of incorporation provides that no director shall be personally liable to the corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. A director shall be liable to the extent provided by applicable law, however, (a) for breach of the director's duty of loyalty to the corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) pursuant to Section 174 of the DGCL, or (d) for any transaction from which the director derived an improper personal benefit.

To the extent permitted by applicable law, we are also authorized to provide indemnification of (and advancement of expenses to) such agents (and any other persons to which Delaware law permits us to provide indemnification) through provisions in our bylaws, agreements with such agents or other persons, voting of security holders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the DGCL, subject only to limits created by applicable Delaware law (statutory or non-statutory), with respect to actions for breach of duty to us, our security holders and others.

Any repeal or modification of any of the foregoing provisions of the indemnification provisions in our certificate of incorporation or bylaws shall be prospective and shall not adversely affect any right or protection of a director, officer, agent, or other person existing at the time of, or increase the liability of any director of our company with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or controlling persons of our company, pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person of our company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, we will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

#### **Item 15. Recent Sales of Unregistered Securities**

On May 8, 2018 the Company sold to accredited investors 320 units, each consisting of (i) 7,940 shares of the Company's Common Stock, (ii) a \$5,000 convertible 6% note and (iii) 7,690 warrants, for gross proceeds of \$3,200,000. Cantone Research, Inc. ("Cantone") and Leede Jones Gable Inc. ("Leede Jones") acted as placement agents. As part of their commission, Cantone and Leede Jones received an aggregate amount of 243,275 warrants.

The Company's issuance of the foregoing securities was made in reliance upon the exemption from registration of the Securities Act provided by Rule 506(b) of Regulation D for sales in the United States and pursuant to Regulation S for sales outside of the United States.

On November 13, 2018, we completed a private placement of 1,428,571 shares of Common Stock to Tilray at a subscription price of \$0.70 per share for gross proceeds of \$1,000,000. The proceeds are being used for cannabis-infused VersaFilm™ product development under our definitive license, development and supply agreement with Tilray®. The Company's issuance of the foregoing securities was made in reliance upon the exemption from registration of the Securities Act provided by Section 4(a)(2) and applicable state securities laws.

#### **Item 16. Exhibits and Financial Statement Schedules**

The following exhibits are filed as part of this registration statement.

#### **EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">1.1</a>	<a href="#">Form of Agency Agreement</a>
<a href="#">2.1</a>	<a href="#">Share exchange agreement dated April 10, 2006 (incorporated by reference to the Form 8-K/A filed on May 5, 2006)</a>
<a href="#">3.1</a>	<a href="#">Certificate of Incorporation (incorporated by reference to the Form SB-2 (File No. 333-90149) filed on November 16, 1999)</a>

<a href="#">3.2</a>	<a href="#">Amendment to the Certificate of Incorporation (incorporated by reference to amendment No. 2 to Form SB-2 (File No. 333-135591) filed on August 28, 2006)</a>
<a href="#">3.3</a>	<a href="#">Amendment to the Certificate of Incorporation (incorporated by reference to the Form DEF 14C filed on April 20, 2007)</a>
<a href="#">3.4</a>	<a href="#">Amendment to the Certificate of Incorporation (incorporated by reference to the Form S-1/A filed on May 12, 2017)</a>
<a href="#">3.5</a>	<a href="#">By-Laws (incorporated by reference to the Form SB-2 (File No. 333-91049) filed on November 16, 1999)</a>
<a href="#">3.6</a>	<a href="#">Amended and Restated By-Laws (incorporated by reference to the Form 8-K filed on March 31, 2011)</a>
<a href="#">3.7</a>	<a href="#">Amended and Restated By-Laws (incorporated by reference to the Form 8-K filed on March 21, 2012)</a>
<a href="#">4.1</a>	<a href="#">Trust Indenture with TSX Trust Company, dated July 12, 2017 (incorporated by reference to the Form 8-K filed on July 12, 2017)</a>
<a href="#">5.1</a>	<a href="#">Opinion of Dorsey &amp; Whitney LLP</a>
<a href="#">5.2</a>	<a href="#">Opinion of McCarthy Tetrault LLP</a>
<a href="#">9.1</a>	<a href="#">Voting Trust agreement (incorporated by reference to the Form 8-K/A filed on May 5, 2006)</a>
<a href="#">10.1+</a>	<a href="#">Horst Zerbe employment agreement dated October 1, 2014 (incorporated by reference to the Form 10-Q filed on November 12, 2014)</a>
<a href="#">10.2</a>	<a href="#">Registration rights agreement (incorporated by reference to the Form SB-2 (File No. 333-135591) filed on July 3, 2006)</a>
<a href="#">10.3</a>	<a href="#">Principal's registration rights agreement (incorporated by reference to the Form SB-2 (File No. 333-135591) filed on July 3, 2006)</a>
<a href="#">10.4 +</a>	<a href="#">2006 Stock Option Plan (incorporated by reference to the Form S-8 filed on November 21, 2006)</a>
<a href="#">10.5 +</a>	<a href="#">Amended and Restated 2006 Stock Option Plan, May 29, 2008 (incorporated by reference to the Form 10-K filed on March 25, 2009)</a>
<a href="#">10.6</a>	<a href="#">Co-Development and Commercialization Agreement with RedHill Biopharma Ltd. (incorporated by reference to the Form 10-Q filed on November 9, 2010)</a>
<a href="#">10.7 +</a>	<a href="#">Amended and Restated 2006 Stock Option Plan (incorporated by reference to the Form S-8 filed on November 15, 2010)</a>
<a href="#">10.8</a>	<a href="#">Project Transfer Agreement (incorporated by reference to the Form 10-Q filed on May 14, 2010)</a>
<a href="#">10.9</a>	<a href="#">Co-development and Licensing Agreement (incorporated by reference to the Form 10-Q filed on May 14, 2010)</a>
<a href="#">10.10</a>	<a href="#">License and Asset Transfer Agreement with Edgemont Pharmaceuticals (incorporated by reference to the Form 10Q filed on May 15, 2012)</a>
<a href="#">10.11</a>	<a href="#">Development Services and Commercialization Agreement with PAR Pharmaceuticals, dated December 19, 2011 (incorporated by reference to the Form 10-K filed on March 11, 2014)</a>
<a href="#">10.12</a>	<a href="#">Development Services and Commercialization Agreement with PAR Pharmaceuticals, dated January 8, 2014 (incorporated by reference to the Form 10-K filed on March 11, 2014)</a>
<a href="#">10.13</a>	<a href="#">Employment Agreement Andre Godin, July 2015 (incorporated by reference to the Form 8-K filed on July 20, 2015)</a>
<a href="#">10.14</a>	<a href="#">Employment Agreement Nadine Paiement, January 2016 (incorporated by reference to the Form 10-K filed on March 30, 2016)</a>
<a href="#">10.15</a>	<a href="#">Employment Agreement Dana Matzen, March 2016 (incorporated by reference to the Form 10-K filed on March 30, 2016)</a>
<a href="#">10.16+</a>	<a href="#">2016 Stock Option Plan May, 11 2016 (incorporated by reference to the Form S-8 Registration Statement filed on August 3, 2016)</a>
<a href="#">10.17</a>	<a href="#">Amended Principal's Registration Rights Agreement, November 8, 2016 (incorporated by reference to Form 10-Q filed on November 10, 2016)</a>
<a href="#">10.18</a>	<a href="#">Agency Agreement dated June 28, 2017 (incorporated by reference from the Company's Form 8-K filed on July 5, 2017)</a>
<a href="#">10.19+</a>	<a href="#">Deferred Share Unit Plan for non-employee directors (incorporated by reference to the Form 10K filed on March 29, 2018)</a>
<a href="#">10.20</a>	<a href="#">Placement Agent Agreement dated May 8, 2018 (incorporated by reference to the Form 8-K filed on May 10, 2018)</a>
<a href="#">10.21</a>	<a href="#">Form of Warrant dated May 8, 2018 (incorporated by reference to the Form 8-K filed on May 10, 2018)</a>
<a href="#">10.22</a>	<a href="#">Form of Securities Purchase Agreement dated May 8, 2018 (incorporated by reference to the Form 8-K filed on May 10, 2018)</a>
<a href="#">10.23</a>	<a href="#">Form of Registration Rights Agreement dated May 8, 2018 (incorporated by reference to the Form 8-K filed on May 10, 2018)</a>
<a href="#">10.24</a>	<a href="#">Form of Note dated May 8, 2018 (incorporated by reference to the Form 8-K filed on May 10, 2018)</a>
<a href="#">10.25</a>	<a href="#">Placement Agent Agreement between the Company and H.C. Wainwright &amp; Co., LLC dated October 18, 2018 (incorporated by reference to the Form 8-K filed on October 22, 2018)</a>
<a href="#">10.26</a>	<a href="#">Placement Agent Agreement between the Company and Echelon Wealth Partners Inc. dated October 18, 2018 (incorporated by reference to the Form 8-K filed on October 22, 2018)</a>
<a href="#">10.27</a>	<a href="#">Form of Warrant (incorporated by reference to the Form 8-K on October 22, 2018)</a>
<a href="#">10.28</a>	<a href="#">Form of Securities Purchase Agreement (incorporated by reference to the Form 8-K on October 22, 2018)</a>
<a href="#">10.29</a>	<a href="#">Form of Warrant Indenture</a>
<a href="#">10.30</a>	<a href="#">Form of Agent Warrant</a>
<a href="#">21.1</a>	<a href="#">Subsidiaries of the small business issuer (incorporated by reference to the Form SB-2 (File No. 333-135591) filed on July 3, 2006)</a>
<a href="#">23.1</a>	<a href="#">Consent of Richter LLP</a>
<a href="#">23.2</a>	<a href="#">Consent of Dorsey &amp; Whitney LLP (contained in Exhibit 5.1)</a>
<a href="#">23.3</a>	<a href="#">Consent of McCarthy Tetrault LLP (contained in Exhibit 5.2)</a>
<a href="#">24.1</a>	<a href="#">Power of Attorney (contained in the signature page of the Form S-1 Registration Statement filed with the Commission on December 20, 2019)</a>

+ Portions of this exhibit have been omitted based on an application for confidential treatment from the SEC. The omitted portions of these exhibits have been submitted separately with the SEC.

**Item 17. Undertakings**

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(a) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(b) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(c) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(a) If the Company is relying on Rule 430B:

(i) Each prospectus filed by the Company pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(b) If the Company is subject to Rule 430C: Each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(7) Insofar as Indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provision, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

### SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Ville St-Laurent, Province of Quebec, on January 27, 2020.

#### INTELGEX TECHNOLOGIES CORP.

By: /s/ Horst G. Zerbe

Horst G. Zerbe  
Chief Executive Officer  
(Principal Executive Officer)

By: /s/ Andre Godin

Andre Godin  
President and Chief Financial Officer  
(Principal Financial and Accounting Officer)

**POWER OF ATTORNEY**

Each person whose signature appears below constitutes and appoints Horst Zerbe and Andre Godin his or her true and lawful attorney in fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any or all amendments (including post effective amendments) to the Registration Statement, and to sign any registration statement for the same offering covered by this Registration Statement that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and all post effective amendments thereto, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, each acting alone, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<b>SIGNATURE</b>	<b>TITLE</b>	<b>DATE</b>
<u>/s/ Horst G. Zerbe</u> Horst G. Zerbe	Chief Executive Officer and Director	<u>January 27, 2020</u>
<u>*</u> Andre Godin	President and Chief Financial Officer	<u>January 27, 2020</u>
<u>*</u> J. Bernard Boudreau	Director	<u>January 27, 2020</u>
<u>*</u> John Marinucci	Director	<u>January 27, 2020</u>
<u>*</u> Bernd J. Melchers	Director	<u>January 27, 2020</u>
<u>*</u> Clemens Mayr	Director	<u>January 27, 2020</u>
<u>*</u> Mark Nawacki	Director	<u>January 27, 2020</u>

By: /s/ Horst G. Zerbe  
Name: Horst G. Zerbe  
Title: Attorney in Fact

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## AGENCY AGREEMENT

January 27, 2020

IntelGenx Technologies Corp.

6420 Abrams  
Ville Saint-Laurent, Québec H4S 1Y2

**Attention: Horst G. Zerbe, Chief Executive Officer**

Dear Sir:

The undersigned, Echelon Wealth Partners Inc. (the "**Agent**") understands that IntelGenx Technologies Corp. (the "**Corporation**") proposes to issue and offer for sale up to an aggregate amount of 20,000,000 units of the Corporation (each, an "**Offered Unit**" and collectively, the "**Offered Units**") at the purchase price of \$0.50 per Offered Unit (the "**Offering Price**") for minimum aggregate gross proceeds to the Corporation of \$5,000,000 ("**Minimum Offering**") and maximum aggregate gross proceeds of \$10,000,000 (the "**Offering**"). Each Offered Unit will be comprised of one share of common stock (a "**Common Share**") of the Corporation, and one Common share purchase warrant (each, a "**Warrant**" and the Common Shares underlying the Warrants, the "**Warrant Shares**"). Each Warrant entitles the holder thereof to acquire one Common Share for an exercise price of \$0.75 per Common Share (the "**Exercise Price**") for a period of 36 months following the Closing Date.

The Corporation hereby grants an option (the "**Over-Allotment Option**") to the Agent entitling the Agent to increase the size of the Offering by an amount up to an additional 15% of the Offered Units, at the Offering Price, exercisable in whole or in part at any time for a period of thirty (30) days following and including the Closing Date (as hereinafter defined). The Agent will provide the Corporation with notice, in the form attached hereto as Schedule "A", of their intention to exercise all, or a portion of, their Over-Allotment Option at least two (2) Business Days (as hereinafter defined) prior to each proposed Closing Date in respect of each exercise of the Over-Allotment Option.

In connection with the issue and offer for sale of the Offered Units as set forth above (the "**Offering**"), the Corporation has (i) prepared and filed with the Autorité des marchés financiers (the "**Principal Regulator**") and the other Securities Regulators (as hereinafter defined) in accordance with National Instrument 44-101 – *Short Form Prospectus* a preliminary short form prospectus dated December 18, 2019 (the "**Preliminary Prospectus**"); (ii) has addressed the comments made by the Principal Regulator, for and on behalf of itself and each of the other Securities Regulators pursuant to the Passport Procedures (as hereinafter defined); (iii) has been cleared by the Principal Regulator, for and on behalf of itself and each of the other Securities Regulators pursuant to the Passport Procedures to file the Final Prospectus (as hereinafter defined); and (iv) has received from the TSX Venture Exchange (the "**TSXV**") two conditional approval letters dated January 23, 2020 to list the Common Shares, the Warrants, the Warrant Shares and the Compensation Shares (as hereinafter defined) on the TSXV.

The Corporation has prepared and will file, concurrently with the execution of this Agreement, the Final Prospectus and all other necessary documents in order to create, authorize and issue the Offered Units and to qualify the Offered Units for distribution to the public in each of the Selling Jurisdictions (as hereinafter defined), and will have obtained the Final Receipt (as hereinafter defined) prior to completing the Offering.

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In addition, and further in connection with the Offering, (i) the Corporation has prepared and filed with the United States Securities and Exchange Commission ("SEC") a Registration Statement on Form S-1 (the "**Registration Statement**") under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") containing the U.S. Prospectus (as hereinafter defined), for the purpose of registering under the U.S. Securities Act the Offered Units being sold in the Selling Jurisdictions (as hereinafter defined); (ii) the Corporation has addressed the comments made by the SEC; and (iii) the SEC will have declared the Registration Statement effective prior to completing the Offering.

Subject to the terms and conditions set out below, the Corporation hereby appoints the Agent to act as lead agent and sole bookrunner to the Corporation, and the Agent hereby agrees to act as the placement agent of the Corporation, in respect of the Offering on a commercially reasonable best efforts basis in the Selling Jurisdictions (as hereinafter defined). The Qualifying Jurisdictions other than the Province of Quebec, together with any jurisdiction other than the United States or any other province or territory of Canada, are hereinafter referred to collectively as the "**Selling Jurisdictions**". Unless otherwise agreed to by the Agent and the Corporation, no sales of Offered Units may be made to any purchaser in the United States, certain offshore jurisdictions or any province or territory of Canada other than the provinces of Ontario, Manitoba, Alberta and British Columbia.

The Corporation agrees that the Agent and Selling Group Members (as hereinafter defined) are under no obligation to purchase any of the Offered Units and are not required to sell any specific number or dollar amount of the Offered Units.

In consideration for the Agent's services to the Corporation in connection with the Offering, the Corporation agrees to pay to the Agent, at Closing (as hereinafter defined) an aggregate amount in cash (the "**Agent's Fee**") equal to 7.0% of the aggregate gross proceeds from the sale of the Offered Units pursuant to the Offering (including in respect of proceeds derived from the exercise of the Over-Allotment Option). As additional consideration, the Corporation will issue warrants to the Agent which entitles the holder thereof to acquire one Common Share for an exercise price of \$0.75 per Common Share for a period of 36 months following the Closing Date (the "**Compensation Warrants**" and the Common Shares underlying the Compensation Warrants, the "**Compensation Shares**") in an amount equal to 7.0% of the Offered Units issued pursuant to the Offering (including in respect of Offered Units issued upon exercise of the Over-Allotment Option). The Compensation Warrants shall have the same terms as the Warrants issued to the Purchasers. The Agent's Fee and the Compensation Warrants will be paid by the Corporation to the Agent at Closing. Notwithstanding the foregoing, the Corporation shall only pay the Agent a cash fee in an amount equal to 3.5% (with respect to such amount, in lieu of, and not in addition to, the Agent's Fee as set forth above) of the aggregate gross proceeds of the Offering on the Corporation's President's List and will only issue Compensation Warrants to purchase up to 3.5% of the Offered Units sold under the President's List.

It is a condition to Closing that gross proceeds of at least \$5,000,000 be raised from the sale of Offered Units in the Offering. The Agent will hold in trust all funds received from subscriptions for Offered Units until the Minimum Offering has been raised. If the Minimum Offering is not raised on or before the date that is 90 days after the date of the Final Receipt, the Agent shall return the funds to the subscribers without any deduction or interest.

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If within a period of eight (8) months from the Closing of the Offering (the "**Right of Refusal Period**") and only if the Offering has been completed, the Corporation undertakes a public or private offering of debt, equity or equity-based securities, or otherwise requires advisory services, the Agent will have a right of first refusal ("**Right of First Refusal**") to serve as the sole bookrunner, lead manager or exclusive placement agent for such financing or advisor for such advisory mandate.

In the event that the Right of First Refusal is exercised, the Corporation and the Agent may enter into a separate agreement or other appropriate documentation for such engagement containing such compensation and other terms and conditions as are customary for similar engagements, including, without limitation, appropriate indemnification provisions, as deemed appropriate under applicable circumstances.

The foregoing Right of First Refusal must be exercised by the Agent within five (5) Business Days following written notification from the Corporation that the Corporation requires or proposes to obtain additional financing, failing which the Agent shall relinquish its rights with respect to that particular engagement only and shall continue to have a Right of First Refusal in relation to any other public or private offering of debt, equity, equity-based securities of the Corporation during the Right of First Refusal Period. If, prior to, or any time after, providing the Agent with such written notice, the Corporation has received an offer from a third party to serve as lead manager or exclusive placement agent in connection with a financing, or advisor for an advisory mandate, the terms upon which such third party has proposed to act in such capacity shall be disclosed to the Agent by the Corporation in writing, and the Agent shall be entitled to exercise its Right of First Refusal by notifying the Corporation, within five (5) Business Days following written notification from the Corporation, of its intention to act as an Agent in connection with the proposal put forth by such third party. The Corporation confirms that there are no other rights of first refusal and/or right of participation to provide debt or equity financing or financial advisory services to the Corporation currently outstanding.

The Corporation agrees that the Agent, in consultation with the Corporation, will be permitted to appoint other appropriately registered investment dealers to form a selling group to participate in the offering of the Offered Units. The Corporation grants all of the rights and benefits of this Agreement to any investment dealer who is a member of any Selling Group formed by the Agent and appoints the Agent as representatives for all such investment dealers, and the Agent hereby accepts this appointment and agrees to exercise such rights and benefits for and on behalf of all such investment dealers. The Agent shall ensure that any investment dealer who is a member of any Selling Group formed by the Agent pursuant to the provisions of this subsection or with whom the Agent has a contractual relationship with respect to the Offering, if any, shall comply with the covenants and obligations of the Agent herein. The Agent shall, however, be under no obligation to engage any sub-agent or form any Selling Group. Such other brokers and dealers, together with the Agent, are collectively referred to herein as the "**Selling Group**".

#### **ARTICLE 1 DEFINED TERMS**

In addition to the terms defined above, where used in this Agreement the following terms shall have the respective meanings set out below:

"**affiliate**", "**distribution**", "**material fact**", "**material change**", "**misrepresentation**" and "**subsidiary**" have the respective meanings ascribed to such terms in the *Securities Act* (Québec);

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"**Agent**" has the meaning given to it above;

"**Agent's Counsel**" means Dickinson Wright LLP in Canada and Dickinson Wright PLLC in the U.S.;

"**Agent's Fee**" has the meaning given to it above;

"**Agreement**" means the agreement resulting from the acceptance by the Corporation of the offer made by the Agent by this agreement, including all schedules hereto, as amended or supplemented from time to time;

"**Business Day**" means a day which is not a Saturday or Sunday or a statutory or civic holiday or a day on which commercial banks are not open for business in Montreal, Québec or New York City, New York;

"**Canadian Securities Laws**" means all applicable securities laws in each of the Qualifying Jurisdictions and the respective regulations, rules and forms thereunder together with applicable orders, rulings, instruments and published policy statements of the Securities Commissions;

"**CDS**" has the meaning set out in Section 7.1;

"**Closing**" means the closing of the delivery of and payment for the Offered Units (including the closing in respect of the Over-Allotment Option);

"**Closing Date**" means on or about February 11, 2020 or such other date as the Corporation and the Agent may agree;

"**Closing Time**" means 8:00 a.m. (Montreal time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agent may agree upon in writing;

"**Confidential Information**" has the meaning set out in Section 3.1;

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

"**Compensation Warrants**" has the meaning given to it above;

"**Compensation Warrant Certificates**" means the definitive form of certificate representing the Compensation Warrants;

"**Corporation**" means IntelGenx Technologies Corp.;

"**Corporation's Auditors**" means such firm of chartered accountants as the Corporation may have appointed or may from time to time appoint as auditors of the Corporation, including prior auditors of the Corporation, as applicable;

"**Corporation's Canadian Counsel**" means McCarthy Tétrault LLP;

"**Corporation's Intellectual Property Counsel**" means Butzel Long PC;

"**Corporation's U.S. Counsel**" means Dorsey & Whitney LLP;

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**"Documents Incorporated by Reference"** means all financial statements, management information circulars, annual information forms, material change reports, business acquisition reports or other documents filed by the Corporation, whether before or after the date of this Agreement, that are incorporated by reference, or deemed to be incorporated by reference pursuant to NI 44-101, into the Prospectus or any Supplementary Material;

**"Engagement Letter"** means the engagement letter dated December 10, 2019 entered into between the Agent and the Corporation in connection with the Offering;

**"FDA"** has the meaning set in Section 8.1(dd)(i);

**"Final Prospectus"** means the final short form prospectus dated January 27, 2020 together with Documents Incorporated by Reference therein;

**"Final Receipt"** means the receipt issued by the Principal Regulator under the Passport System in respect of the Final Prospectus;

**"Financial Information"** means the Financial Statements and any selected financial data which is the subject of the opinion of the Corporation's Auditors, including the sections entitled "Consolidated Capitalization" and any other financial data which is the subject of the opinion of the Corporation's Auditors or included or incorporated by reference in the Prospectus;

**"Financial Statements"** means the financial statements of the Corporation included in the Documents Incorporated by Reference, including the notes to such statements and any related auditors' report on such statements;

**"Indemnified Parties"** has the meaning set out in Section 11.1;

**"Indemnitor"** has the meaning set out in Section 11.1;

**"Intellectual Property Rights"** has the meaning set out in Section 8.1(bb)(i);

**"Lock-up Period"** has the meaning set out Section 8.1(vv);

**"Lock-up Agreement"** has the meaning set out in Section 8.1(vv);

**"material"** or **"materially"** means, in relation to the Corporation, material to the Corporation after giving effect to the transactions contemplated by the Prospectus or this Agreement to be completed at or prior to the Closing Time, including for greater certainty the Offering;

**"Material Adverse Effect"** means, any change or effect in the business, operations, results of operations, assets, capitalization, financial condition, rights or liabilities of the Corporation which is materially adverse to the business, operations or financial condition of the Corporation;

**"NI 44-101"** means National Instrument 44-101 - *Short Form Prospectus Distributions*;

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

**"Offering"** has the meaning given to it above;

**"Offering Price"** has the meaning given to it above;

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"**Offered Unit**" has the meaning given to it above;

"**Passport System**" means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102 - *Passport System* adopted by the Securities Commissions (other than the Ontario Securities Commission) and National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions*;

"**Preliminary Prospectus**" means the amended and restated preliminary short form prospectus of the Corporation dated December 18, 2019, together with Documents Incorporated by Reference therein;

"**President's List**" means the list of subscribers provided by the Corporation attached hereto as Schedule "B";

"**Principal Regulator**" means the Autorité des marchés financiers du Québec;

"**Prospectus**" means, collectively, the Preliminary Prospectus, the Final Prospectus and any Supplementary Material;

"**Purchasers**" means, collectively, each of the purchasers of Offered Units offered for sale by the Selling Group pursuant to the Offering;

"**Qualifying Jurisdictions**" means the provinces of Quebec, Ontario, Manitoba, Alberta and British Columbia;

"**Registration Statement**" has the meaning given to it above;

"**Regulation S**" means Regulation S promulgated under the U.S. Securities Act;

"**Right of First Refusal Period**" has the meaning given to it above;

"**Right of First Refusal**" has the meaning given to it above;

"**SEC**" has the meaning given to it above;

"**Securities Commissions**" means, collectively, the securities commissions or similar regulatory authorities in the Qualifying Jurisdictions;

"**Securities Laws**" means, unless the context otherwise requires, all Canadian Securities Laws and U.S. Securities Laws;

"**SEDAR**" means the system for electronic document analysis and retrieval operated by the Canadian Securities Administrators;

"**Selling Group**" has the meaning given to it above;

"**Selling Group Member**" means a member of the Selling Group other than the Agent;

"**Selling Jurisdictions**" has the meaning given to it above;

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"**Standard Listing Conditions**" has the meaning set out in Section 9.1(a);

"**Subsidiary**" has the meaning set out in Section 8.1(b);

"**Supplementary Material**" means, collectively, any amendment to the Prospectus or U.S. Final Prospectus, any post-effective amendment to the Registration Statement, any amended or supplemental prospectus or ancillary material required to be filed under Securities Laws in connection with the distribution of the Offered Units together with the Documents Incorporated by Reference therein;

"**to the knowledge of the Corporation**", "**the Corporation's knowledge**" and similar phrases, mean, in respect of each representation and warranty or other statement which is qualified by such phrases, that such representation and warranty or other statement is being made based upon the actual knowledge of the Corporation's Chief Executive Officer, the President and Chief Financial Officer, the Corporate Secretary or the Director, Intellectual Property & Legal Affairs;

"**Transfer Agent**" means Philadelphia Stock Transfer, Inc., in its capacity as transfer agent and registrar of the Common Shares;

"**TSXV**" means the TSX Venture Exchange;

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

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended;

"**U.S. Final Prospectus**" means the U.S. Prospectus, or if any pricing or other information has been omitted from the U.S. Prospectus at the time the Registration Statement became effective as permitted by Rule 430A under the U.S. Securities Act, means the form of prospectus filed or to be filed pursuant to Rule 424(b) under the U.S. Securities Act containing such previously omitted information;

"**U.S. Prospectus**" means the prospectus forming part of the Registration Statement at the time it became effective, which prospectus may omit pricing and other information as permitted by Rule 430A under the U.S. Securities Act;

"**U.S. Securities Act**" has the meaning given to it above;

"**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, and the rules and policies of the SEC;

"**Warrant Indenture**" means the indenture to be entered into between the Corporation and TSX Trust Company under which the Warrants will be issued.

## **ARTICLE 2 PROSPECTUS**

2.1. The Corporation has prepared and filed the Preliminary Prospectus in accordance with applicable Canadian Securities Laws, including NI 44-101 and the Passport System, of each of the Securities Commissions in each of the Qualifying Jurisdictions. The Principal Regulator, in its capacity as principal regulator in accordance with the Passport System, has issued a receipt in respect of the Preliminary Prospectus deeming that a receipt has been issued by the Principal Regulator and the Securities Commissions. The Corporation has been notified by the Principal Regulator that it is allowed to file the Final Prospectus.

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2.2. The Corporation has prepared and will file, concurrently with the execution of this Agreement, the Final Prospectus and all other necessary documents under the securities laws of the Qualifying Jurisdictions, in order to create, authorize and issue the Offered Units and to qualify the Offered Units for distribution to the public in each of the Selling Jurisdictions, and will have obtained the Final Receipt prior to completing the Offering. In addition, if any pricing or other information was previously omitted from the U.S. Prospectus in accordance with Rule 430A under the U.S. Securities Act at the time the Registration Statement became effective, the Corporation shall prepare and will file, within the prescribed time and prior to completing the Offering, a form of final prospectus with the SEC pursuant to Rule 424(b) under the U.S. Securities Act containing any pricing or other information previously omitted from the U.S. Prospectus.

2.3. Until the date on which the distribution of the Offered Units is completed, the Corporation shall use commercially reasonable efforts to promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required: (i) under Securities Laws to continue to qualify the distribution of the Offered Units for sale to the public, in each of the Selling Jurisdictions and, if applicable, in the other Selling Jurisdictions; and (ii) under the U.S. Securities Act, to maintain the effectiveness of the Registration Statement and to ensure that, at the time of the sale of the Offered Units, it does not contain any material misstatement, or omit any information necessary to make any statement contained therein not misleading, including the filing of any post-effective amendment to the Registration Statement as may be necessary.

2.4. Concurrently with the filing of the Final Prospectus under Canadian Securities Laws, the Corporation shall deliver to the Agent:

- (a) a copy of the Final Prospectus, signed and certified as required by the Canadian Securities Laws applicable in the Qualifying Jurisdictions, together with any Documents Incorporated by Reference not previously filed;
  - (b) a copy of any other document required to be filed by the Corporation in compliance with Canadian Securities Laws in connection therewith;
  - (c) a customary "long-form" comfort letter of the Corporation's Auditors dated as of the date of the Final Prospectus (with the requisite procedures to be completed by the Corporation's Auditors within two Business Days of the date of the Final Prospectus) addressed to the Agent and to the directors of the Corporation in form and substance satisfactory to the Agent and Agent's Counsel, acting reasonably, with respect to certain financial and accounting information relating to the Corporation and other numerical data in the Prospectus, including all Documents Incorporated by Reference, which letter shall be in addition to the auditors' report incorporated by reference into the Prospectus and contained in the U.S. Final Prospectus, and any auditors' consent letters addressed to the Securities Commissions or the SEC; and
  - (d) prior to or concurrent with the filing of the Final Prospectus, copies of correspondence indicating that the applications for the listing on the TSXV of the Common Shares and Warrants issuable in connection with the Offering, the Warrant Shares issuable on the conversion of the Warrants and the Compensation Warrant Shares issuable on the conversion of the Compensation Warrants, have been approved for listing, subject only to the satisfaction by the Corporation of customary conditions as set out in the TSXV conditional approval letter in respect of the Offering.
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2.5. If the Corporation is required to prepare Supplementary Material, the Corporation shall prepare and deliver promptly to the Agent a signed copy of such Supplementary Material including any Documents Incorporated by Reference therein which have not been previously delivered. Concurrently with the delivery of any Supplementary Material, the Corporation shall deliver to the Agent an updated form of "long-form" comfort letter referred to in Section 2.4(c) to the extent it is in need of updating or revision.

2.6. Delivery of the executed form of the Prospectus to the Agent shall constitute a representation and warranty by the Corporation to the Agent and, if applicable, the Selling Group Members, that as at the date of delivery:

- (a) all information and statements (except information and statements provided by or relating solely to the Agent) contained in the Prospectus and Registration Statement are true and correct in all material respects and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Units, including the Common Shares issuable on the conversion of the Warrants and the Compensation Warrants;
- (b) no material fact or information has been omitted from the Prospectus or Registration Statement (except that no representation or warranty is given regarding facts or information provided by or relating solely to the Agent) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading, or not misleading in the light of the circumstances under which they were made;
- (c) such document complies in all material respects with the requirements of Canadian Securities Laws, and the Registration Statement and U.S. Final Prospectus comply in all material respects with the requirements of the U.S. Securities Act; and
- (d) except as set forth or contemplated in the Prospectus or U.S. Prospectus or any Supplementary Material or as has otherwise been publicly disclosed, there has been no material change (actual, anticipated, contemplated, proposed or, to the knowledge of the Corporation, threatened) in the business, affairs, business prospects, operations, asset liabilities (contingent or otherwise), capital of the Corporation since the end of the period covered by the Financial Statements.

2.7. Such deliveries shall also constitute the Corporation's consent to the Agent and any other member of the Selling Group use of the Prospectus and U.S. Final Prospectus for the distribution of the Offered Units in compliance with the provisions of this Agreement, Canadian Securities Laws, the U.S. Securities Act and all other applicable securities laws.

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2.8. If requested by the Agent, the Corporation shall deliver or cause to be delivered, without charge to the Agent or, if applicable, the Selling Group Members, commercial copies of the Final Prospectus and any Supplemental Material, and will use its commercially reasonable efforts to ensure that such commercial copies are delivered to such addresses as the Agent and, if applicable, the Selling Group Members may reasonably request as soon as possible and, in the case of the Final Prospectus, on or before a date which is two Business Days after the filing of the Final Prospectus in the Qualifying Jurisdictions. The Agent shall after the Closing Date give prompt written notice to the Corporation when, in the opinion of the Agent, it has completed the distribution and offering of the Offered Units and of the total proceeds realized in each of the Selling Jurisdictions.

### **ARTICLE 3 DUE DILIGENCE**

3.1. Prior to the filing of the Final Prospectus, any U.S. Final Prospectus and any Supplementary Material (other than any material filed prior to the date hereof and incorporated by reference therein), the Corporation will allow the Agent and the Selling Group Members to participate in the preparation of the Final Prospectus, any U.S. Final Prospectus, any Supplementary Material and shall allow the Agent and the Selling Group Members to conduct all due diligence which it may reasonably require to conduct in order to fulfill their obligations, in order to enable the Agent to responsibly execute the certificate required to be executed by the Agent in the Prospectus and any applicable Supplementary Material. All information provided to the Agent and the Selling Group Members which is not in the public domain (the "**Confidential Information**") will be kept confidential by the Agent and the Selling Group Members and such Confidential Information will not be used or disclosed by the Agent, the Selling Group Members or their respective representatives for any purpose other than the Agent's and the Selling Group Members' due diligence review. The Agent and the Selling Group Members shall ensure that each of their representatives, including employees, professional consultants and agents, if any, shall be made aware of and be bound by this Section 3.1 prior to receiving any such Confidential Information.

### **ARTICLE 4 COVENANTS AND REPRESENTATIONS OF THE AGENT**

4.1. The Agent (for and on behalf of the other members of the Selling Group) represents and warrants to, and covenants with, the Corporation, acknowledging that the Corporation is relying upon such representations, warranties and covenants in acting hereunder the Agent and each other member of the Selling Group, as applicable:

- (a) has complied and will comply, and shall require any other member of the Selling Group to comply, with Securities Laws in connection with the distribution of the Offered Units, shall ensure that each member of the Selling Group agrees to comply with the covenants and obligations given by the Agent herein, to the extent applicable, and shall only offer the Offered Units in the Selling Jurisdictions directly and through the Selling Group only upon the terms and conditions set out in the Prospectus and this Agreement. The Agent agree to obtain such an agreement of each member of the Selling Group. The Agent will offer and sell, and shall require any member of the Selling Group to offer and sell, the Offered Units only in the Selling Jurisdictions where they may be lawfully offered for sale or sold. For greater certainty, the Agent will not offer or sell, and shall require that no member of the Selling Group offer or sell, the Offered Units in the Province of Quebec or the United States;
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- (b) by its execution of this Agreement, certifies that the Agent is not a person or company in respect of which the Corporation is a "connected issuer" or a "related issuer" within the respective meanings of those terms in National Instrument 33-105 - *Underwriting Conflicts of the Canadian Securities Administrators*;
- (c) shall not, and shall require each member of the Selling Group to agree to not, directly or indirectly, sell or solicit offers to purchase the Offered Units or distribute or publish any offering circular, prospectus, form of application, advertisement or other offering materials in any country or jurisdiction so as to require registration or filing of a prospectus with respect thereto or compliance by the Corporation with regulatory requirements (including any continuous disclosure obligations) under the laws of, or subject the Corporation (or any of its directors, officers or employees) to any inquiry, investigation or proceeding of any securities regulatory authority, stock exchange or other authority in, any jurisdiction (other than the filing of the Preliminary Prospectus, the Final Prospectus, the U.S. Final Prospectus, or any Supplementary Material in the Qualifying Jurisdictions or with the SEC);
- (d) shall provide a breakdown of the number of Units distributed and proceeds received in each of the Selling Jurisdictions where such breakdown is required for the purpose of calculating fees payable to the Securities Commissions (which breakdown shall be provided not later than three Business Days prior to the applicable fee payment deadline);
- (e) in the case of electronic delivery of the Prospectus, comply with the provisions of National Policy 11-201 - *Electronic Delivery of Documents of the Canadian Securities Administrators* and provide written confirmation of such delivery promptly following completion thereof;
- (f) holds all licenses and permits that are required for carrying on its business in the manner in which such business has been carried on;
- (g) has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein; and
- (h) is duly and appropriately registered under the securities laws of the Qualifying Jurisdictions and the other Selling Jurisdictions as applicable so as to permit it to lawfully fulfil its obligations hereunder.

**ARTICLE 5**  
**MARKETING MATERIALS**

5.1. Until the Closing or termination of this Agreement, the Corporation and the Agent shall approve in writing (prior to such time that marketing materials are first provided to potential investors) any marketing materials (and amendments thereto) reasonably requested to be provided by the Agent to any potential investor of the Offered Units, such marketing materials to comply with Securities Laws. The Agent shall provide a copy of any marketing materials used in connection with the Offering to the Corporation in accordance with this Section 5.1 at the latest on or before the day the marketing materials are first provided to any potential investor of Offered Units. The Corporation shall file a template version of such marketing materials with the Securities Commissions as soon as reasonably practicable after such marketing materials are so approved in writing by the Corporation and the Agent, and in any event on or before the day the marketing materials are first provided to any potential investor of Offered Units, and such filing shall constitute the Agent's authority to use such marketing materials in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Securities Commissions and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Securities Commissions by the Corporation.

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5.2. The Corporation and the Agent (for and on behalf of the Agent and the other members of the Selling Group), on a joint (and not solidary, nor joint and several) basis, covenant and agree:

- (a) not to provide any potential investor of Offered Units with any marketing materials unless a template version of such marketing materials has been filed by the Corporation with the Securities Commissions on or before the day such marketing materials are first provided to any potential investor of the Offered Units;
- (b) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Units or the Corporation other than (i) such marketing materials that have been approved and filed in accordance with this Article 5 (ii) the Prospectus; and (iii) any standard term sheets approved in writing by the Corporation and the Agent; and
- (c) that any marketing materials approved and filed in accordance with this Article 5 and any standard term sheets approved in writing by the Corporation and the Agent, shall only be provided to potential investors in the Selling Jurisdictions where the provision of such marketing materials or standard term sheets does not contravene Securities Laws.

The Corporation covenants and agrees to file with the SEC pursuant to Rule 433 under the U.S. Securities Act any marketing materials or other materials required to be so filed as a "free writing prospectus" within the time required by such rule.

The Agent (for and on behalf of the Agent and the other members of the Selling Group) covenants and agrees to comply with Securities Laws in connection with the provision of marketing materials to potential investors, including by sending, as soon as practicable following the filing of the Prospectus with the Securities Commissions in each of the Selling Jurisdictions, a copy of the Prospectus to each person that previously received marketing materials and expressed an interest in purchasing the Offered Units.

#### **ARTICLE 6 MATERIAL CHANGE DURING DISTRIBUTION**

6.1. The Corporation will promptly notify the Agent in writing if, prior to termination of the distribution of the Offered Units, there shall occur any material change or change in a material fact contained in the Prospectus, the U.S. Final Prospectus, the Registration Statement or any Supplementary Material or any event or development involving a prospective material change or a change in a material fact or any other material change concerning the Corporation or any other change which, in each case, is of such a nature as to result in, or could be considered reasonably likely to result in, a misrepresentation in the Prospectus, the U.S. Final Prospectus, the Registration Statement or any Supplementary Material, as they exist immediately prior to such change, or could render any of the foregoing, as they exist immediately prior to such change, not in compliance with any Securities Laws.

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6.2. During the period of distribution of the Offered Units, the Corporation will promptly notify the Agent in writing with full particulars of any such change referred to in the preceding paragraph and the Corporation shall, to the satisfaction of the Agent, acting reasonably, provided that the Agent has taken all actions required by it hereunder to permit the Corporation to do so, file promptly and, in any event, within all applicable time limitation periods with the Securities Commissions or the SEC a new Prospectus, the U.S. Final Prospectus, post-effective amendment to the Registration Statement or other Supplementary Material, as the case may be, or material change report as may be required under the Securities Laws and shall comply with all other applicable filing and other requirements under Securities Laws including any requirements necessary to qualify the distribution of the Offered Units and shall deliver to the Agent as soon as practicable thereafter its reasonable requirements of conformed or commercial copies of any such new Prospectus or, if required, other Supplementary Material. Subject to its obligations under Securities Laws, the Corporation will not file any such new amended disclosure documentation or material change report without first obtaining the written approval of the form and content thereof by the Agent, which approval shall not be unreasonably withheld or delayed.

6.3. The Corporation will in good faith discuss with the Agent as promptly as possible any circumstance or event which is of such a nature that there is or reasonably ought to be consideration given as to whether there may be a material change or change in a material fact or other change described in paragraph 6.1.

6.4. If during the period of distribution of the Offered Units, there shall be any change in the Securities Laws which, in the reasonable opinion of the Agent, requires the filing of Supplementary Material, the Corporation shall, to the satisfaction of the Agent, acting reasonably, promptly prepare and file such Supplementary Material with the appropriate securities regulatory authority in each of the Qualifying Jurisdictions and with the SEC, or in any other Selling Jurisdictions where such filing is required.

## **ARTICLE 7 CLOSING**

7.1. The Closing shall be completed at the Closing Time via electronic means or at the offices of the Corporation's Counsel in Montreal, or at such other place as the Agent, for and on behalf of itself and the other members of the Selling Group, and the Corporation may agree upon. At or prior to the Closing Time, the Corporation shall deliver or cause to be delivered to the Agent certificates in definitive form and/or book-entry only securities in accordance with the "non-certificated" inventory rules and procedures of CDS Clearing and Depository Services Inc. ("CDS") representing the Offered Units registered in the name of CDS or in such other name or names as shall be designated by the Agent. The payment made to the Corporation of the proceeds from the sale of such Offered Units will be net of the Agent's Fee and net of amounts payable to the Agent's Counsel, as more fully set out under Article 12, in lawful money of Canada by wire transfer. The Agent shall contemporaneously deliver a receipt for such Offered Units and the Agent's Fee and expenses. In addition, the Corporation, shall at the Closing Time, issue to the Agent the Compensation Warrant Certificates.

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**ARTICLE 8**  
**REPRESENTATIONS, WARRANTIES**  
**AND COVENANTS OF THE CORPORATION**

8.1. The Corporation hereby represents and warrants to the Agent (for and on behalf of the Agent and the other members of the Selling Group) and acknowledges that the Agent (for and on behalf of the Agent and the other members of the Selling Group) are relying upon such representations and warranties in acting hereunder that:

- (a) **Reporting Issuer and TSXV Status.** The Corporation is a "reporting issuer" (a) in the Qualifying Jurisdictions, and (b) is not in default of any requirement of applicable Securities Laws in any material respect. The Corporation is not in material default of any requirement of such legislation or of any corporate or administrative policies including, without limitation, the Delaware General Corporation Law, and is in all material respects in compliance with the by-laws, rules and regulations of the TSXV.
  - (b) **No Subsidiaries.** The Corporation has no direct or indirect subsidiaries and does not own any securities of any entity (excluding portfolio investments) other than securities in the capital of IntelGenx Corp. ("**Subsidiary**") and 6544631 Canada Inc. which are held as follows: (a) the Corporation holds 100% of the outstanding securities of 6544631 Canada Inc. except for the exchangeable shares in the capital of 6544631 Canada Inc. which are not held by the Corporation and which are exchangeable by their holders, on a one for one basis, into Common Shares; (b) 6544631 Canada Inc. holds 77% of the outstanding securities of IntelGenx Corp; (c) the Corporation holds 23% of the outstanding securities of IntelGenx Corp.; (d) no other person has any other right, option or agreement to acquire any securities of such subsidiaries. Each of the subsidiaries of the Corporation are duly incorporated and authorized to carry on business in the jurisdiction in which it carries on business or owns property where so required by the laws of the jurisdiction.
  - (c) **Domestic Issuer.** The Corporation is a "domestic issuer" (as defined in Rule 902(e) of Regulation S under the U.S. Securities Act).
  - (d) **U.S. Reporting Issuer; Compliance with U.S. Securities Laws.** The common shares of the Corporation are registered under Section 12(g) of the U.S. Exchange Act and the Corporation has timely filed, within the last twelve (12) months, all required reports under the U.S. Exchange Act with the SEC and such filings are accurate and complete, and comply with all applicable form requirements, in all material respects. The Corporation meets all applicable qualification requirements to file a registration statement on Form S-1 with the SEC as a "smaller reporting company". The Registration Statement has been declared effective by the SEC and no "stop order" has been issued suspending its effectiveness.
  - (e) **Short Form Eligibility.** The Corporation is eligible to file a short form prospectus under NI 44-101 in each of the Qualifying Jurisdictions.
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- (f) ***Incorporated Documents.*** The documents incorporated or deemed to be incorporated by reference in the Prospectus, when they were filed with the Securities Commissions, conformed in all material respects to the requirements of the Canadian Securities Laws and, to the extent applicable, U.S. Securities Laws; and any further documents to be incorporated by reference in the Prospectus prior to the completion of the distribution of the Offered Units, when such documents are so filed, will conform in all material respects to the applicable requirements of the Canadian Securities Laws and, to the extent applicable, U.S. Securities Laws, and will not contain a misrepresentation within the meaning of Canadian Securities Laws or an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or not misleading in the light of the circumstances under which they were made.
  - (g) ***No voting agreement.*** No agreement to which the Corporation is a party or of which the Corporation is aware is in force or effect which in any manner affects the voting or control of any of the securities of the Corporation.
  - (h) ***Reports and Documents, etc.*** There are no reports or information that in accordance with the requirements of the Canadian Securities Laws, the U.S. Securities Act or the U.S. Exchange Act must be made publicly available in connection with the Offering that have not been made publicly available as required. There are no contracts or documents required to be filed with the Securities Commissions in the Qualifying Jurisdictions or with the SEC in connection with the Prospectus, the U.S. Final Prospectus or the Registration Statement that have not been filed as required pursuant to the Canadian Securities Laws, the U.S. Securities Act or the U.S. Exchange Act.
  - (i) ***Liabilities.*** The Corporation has no liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements or referred to or disclosed herein, other than liabilities, obligations, or indebtedness or commitments (i) incurred in the normal course of business, or (ii) which would not reasonably be expected to have a Material Adverse Effect.
  - (j) ***Distribution of Offering Material by the Corporation.*** The Corporation has not distributed and will not distribute, prior to the completion of the distribution of the Offered Units, any offering material in connection with the Offering and sale of the Offered Units other than the Prospectus and any marketing materials in accordance with Section 5.1.
  - (k) ***Authorization.*** This Agreement, has been duly authorized, executed and delivered by the Corporation. As of the Closing Date, the Warrant Indenture and Compensation Warrant Certificates will have been duly authorized, executed and delivered by, and will be a valid and binding agreement of, the Corporation, enforceable in accordance with its terms, except as rights to indemnification hereunder may be limited by applicable law and except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles.
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- (l) **No Material Adverse Change.** Since the respective dates as of which information is given in the Prospectus and the U.S. Final Prospectus: (i) there has been no change, or any development that could reasonably be expected to result in a change, in the condition, financial or otherwise, or in the earnings/losses, business, operations or prospects, whether or not arising from transactions in the ordinary course of business, of the Corporation which would give rise to a Material Adverse Effect, (ii) the Corporation has not incurred any material liability or obligation, indirect, direct or contingent nor entered into any material transaction or agreement, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Corporation on any class of share capital or repurchase or redemption by the Corporation of any class of share capital. Except as would not, individually or in the aggregate, have a Material Adverse Effect, the Corporation has not sent or received any communication regarding termination of, or intent not to renew, any of the contracts, agreements or customer relationships referred to or described in the Prospectus or the U.S. Final Prospectus, or referred to or described in any Document Incorporated by Reference.
  - (m) **Independent Accountants.** Richter LLP ("**Richter**"), which has delivered its report with respect to the Financial Statements, is a firm of independent public, certified public or chartered accountants as required by the applicable Canadian Securities Laws and satisfies the accountant independence requirements of Rule 2-01 of Regulation S-X under the U.S. Securities Exchange Act and the applicable rules of the U.S. Public Company Accounting Oversight Board. There has not been any "reportable event" (as that term is defined in National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators) with Richter or any other prior auditor of the Corporation.
  - (n) **Preparation of the Financial Statements.** The Financial Statements included or incorporated by reference in the Prospectus present fairly, in all material respects, the financial position of the Corporation as of and at the dates indicated and the results of its operations and cash flows for the periods specified. Such Financial Statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles ("**U.S. GAAP**") applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto. No other financial statements are required by the Canadian Securities Laws to be included or incorporated by reference in the Prospectus. The financial data set forth in the Prospectus fairly present, in all material respects, the information set forth therein on a basis consistent with that of the Financial Statements.
  - (o) **Incorporation and Good Standing of the Corporation.** The Corporation has been duly incorporated and is validly existing as a Corporation and in good standing under the laws of Delaware and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement, the Warrant Indenture and the Compensation Warrant Certificates. The Corporation is duly qualified as a corporation, foreign corporation, or extra-provincial corporation, as applicable, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.
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- (p) **Minute Books.** The corporate records and minute books of the Corporation that have been made available to the Agent and Agent's Counsel contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders of the Corporation held since September 2016, and originals or copies of all resolutions and by-laws duly passed or confirmed by the directors or shareholders of the Corporation other than at a meeting.
- (q) **Capitalization and Other Share Capital Matters.**
- (i) The authorized, issued and outstanding share capital of the Corporation is as set forth in the Prospectus under the caption "Description of Capital".
  - (ii) The Common Shares, Warrants and Compensation Warrants conform in all material respects to the description thereof contained in the Prospectus and the U.S. Final Prospectus.
  - (iii) The Common Shares to be sold by the Corporation have been duly authorized for issuance and sale and, when issued and delivered by the Corporation on the Closing Date, will be validly issued, fully paid and non-assessable, and will constitute valid and binding obligations of the Corporation enforceable in accordance with their terms, except as rights to indemnification hereunder may be limited by applicable law and except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles, and the issuance and sale of the Common Shares is not subject to any pre-emptive rights, rights of first refusal or other similar rights to subscribe for or purchase the Common Shares created by law or the Corporation.
  - (iv) The Common Shares underlying the Warrants and the Compensation Warrants have been duly authorized and reserved for issuance pursuant to the terms of the Warrant Indenture and Compensation Warrant Certificates and when issued by the Corporation upon valid conversion of the Warrants and Compensation Warrants, and payment of the exercise price therefor, will be duly and validly issued, fully paid and non-assessable, and the issuance of the Common Shares is not subject to any pre-emptive rights, rights of first refusal or other similar rights to subscribe for or purchase the securities of the Corporation created by law or the Corporation.
- (r) **No Applicable Registration or Other Similar Rights.** There are no persons with registration or other similar rights to have any equity or debt securities registered or qualified for sale under the Prospectus or included in the Offering who have not waived such rights in writing (including electronically) prior to the execution of this Agreement.
- (s) **Options and Warrants to Purchase Securities.** Except as described in the Prospectus, there are no authorized or outstanding options, warrants, pre-emptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any Common Shares of the Corporation, granted by the Corporation.
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- (t) **Stock Exchange Listings.** The Corporation's outstanding Common Shares are listed and posted for trading on the TSXV under the symbol "IGX" and are traded on the OTCQX under the symbol "IGXT" and no order to cease trading or suspending trading in the Common Shares or prohibiting the trading of any Common Shares is in force and no proceedings for such purpose are pending or, to the knowledge of the Corporation, threatened.
  - (u) **Directors and Officers.** To the knowledge of the Corporation, none of the current directors or officers of the Corporation are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public corporation or of a corporation listed on a particular stock exchange.
  - (v) **Transfer Agent.** The Transfer Agent has been duly appointed as registrar and transfer agent for the Common Shares of the Corporation.
  - (w) **Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required.** Except as disclosed in the Prospectus and the U.S. Final Prospectus, the Corporation is not in violation of its articles or by-laws, and is not in default (nor would it be, with the giving of notice or lapse of time, in default) ("**Default**") under any indenture, mortgage, loan or credit agreement, note, guarantee, contract, franchise, lease or other instrument to which the Corporation is a party or by which it is bound (including, without limitation, any credit agreement, guarantee, indenture, pledge agreement, security agreement or other instrument or agreement evidencing, guaranteeing, securing or relating to indebtedness of the Corporation, if any), or to which any of the property or assets of the Corporation is subject (each, an "**Existing Instrument**"), except for such Defaults as would not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect. The Corporation's execution, delivery and performance of this Agreement and the Indenture, the consummation of the transactions contemplated hereby and thereby and by the Prospectus and the issuance and sale of the Offered Units (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the constating documents or the by-laws of the Corporation, (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Corporation pursuant to, or require the consent of any other party to, any Existing Instrument except for such conflicts, breaches, Defaults or a Debt Repayment Triggering Event as would not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect and (iii) will not result in any material violation of any law, administrative regulation or administrative or court decree applicable to the Corporation. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency, is required for the Corporation's execution, delivery and performance of this Agreement, the Indenture and the consummation of the transactions contemplated hereby and by the Prospectus, except such as have been obtained or made or, as contemplated by this Agreement, will be obtained or made, by the Corporation and are in full force and effect. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Corporation.
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- (x) **ERISA.** The U.S. Employee Retirement Income Security Act of 1974 ("ERISA") does not apply to the Corporation.
  - (y) **No Material Actions or Proceedings.** Except as described in the Prospectus and the U.S. Final Prospectus, there are no legal or governmental actions, suits, claims, investigations or proceedings pending or, to the Corporation's knowledge, threatened or contemplated (i) against or affecting the Corporation, (ii) which have as the subject thereof any officer or director (in his or her capacity as such) of, or property owned or leased by, the Corporation or (iii) relating to environmental or discrimination matters, where in any such case (A) there is a reasonable expectation that such action, suit or proceeding will be determined adversely to the Corporation or such officer or director, (B) any such action, suit or proceeding, if so determined adversely, would reasonably be expected to result in a Material Adverse Effect or materially and adversely affect the consummation of the transactions contemplated by this Agreement and (C) any such action, suit or proceeding is or would be material in the context of the sale of the Offered Units. Except as described in the Prospectus and the U.S. Final Prospectus, no material labour dispute with the employees or independent contractors of the Corporation exists or, to the Corporation's knowledge, is threatened or imminent.
  - (z) **Employment Standards, Human Rights Legislation.** Except as disclosed in the Prospectus and the U.S. Final Prospectus, there are no outstanding complaints against the Corporation before any government employment standards branch, tribunal or human rights tribunal, nor, to the knowledge of the Corporation, are there any threatened material complaints or any occurrence that may reasonably be expected to lead to a material complaint, in each case under any human rights legislation or employment standards legislation. Except as disclosed in the Prospectus and the U.S. Final Prospectus, there are no outstanding decisions or settlements or pending settlements under any employment standards legislation that place any obligation upon the Corporation to do or to refrain from doing any act. The Corporation is not delinquent in any material respect in payments to any of its employees, consultants or independent contractors for any wages, salaries, commissions, bonuses or other direct compensation for any service performed for it or amounts required to be reimbursed to such employees, consultants or independent contractors, and all such amounts have been properly accrued in the books and records of the Corporation in all material respects. The Corporation is in compliance in all material respects with all applicable laws related to employment, including those related to wages, hours and the payment and withholding of taxes and other sums as required by law and has not and is not engaged in any unfair labour practice.
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- (aa) **Proposed Acquisition.** There are no material agreements, contracts, arrangements or understandings (written or oral) with any persons relating to the acquisition or proposed acquisition by the Corporation of any material interest in any business (or part of a business) or corporation, nor are there any other specific contracts or agreements (written or oral) in respect of any such matters in contemplation.
- (bb) **Intellectual Property Rights.**
- (i) Except as disclosed in the Prospectus and the U.S. Final Prospectus, the Corporation or Subsidiary, as applicable, is the sole and exclusive owner of all right, title and interest in and to, or has a valid and enforceable right to use pursuant to a written license, all trademarks, trade names, service marks, patents, patent applications, other patent rights, copyrights, domain names, software, inventions, processes, databases, know how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) and other similar intellectual property rights, whether registered or unregistered and in any jurisdiction (collectively, "**Intellectual Property Rights**") reasonably necessary to conduct its businesses as now conducted or proposed to be conducted as described in the Prospectus, free and clear of all liens and encumbrances.
  - (ii) Except as disclosed in the Prospectus and the U.S. Final Prospectus, to the knowledge of the Corporation, the Corporation's business as now conducted or proposed to be conducted as described in the Prospectus, does not infringe, conflict with or otherwise violate any Intellectual Property Rights of others, and neither the Corporation nor the Subsidiary has received, or has been threatened with, any notice of infringement or conflict with asserted Intellectual Property Rights of others, or any facts or circumstances which would render any Intellectual Property Rights invalid or inadequate to protect the interest of the Corporation therein.
  - (iii) To the knowledge of the Corporation, there is no infringement by third parties of any Intellectual Property Rights owned by the Corporation or the Subsidiary, as applicable.
  - (iv) Except as disclosed in the Prospectus and the U.S. Final Prospectus, there is no pending or, to the knowledge of the Corporation, threatened action, suit, proceeding or claim relating to Intellectual Property Rights owned by the Corporation or the Subsidiary, as applicable.
  - (v) Except as disclosed in the Prospectus and the U.S. Final Prospectus, neither the Corporation nor the Subsidiary is not a party to or bound by any options, licenses or agreements with respect to the Intellectual Property Rights of any other person or entity.
  - (vi) All licenses for Intellectual Property Rights owned or used by the Corporation or the Subsidiary, as applicable, are valid, binding upon and enforceable by or against the Corporation or the Subsidiary, as applicable, and, to the Corporation's knowledge, against the parties thereto in accordance with their terms.
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- (vii) None of the technology employed by the Corporation or the Subsidiary, as applicable, has been obtained or is being used by the Corporation or the Subsidiary, as applicable, in violation of any contractual obligation binding on the Corporation or the Subsidiary, as applicable, or, to the Corporation's knowledge, any of its officers, directors or employees or otherwise in violation of the rights of any third party.
  - (viii) Except as would not result in a Material Adverse Effect, all assignments from inventors to the Corporation have been obtained and filed with the appropriate patent offices for all of the Corporation's patent applications.
  - (ix) Except as would not reasonably be expected to result in a Material Adverse Effect, the Corporation or the Subsidiary, as applicable, does not have knowledge of any claims of third parties to any ownership interest or unregistered lien with respect to the Corporation's or the Subsidiary, as applicable, or its licensors' patents and patent applications.
  - (x) Except as disclosed in the Prospectus and the U.S. Final Prospectus, the Corporation does not know of any facts which would form a basis for a finding of unenforceability or invalidity of any of the patents, trademarks or service marks of the Corporation or the Subsidiary, as applicable.
  - (xi) The Corporation does not know of any material defects of form in the preparation or filing of the patent applications of the Corporation or the Subsidiary, as applicable.
  - (xii) To the knowledge of the Corporation, the Corporation or the Subsidiary, as applicable, has complied with the U.S. Patents and Trademark Office duties of candor and disclosure for each patent and patent application of the Corporation.
  - (xiii) Except as disclosed in the Prospectus and the U.S. Final Prospectus, the Corporation does not know of any fact with respect to the patent applications of the Corporation or the Subsidiary, as applicable, presently on file that (A) would preclude the issuance of patents with respect to such applications, (B) would lead it to conclude that such patents, when issued, would not be valid and enforceable in accordance with applicable regulations or (C) would result in a third party having any rights in any patents issuing from such patent applications.
  - (xiv) The Corporation has taken all commercially reasonable steps to protect, maintain and safeguard each of its rights in all Intellectual Property Rights, including to its knowledge, the execution of appropriate nondisclosure and confidentiality agreements.
- (cc) **Change in Legislation.** Except as described in the Prospectus, the Corporation is not aware of any legislation, or proposed legislation, which it reasonably expects will have a Material Adverse Effect.
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(dd) ***FDA, Health Canada and Other Regulatory Authorities.***

- (i) Except as disclosed in the Prospectus and the U.S. Final Prospectus, the Corporation or the Subsidiary, as applicable, holds all licenses, certificates, approvals and permits from all provincial, federal, state, United States, foreign and other regulatory authorities, including but not limited to the United States Food and Drug Administration (the "**FDA**"), Health Canada ("**HC**"), the European Medicines Agency (the "**EMA**") and any foreign regulatory authorities performing functions similar to those performed by the FDA, HC and the EMA, that are material to the conduct of the business of the Corporation as such business is now conducted as described in the Prospectus, all of which are valid and in full force and effect and there is no proceeding pending or, to the knowledge of the Corporation, threatened which may cause any such license, certificate, approval or permit to be withdrawn, cancelled, suspended or not renewed.
- (ii) Nothing has come to the attention of the Corporation that has caused the Corporation to believe that the completed studies, tests, preclinical studies and clinical trials conducted by or on behalf of the Corporation that are described in the Prospectus were not conducted, in all material respects, in accordance with experimental protocols, procedures and controls pursuant to, where applicable, accepted professional and scientific standards for products or product candidates comparable to those being developed by the Corporation or the Subsidiary, as applicable; or that the drug substances used in the clinical trials have not been manufactured, in all material respects, under "current good manufacturing practices", when required, in the United States, Canada and other jurisdictions in which such clinical trials have been and are being conducted.
- (iii) No filing or submission to the FDA, HC, the EMA or any other regulatory body, that was or is intended to be the basis for any approval of the Corporation's products or product candidates, to the knowledge of the Corporation, contains any material omission or material false information.
- (iv) Neither the Corporation nor the Subsidiary, as applicable, is not in violation in any material respect, of any material law, order, rule, regulation, writ, injunction or decree of any court or governmental agency or body, applicable to the investigation of new drugs in humans and animals, including, but not limited to, those promulgated by the FDA, HC or the EMA.

- (ee) ***Clinical Trials.*** The descriptions in the Prospectus of the results of the clinical trials referred to therein are consistent in all material respects with such results and no other studies or other clinical trials whose results are known to the Corporation are materially inconsistent with or otherwise materially call into question the results described or referred to in the Prospectus. To the Corporation's knowledge, the studies, tests and preclinical and clinical trials conducted by or on behalf of the Corporation were and, if still pending, are, in all material respects, being conducted in accordance with experimental protocols, procedures and controls pursuant to accepted professional scientific standards and all applicable laws and authorizations.
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- (ff) **All Necessary Permits, etc.** The Corporation or the Subsidiary, as applicable, possesses such valid and current certificates, authorizations or permits issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct its business, as now conducted, except where the failure to possess such certificates, authorizations or permits would not, individually or in the aggregate, result in a Material Adverse Effect, and the Corporation has not received, nor has any reason to believe that it will receive, any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavourable decision, ruling or finding, would reasonably be expected to result in a Material Adverse Effect.
- (gg) **Title to Properties.** The Corporation has good and marketable title to all property and other assets reflected as owned by it in the Financial Statements, in each case (except as disclosed in the Prospectus and the U.S. Final Prospectus) free and clear of any security interests, mortgages, liens, encumbrances, equities, adverse claims and other defects except those that do not materially and adversely affect the value of such property and do not materially interfere with the use made or proposed to be made of such property by the Corporation. The real property, improvements, equipment and personal property held under lease by the Corporation are held under valid and enforceable leases, with such exceptions as are not material and do not materially interfere with the conduct of the business of the Corporation.
- (hh) **Tax Law Compliance.** The Corporation has filed all United States federal, Canadian federal and all other foreign, provincial, state, local or other income and franchise tax returns required to be filed by it or has properly requested extensions thereof, other than those tax returns where the failure to file would not result in a Material Adverse Effect, and has paid all taxes and any similar assessment, including interest and penalties applicable thereto, that are due and payable by it, other than those being contested in good faith and by appropriate proceedings, those as to which adequate reserves have been provided or those where failure to pay would not, individually or in the aggregate, result in a Material Adverse Effect.
- (ii) **Insurance.** The Corporation maintains insurance covering the properties, operations, personnel and business of the Corporation in such amounts and with such deductibles and covering such risks as are reasonably adequate and customary for its business. The Corporation has no knowledge that it will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not reasonably be expected to result in a Material Adverse Effect. The Corporation has not been denied any insurance coverage which it has sought or for which it has applied in the past two years.
- (jj) **Working Capital.** To the Corporation's knowledge and taking into account the available working capital and the maximum net proceeds receivable by the Corporation following the sale of the Offered Units, the Corporation has sufficient working capital for its present requirements for a period of at least 12 months from the date of the Prospectus.
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- (kk) **Related Party Transactions.** There are no material business relationships or related-party transactions required to be described in the Prospectus which have not been described in the Prospectus.
  - (ll) **Sarbanes-Oxley Act.** The Corporation is in compliance in all material respects with all applicable provisions of the Sarbanes-Oxley Act and the rules and regulations of the commission thereunder. There is and has been no failure on the part of the Corporation or any of its directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act and the rules and regulations promulgated in connection therewith, including, without limitation, Section 402 related to loans;
  - (mm) **Statistical and Market-Related Data.** The statistical, demographic and market- related data included in the Prospectus are based on or derived from sources that the **Corporation** believes to be reliable and accurate in all material respects or represent the Corporation's good faith estimates that are made on the basis of data derived from such sources.
  - (nn) **Compliance with Environmental Laws.**
    - (i) Except as would not, individually or in the aggregate, result in a Material Adverse Effect, the Corporation is not in violation of any federal, provincial, state, local, municipal or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemical pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**");
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- (ii) Except as would not, individually or in the aggregate, result in a Material Adverse Effect, the Corporation has all permits, authorizations and approvals required under any applicable Environmental Laws and is in compliance with their requirements;
  - (iii) there are no pending or, to the knowledge of the Corporation, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Corporation; and
  - (iv) to the knowledge of the Corporation, there are no events or circumstances that would reasonably be expected to form the basis of an order for clean- up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Corporation relating to Hazardous Materials or any Environmental Laws.
- (oo) **Brokers.** Except pursuant to this Agreement, the Corporation has incurred no liability for any finder's or broker's fee or agent's commission in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby or by the Prospectus.
- (pp) **No Outstanding Loans or Other Extensions of Credit.** The Corporation has not extended or maintained credit, arranged for the extension of credit, or renewed any extension of credit, in the form of a personal loan, to or for any shareholder, director or executive officer (or equivalent thereof) of the Corporation and which remains outstanding.
- (qq) **Compliance with Laws.** The Corporation has not been advised, and has no reason to believe, that it is not conducting business in compliance with all applicable laws, rules and regulations of the jurisdictions in which it is conducting business, except where failure to be so in compliance would not result in a Material Adverse Effect.
- (rr) **Foreign Corrupt Practices Acts.** Neither the Corporation nor, to the knowledge of the Corporation, any director, officer, agent, employee, affiliate or other person acting on behalf of the Corporation is aware of or has made any contribution or other payment or taken any action, directly or indirectly, that has resulted or would result in a violation of the Foreign Corrupt Practices Act of 1977 (United States), as amended, and the rules and regulations thereunder (the "**FCPA**"), and the *Corruption of Foreign Public Officials Act* (Canada) (the "**CFPOA**"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any "foreign public official" (as such term is defined in the CFPOA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the CFPOA.
- (ss) **OFAC.** Neither the Corporation nor, to the knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("**OFAC**"); and the Corporation will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any United States sanctions administered by OFAC.
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- (tt) **Controls and Procedures.** The Corporation has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the U.S. Exchange Act) and is in compliance with such certification requirements set out therein with *respect* to the Corporation's annual and interim filings. The Corporation has established and maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the U.S. Exchange Act) that has been designed by the Corporation's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. No material weakness has been identified in the Corporation's internal control over financial reporting (whether or not remediated) and, except as set forth in the Prospectus, since December 31, 2016, there has been no change in the Corporation's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.
- (uu) **Audit Committee.** The Corporation's board of directors has validly appointed an audit committee whose composition satisfies the requirements of National Instrument 52-110 - *Audit Committees*.
- (vv) **Parties to Lock-Up Agreements.** The Corporation shall cause each of the Corporation's directors and officers to execute and deliver to the Agent a lock-up agreement (the "**Lock-Up Agreement**") in favour of the Agent in a form satisfactory to the Agent, acting reasonably, on or before the Closing Date, whereby such director and officer of the Corporation shall agree not to, without the prior written consent of the Agent, such consent not to be unreasonably withheld, for a period of 90 days following the completion of the Offering (the "**Lock-Up Period**"), authorize, sell or issue or announce its intention to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue any securities of the Corporation, provided, however, that the Corporation may issue (A) securities to effect transactions for any pre-existing obligation of the Corporation currently set forth in its EDGAR filings, (B) options, deferred stock units, restricted share units or performance share units to purchase Common Shares, or issue Common Shares upon exercise or vesting of options, restricted share units, performance share units, or deferred share units pursuant to any stock option, stock bonus or other equity compensation plans or arrangements described in the Corporation's EDGAR filings, (C) Common Shares pursuant to the exercise of warrants or conversion of convertible debentures or convertible notes, outstanding as of the date hereof, (D) Common Shares in connection with interest payments of the Corporation's existing convertible debentures or convertible notes and (E) securities to the third entity listed in Schedule "C" to the Engagement Letter, or any of its affiliates, in the context of a strategic investment provided that after such issuance the holdings of such entity and each of its affiliates, collectively does exceed 19.9% of the then issued Common Shares of the Corporation calculated on a partially diluted basis; and (F) each of the entities listed in Schedule "C" to the Engagement Letter, and any of their affiliates, if less than \$8,000,000 is raised in this Offering provided that any such securities issued shall be on terms no more favourable than the terms provided to purchasers in the Offering. If any additional persons shall become directors or officers of the Corporation prior to the end of the Lock-Up Period, the Corporation shall cause each such person, prior to or contemporaneously with their appointment or election as a director or officer of the Corporation, to execute and deliver to the Agent a Lock-Up Agreement.
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8.2. Any certificate signed by any officer on behalf of the Corporation and delivered to the Agent or Agent's Counsel in connection with the offering of the Offered Units shall be deemed to be a representation and warranty by the Corporation as to matters covered thereby to the Agent.

## ARTICLE 9 CONDITIONS TO CLOSING

9.1. The obligations of the Agent on the Closing Date shall be subject to the performance by the Corporation of its obligations hereunder and the following additional conditions, which conditions the Corporation covenants to exercise its commercially reasonable best efforts to have fulfilled on or prior to the Closing Date and which conditions may be waived in writing in whole or in part by the Agent:

- (a) **Necessary Filings:** the Corporation will have made or obtained the necessary filings, approvals, consents and acceptances to or from, as the case may be, the Securities Commissions, the SEC and the TSXV (subject to satisfaction of certain customary post-closing conditions imposed by the TSXV (the "**Standard Listing Conditions**")) required to be made or obtained by the Corporation in connection with the Offering, on terms which are acceptable to the Corporation and the Agent, acting reasonably, prior to the Closing Date, it being understood that the Agent will do all that is reasonably required to assist the Corporation to fulfil this condition;
  - (b) **Delivery of Prospectus:** if requested by the Agent, the Corporation shall have delivered to the Agent and the Selling Group Members, at such addresses as the Agent and the Selling Group Members may reasonably request, conformed commercial copies of the Preliminary Prospectus and the Final Prospectus;
  - (c) **TSXV Acceptance:** the Common Shares, the Warrants including the Warrant Shares and Compensation Warrant Shares, will have been accepted for listing by the TSXV, subject only to the satisfaction by the Corporation of Standard Listing Conditions;
  - (d) **Board Authorization:** the Corporation's board of directors will have authorized and approved this Agreement, the Warrant Indenture, the Compensation Warrant Certificates, the sale and issuance of the Offered Units and the issuance of Common Shares upon the conversion of the Warrants and Compensation Warrants, and all matters relating to the foregoing;
  - (e) **Canadian Legal Opinion:** the Agent shall have received at the Closing Time a customary legal opinion from the Corporation's Canadian Counsel (or other local counsel to the Corporation, as applicable) covering the laws of the Qualifying Jurisdictions, addressed to the Agent and the Selling Group Members, in which counsel may rely as to matters of fact, on certificates of the Corporation's officers and other documentation standard for legal opinions in transactions of a similar nature, in form and substance acceptable to the Agent, acting reasonably, with respect to the following matters with such opinions being subject to usual and customary assumptions and qualifications, including the qualifications set out below:
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- (i) the Corporation is a reporting issuer or the equivalent in each of the Qualifying Jurisdictions and not in default under the Securities Laws in the Qualifying Jurisdictions;
  - (ii) the rights, privileges, restrictions and conditions attached to the Common Shares, Warrants, Compensation Warrants, Warrant Shares and Compensation Warrant Shares are accurately summarized in all material respects in the Prospectus;
  - (iii) subject to the qualifications, assumptions, limitations and understandings set out therein, the statements set out in the Prospectus, the description set forth in the Prospectus under the headings "Eligibility for Investment" and "Certain Canadian Federal Income Tax Considerations" is a fair summary of such matters in all material respects;
  - (iv) all necessary documents having been filed, all requisite proceedings having been taken and all approvals, permits, authorizations and consents of the appropriate regulatory authority in each of the Qualifying Jurisdictions (and, if applicable, the other Selling Jurisdictions) having been obtained by the Corporation to qualify the distribution of the Common Shares, Warrants and Compensation Warrants and the issuance of the Common Shares upon conversion of the Warrants and the Compensation Warrants in accordance with the terms thereof in each of the Qualifying Jurisdictions (and, if applicable, the other Selling Jurisdictions) through or to investment dealers or brokers registered under the applicable securities laws who have complied with the relevant provisions of such applicable securities laws and the terms of such registrations; and
  - (v) the Common Shares, Warrants, Warrant Shares and Compensation Warrant Shares having been accepted for listing on the TSXV, subject to the Standard Listing Conditions.
- (f) **U.S. Legal Opinion:** the Agent shall have received at the Closing Time a customary legal opinion from the Corporation's U.S. Counsel, addressed to the Agent and the Selling Group Members, in which counsel may rely as to matters of fact, on certificates of the Corporation's officers and other documentation standard for legal opinions in transactions of a similar nature, in form and substance acceptable to the Agent, acting reasonably, with respect to the following matters with such opinions being subject to usual and customary assumptions and qualifications, including the qualifications set out below:
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- (i) the Corporation is a corporation validly existing and in good standing under the laws of the State of Delaware;
  - (ii) the Corporation has all requisite corporate power and authority to enter into and perform its obligations under this Agreement, the Warrant Indenture, and the Compensation Warrant Certificates;
  - (iii) the authorized share capital of the Corporation;
  - (iv) the Common Shares, Warrants and Compensation Warrants have been duly authorized, issued and delivered by the Corporation;
  - (v) the Common Shares issuable upon the exercise of the Warrants in accordance with the terms of the Warrant Indenture and upon the exercise of the Compensation Warrants in accordance with the terms thereof have been duly authorized and reserved for issuance by the Corporation and, upon exercise of the Warrants and Compensation Warrants, the Common Shares issued have been validly issued, fully paid and nonassessable;
  - (vi) the Registration Statement has been declared effective by the SEC under the U.S. Securities Act. To the knowledge of the Corporation's U.S. Counsel, no "stop order" suspending its effectiveness has been issued by the SEC, nor, to the knowledge of the Corporation's U.S. Counsel, is a proceeding for that purpose pending before or contemplated or threatened by the SEC;
  - (vii) the Registration Statement, the U.S. Prospectus, the U.S. Final Prospectus and any amendment or supplement thereto (other than (i) the financial statements (including the notes thereto) and schedules and other financial, statistical and accounting data contained therein or omitted therefrom and (ii) the documents incorporated or deemed to be incorporated by reference therein, as to which we express no opinion), appeared on their face to be appropriately responsive, as of their respective effective or issue dates, as to form in all material respects with the U.S. Securities Act and the rules and regulations promulgated thereunder;
  - (viii) the execution, delivery and performance of this Agreement, the Warrant Indenture and the Compensation Warrant Certificates by the Corporation, and the consummation by the Corporation of the transactions contemplated hereby and thereby, and the sale and delivery of the Offered Units and the issuance of the Common Shares upon exercise of the Warrants and Compensation Warrants, does not and will not (as the case may be) result in any breach or default under (nor constitute any event that, with notice, lapse of time, or both, would result in any breach of default under) or conflict with any provision of the Corporation's Certificate of Incorporation, as amended, the Corporation's By-Laws or the Delaware General Corporation Law; and
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- (ix) all requisite corporate action has been taken by the Corporation to authorize the execution and delivery of each of: the Preliminary Prospectus, the Registration Statement, the Final Prospectus, the U.S. Prospectus, the U.S. Final Prospectus, any Supplementary Material, the filing of the Preliminary Prospectus, the Registration Statement, the U.S. Prospectus, the U.S. Final Prospectus, the Final Prospectus, the Registration Statement and any Supplementary Material with the Securities Commissions or the SEC, this Agreement, the Warrant Indenture and the Compensation Warrant Certificates.
  - (g) **Legal Opinion and Officer's Certificate regarding Intellectual Property Rights:** the Agent shall have received at the Closing Time a U.S. legal opinion regarding the Intellectual Property Rights from the Corporation's Intellectual Property Counsel, satisfactory to the Agent and Agent's Counsel, acting reasonably, and a certificate of the Corporation's officers and other documentation standard for legal opinions in transactions of a similar nature, in form and substance acceptable to the Agent, acting reasonably, with respect to such Intellectual Property Rights;
  - (h) **Bring Down Auditors' Comfort Letter:** the Agent shall have received at the Closing Time a letter dated the Closing Date from the Corporation's Auditors addressed to the Agent, the Corporation and the directors of the Corporation, in form and substance satisfactory to the Agent and Agent's Counsel, acting reasonably, confirming the continued accuracy of the comfort letter to be delivered to the Agent pursuant to Section 2.4(b) with such changes as may be necessary to bring the information in such letter forward to within two (2) Business Days of the Closing Date, which changes shall be acceptable to the Agent and Agent's Counsel, acting reasonably;
  - (i) **Corporate Certificate:** the Agent shall have received at the Closing Time certificates dated the Closing Date, signed by an appropriate officer of the Corporation addressed to the Agent and the Selling Group Members, with respect to: (i) the articles and by-laws of the Corporation, (ii) the authorizing resolutions relating to the distribution of the Offered Units in each of the Qualifying Jurisdictions (other than the province of Quebec), allotment, issue (or reservation for issue) and sale of the Offered Units, the Compensation Warrants, and the authorization, execution and delivery of this Agreement, the Prospectus, the Warrant Indenture and Compensation Warrant Certificates, and the other agreements and transactions contemplated by this Agreement, and (iii) the incumbency and specimen signatures of signing officers of the Corporation who have signed the Prospectus or other documents relating to the Offering;
  - (j) **Closing Certificate:** the Agent shall have received at the Closing Time a certificate or certificates dated the Closing Date, and signed on behalf of the Corporation by two senior officers of the Corporation addressed to the Agent and the Selling Group Members certifying for and on behalf of the Corporation, after having made due enquiry and after having carefully examined the Prospectus, that:
    - (i) the Corporation has duly complied with all covenants and satisfied in all material respects all the terms and conditions in this Agreement on its part to be performed or satisfied at or prior to the Closing Time;
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- (ii) no order, ruling or determination having the effect of suspending the sale or ceasing, suspending or restricting the trading of the Common Shares, Warrant Shares, Compensation Warrant Shares or any other securities of the Corporation in the United States or any of the Qualifying Jurisdictions (or, if applicable, the other Selling Jurisdictions) has been issued or made by any stock exchange, securities commission or regulatory authority and is continuing in effect and no proceedings, investigations or enquiries for that purpose have been instituted, are pending or, to the knowledge of such officers, are contemplated or threatened under Securities Laws or by any other regulatory authority;
- (iii) other than the Offering, there has been no material change or change in a material fact contained in the Prospectus, the U.S. Final Prospectus or any Supplementary Material which fact or change is or may be, of such a nature as to result in a misrepresentation in the Prospectus, the U.S. Final Prospectus or any Supplementary Material or which would result in the Prospectus not complying with applicable Canadian Securities Laws or the U.S. Final Prospectus or Registration Statement not complying with applicable requirements of the U.S. Securities Act; and
- (iv) the representations and warranties of the Corporation contained in this Agreement are true and correct in all material respects (except for representations and warranties subject to a materiality qualification, which are true and correct in all respects) as of the Closing Time, with the same force and effect as if made at and as of the Closing Time (other than those which are in respect of a specific date, which shall be accurate in all material respects as of such date), after giving effect to the transactions contemplated by this Agreement;

and the statements in such certificate or certificates shall be true and accurate in all material respects;

- (k) **Transfer Agent Certificate:** the Agent and the Selling Group Members shall have received at the Closing Time a certificate from the Transfer Agent dated the Closing Date and signed by an authorized officer of the Transfer Agent, confirming the issued share capital of the Corporation;
- (l) **Lock-Up Agreements:** the Agent receiving the executed Lock-Up Agreement from each director and officer of the Corporation in favour of the Agent in a form reasonably satisfactory to the Agent as required pursuant to Section 8.1(vv);
- (m) **No Termination:** the Agent not having exercised its rights of termination set forth in Article 10.

#### **ARTICLE 10 TERMINATION RIGHTS**

10.1. The Corporation agrees that all representations, warranties, terms and conditions of this Agreement shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by it, that it will use its reasonable efforts to cause such representations, warranties, terms and conditions to be complied with, and that any breach or failure by the Corporation to comply with any of such conditions in any material respect shall entitle the Agent, at such Agent's option, to terminate its obligations under this Agreement by notice to that effect given to the Corporation at the Closing Time unless otherwise expressly provided in this Agreement. The Agent may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other such terms and conditions or any other or subsequent breach or non-compliance.

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10.2. In addition to any other remedies which may be available to the Agent in respect of any default, act or failure to act, or non-compliance with the terms of this Agreement by the Corporation, the Agent shall be entitled, at such Agent's option, to terminate and cancel, without any liability on the part of such Agent, except in respect of any liability which may have arisen or may arise after such termination under Article 11 and Article 12, its obligations under this Agreement by giving written notice to the Corporation at any time after the date hereof and prior to the Closing Time, if:

- (a) **Litigation.** Any enquiry, action, suit, investigation or other proceeding, whether formal or informal, is commenced, announced or threatened or any order is made by any securities regulatory authority, stock exchange or any other federal, provincial or other governmental authority in Canada, the United States or elsewhere, including, without limitation, the TSXV, in relation to the Corporation or the Corporation's directors and officers in their capacity as such with the Corporation which, in the opinion of the Agent, acting reasonably, operates to prevent or restrict materially the distribution or trading of the Offered Units, Warrants, Compensation Warrants or Common Shares in any of the Selling Jurisdictions or the trading of the Common Shares in the United States;
  - (b) **Market-Out.** Any change in the U.S., Canadian or international financial, political or economic conditions the effect of which is such as to make it, in the reasonable judgment of the Agent, impractical to market or to enforce contracts for the sale of the Offered Units, including without limitation, (i) if trading or quotation in any of the Corporation's securities shall have been suspended or limited by the SEC, or by any Securities Commission in the Qualifying Jurisdictions or by the TSXV, or (ii) trading in securities generally on the TSXV shall have been suspended or limited, or minimum or maximum prices shall have been generally established on any of such stock exchanges by the SEC or the *Financial Industry Regulatory Authority* FINRA, or (iii) the declaration of any banking moratorium by any Canadian federal authorities, or (iv) any major disruption of settlements of securities or payment or clearance services in Canada where the securities of the Corporation are listed;
  - (c) **Disaster Out.** There should develop, occur or come into effect or existence any attack on, outbreak or escalation of hostilities or act of terrorism involving Canada or the United States, any declaration of war by the United States Congress, any other national or international calamity or emergency, or any governmental action, change of applicable law or regulation (or in the judicial interpretation thereof), if, in the reasonable judgment of the Agent, the effect of any such attack, outbreak, escalation, act, declaration, calamity, emergency or governmental action, or change is material and adverse such as to make it impractical or inadvisable to proceed with the offering of the Offered Units or to enforce contracts for the sale of the Offered Units on the Closing Date, on the terms and in the manner contemplated by this Agreement and Final Prospectus or would reasonably be expected to have a significant adverse effect on the state of financial markets in Canada or the business, operations or affairs of the Corporation or the market price or value of the Offered Units or the Common Shares;
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- (d) **Material Adverse Change.** There should occur or be announced by the Corporation, any material change or a change in any material fact, or there should be discovered any previously undisclosed material fact (other than a material fact related solely to the Agent or any of their affiliates) required to be disclosed in the Final Prospectus, which results, or in the reasonable judgment of the Agent, is expected to result, in purchasers of a material number of Offered Units exercising their right under applicable legislation to withdraw from their purchase of the Offered Units or, in the reasonable judgment of the Agent, has or may be expected to have a significant adverse effect on the market price or value of the Offered Units or the Common Shares and makes it impractical or inadvisable to market the Offered Units on the terms and in the manner contemplated by this Agreement and Final Prospectus.

10.3. The rights of termination contained in Article 10 are in addition to any other rights or remedies of the Agent may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of such Agent to the Corporation or on the part of the Corporation to such Agent except in respect of any liability which may have arisen or may arise after such termination under Article 11 and Article 12. A notice of termination by an Agent under this Article shall not be binding on the other Agent or the other members of the Selling Group.

## ARTICLE 11 INDEMNITY AND CONTRIBUTION

11.1. The Corporation (the "**Indemnitor**") shall indemnify and save harmless the Agent, each of the Selling Group Members and any of their respective affiliates and directors, officers, employees, shareholders, partners and agents (collectively, the "**Indemnified Parties**") from and against all losses, claims, actions, suits, investigations and proceedings, expenses, fees, damages, obligations, payments and liabilities of whatsoever nature or kind (excluding loss of profits), including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable legal fees, disbursements and taxes actually incurred that may be suffered by, imposed upon or asserted against an Indemnified Party as a result of, in respect of, connected with or arising out of any actions, suit, proceeding, investigation or claim that may be made or threatened by any person or in enforcing this indemnity (collectively the "**Claims**") insofar as such Claims (i) result from third party Claims which arise out of or are based directly or indirectly on the performance of services provided to the Corporation by the Indemnified Parties hereunder or (ii) otherwise relate, directly or indirectly, by reason of any event, act or omission in any way connected, directly or indirectly, with:

- (a) any untrue statement or misrepresentation or alleged untrue statement or alleged misrepresentation (except any statement relating solely to the Agent or the Selling Group Members and provided in writing by the Agent or the Selling Group Members) of a material fact contained in the Prospectus, the U.S. Final Prospectus, the Registration Statement, any Supplementary Material, or in any certificate of the Indemnitor delivered under this Agreement or pursuant to this Agreement or any omission or alleged omission to state therein a material fact (except facts relating solely to the Agent and provided in writing by the Agent) necessary in order to make the statements therein not misleading, or not misleading in the light of the circumstances under which they were made;
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- (b) any material breach by the Indemnitor of any term of or any representation, warranty, covenant or condition in this Agreement or of any agreement or instrument relating thereto;
- (c) any material breach or violation or any alleged material breach or violation by the Indemnitor of Securities Laws or applicable TSXV requirements; or
- (d) any order made or any inquiry, investigation or other proceeding (formal and informal) announced, instituted or threatened by any securities commission or other regulatory authority or stock exchange based upon the circumstances described in (a) above, preventing, prohibiting or restricting the completion of the transactions contemplated by this Agreement, Warrant Indenture or the Compensation Warrant Certificates or the trading of the Offered Units, Warrant Shares, Compensation Warrant Shares or the Common Shares or the distribution to the public of the Offered Units in any of the Selling Jurisdictions, provided that, in the event and to the extent that a court of competent jurisdiction or a regulatory authority shall determine that such Claims resulted from the gross negligence, fraud or willful misconduct of the Indemnified Party, subject to the right of the Agent and the Selling Group Members to appeal such decision, this indemnity shall not apply.

The rights of indemnity contained in subparagraph (a) of this Section 11.1 shall not apply to the Agent to the extent the Indemnitor has complied with the provisions of Article 6 and the Agent has not provided to the person asserting any Claim contemplated by this Section 11.1 a copy of the Prospectus or any Supplementary Material, which corrects any misrepresentation, untrue statement or omission, or alleged misrepresentation, untrue statement or omission which is the basis of such Claim and which is required, under applicable Securities Laws, to be delivered to such person.

11.2. If any Claim is brought, instituted or threatened in respect of any Indemnified Party which may result in a claim for indemnification under this Agreement, or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnify may be sought against the Indemnitor, the Indemnified Party will give the Indemnitor prompt written notice of any such Claim of which the Indemnified Party has knowledge and the Indemnitor shall be entitled (but not required) to assume conduct of the defence thereof and retain counsel on behalf of the Indemnified Party who is reasonably satisfactory to the Indemnified Party, to represent the Indemnified Party in such Claim and the Indemnitor shall pay the fees and disbursements of such counsel and all other expenses of the Indemnified Party relating to such Claim as and when incurred. Failure by the Indemnified Party to so notify the Indemnitor shall not relieve the Indemnitor from liability except and only to the extent that the failure prejudices the Indemnitor. If the Indemnitor assumes conduct of the defence for an Indemnified Party, the Indemnified Party shall fully cooperate in the defence including, without limitation, the provision of documents, appropriate officers and employees to give witness statements, attend examinations for discovery, make affidavits, meet with counsel, testify and divulge all information reasonably required to defend or prosecute the Claims.

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11.3. In any such Claim, the Indemnified Party shall have the right to employ separate counsel and to participate in the defence thereof provided that the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless the named parties to any such Claim include both the Indemnitor and the Indemnified Party and the representation of both parties by the same counsel, in the written opinion of the Indemnified Party's counsel, would be inappropriate due to actual or potential differing interests between them and in such circumstances the Indemnitor will pay the reasonable fees and disbursements of such additional legal counsel as and when incurred, provided, however, that the Indemnitor shall only be obligated to pay for one set of counsel for all Indemnified Parties (in addition to counsel retained by the Indemnitor).

11.4. No admission of liability and no settlement of any Claim by the Indemnitor shall be made without the consent of the Indemnified Parties affected, such consent not to be unreasonably withheld or delayed. No admission of liability shall be made by an Indemnified Party without the consent of the Indemnitor and the Indemnitor shall not be liable for any settlement of any Claim made without the Indemnitor's consent, such consent not to be unreasonably withheld or delayed.

11.5. In order to provide for just and equitable contribution in circumstances in which this indemnity would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Indemnitor and the Indemnified Parties will contribute to the Claims in such proportions as is appropriate to reflect the relative benefits to and fault of the Indemnitor, on the one hand, and each Indemnified Party on the other hand, in connection with the matter giving rise to such Claims, as well as any other relevant equitable considerations; provided that the Agent and the Selling Group Members shall not in any event be liable to contribute, in the aggregate, any amount in excess of the amount of the Agent's Fee. No person who has been determined by a court of competent jurisdiction in a final and non-appealable judgment to have engaged in any fraud, fraudulent misrepresentation or gross negligence shall be entitled to claim contribution from any person who has not been so determined to have engaged in such fraud, fraudulent misrepresentation or gross negligence.

11.6. The relative benefits received by the Indemnitor on the one hand and the Indemnified Parties on the other hand shall be deemed to be in the proportion that the total proceeds received from the offer and sale of the Offered Units received by the Indemnitor (net of the Agent's Fee but before deducting expenses) is to the Agent's Fee received by the Agent.

11.7. The relative fault of the Indemnitor on the one hand and the Indemnified Parties on the other hand shall be determined by reference to, among other things, whether the matters or things referred to in Section 11.1 which resulted in such Claims relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Indemnitor or to information supplied by or steps taken or actions taken or done or not taken or done by or on behalf of the Agent and the Selling Group Members and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 11.1.

11.8. The parties agree that it would not be just and equitable if contribution pursuant to this section were determined by any method of allocation which does not take into account the equitable considerations referred to in this section.

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11.9. In the event and to the extent that a court of competent jurisdiction in a final judgement that has become non-appealable determines that an Indemnified Party was grossly negligent, fraudulent or guilty of wilful misconduct in connection with a Claim in respect of which the Indemnitor has advanced funds to the Indemnified Party pursuant to this indemnity, such Indemnified Party shall reimburse such funds to the Indemnitor and thereafter this indemnity shall not apply to such Indemnified Party in respect of such Claim. The Indemnitor agrees to waive any right the Indemnitor might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity.

11.10. The rights to contribution provided in Section 11.5 shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law or in equity. Subject to Section 11.5 the Indemnitor waives all rights of contribution that it may have against any Indemnified Party relating to any Claim in respect of which the Indemnitor has agreed to indemnify the Indemnified Parties hereunder.

11.11. The Agent shall act as trustee for the Selling Group Members and for the Agent's and Selling Group Members' respective affiliates, directors, officers, employees and agents of the covenants of the Indemnitor under this Article 11 with respect to such persons and accept the trust and shall hold and enforce the covenants on behalf of such persons.

11.12. Subject to Section 11.3, if any Claim is brought in connection with the transactions contemplated by this Agreement and the Agent or the Selling Group Members are required to testify in connection therewith or are required to respond to procedures designed to discover information relating thereto, the Agent and the Selling Group Members will have the right, subject to Section 11.3 hereof, to employ its own counsel in connection therewith, and the fees and disbursements of such counsel in connection therewith as well as the reasonable fees at a reasonable per diem rate for its directors, officers, employees and agents involved in preparation for and attendance at such proceedings or in so responding and any other reasonable costs and out-of-pocket expenses incurred by it in connection therewith will be paid by the Indemnitor as and when they are incurred.

## **ARTICLE 12 EXPENSES**

Whether or not the Offering contemplated by this Agreement is completed, the Corporation shall pay all expenses of or incremental to the Offering, including, but not limited to: (a) the costs of the Corporation's counsel, auditors and other advisors, (b) the costs of printing, filing fees, stock exchange fees and similar incidental expenses, (c) the fees of the Agent's legal counsel up to a maximum of \$187,500 plus disbursements and applicable taxes, and (d) the "out of pocket" expenses of the Agent including but not limited to their travel expenses in connection with due diligence and marketing activities. The Agent's expenses, including the fees and disbursements of its counsel, shall be payable on the Closing Date, subject to the prior receipt of appropriate supporting documentation by the Corporation.

For expenses other than the fees of the legal counsel, the Agent and any Selling Group Members shall not incur out of pocket expenses in excess of \$10,000 without prior written authorization of the Corporation.

All or part of the amount payable under this Agreement may be subject to the federal Goods and Services Tax, Harmonized Sales Tax and/or applicable provincial sales tax (collectively, "**Tax**"). Where Tax is applicable, an additional amount equal to the amount of Tax owing or paid will be charged to the Corporation.

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**ARTICLE 13**  
**SURVIVAL OF REPRESENTATIONS AND WARRANTIES**

The representations, warranties, covenants, obligations and agreements contained in this Agreement and in any document delivered pursuant to this Agreement and in connection with delivery of and payment for the Offered Units contemplated herein shall survive the delivery of and payment for the Offered Units and the termination of this Agreement and shall continue in full force and effect for the period hereinafter described for the benefit of the Agent (for and on behalf of the Agent and the Selling Group Members) or the Corporation, as the case may be, regardless of the Closing of the Offering, any subsequent disposition of the Offered Units and any investigation by or on behalf of the Agent or the Selling Group Members with respect thereto. Such representations, warranties, covenants, obligations and agreements of the Corporation shall survive for a period ending on the latest date under applicable Securities Laws that a purchaser of Offered Units may be entitled to commence an action with respect to the purchase of Offered Units pursuant to the Offering, provided that the representations, warranties, covenants, obligations and agreements of the Corporation shall survive during the pendency of any actions commenced prior to the expiration of such period. Notwithstanding the foregoing, in the case of any fraud or fraudulent misrepresentation of the Corporation, the representations, warranties and covenants of such party contained in this Agreement or in agreements, certificates or other documents referred to in this Agreement or delivered pursuant to this Agreement shall survive the sale of the Offered Units and the termination of this Agreement and shall remain in full force and effect indefinitely.

**ARTICLE 14**  
**AGENT'S SECURITIES ACTIVITIES AND FINANCIAL ADVISORY SERVICES**

The Agent and its respective affiliates are engaged in a broad range of securities activities and financial advisory services. The Agent and its respective affiliates carry on a range of businesses on their own account and for their clients, including providing stock brokerage, investment advisory, investment management, proprietary financings and custodial services. It is possible that the various divisions, business groups and affiliates of the Agent which provide these services may hold long, short or derivative positions in securities or obligations of companies which are or may be involved in any transaction contemplated hereby and effect transactions in those securities or obligations for their own account or for the account of their clients. Accordingly, there may be situations where these divisions, business groups and affiliates and/or their clients either now have or may in the future have interests, or take actions, that may conflict with the interests of the Corporation, and the Corporation agrees that such divisions, business groups and affiliates, and their clients, may hold such positions, effect such transactions and take such other actions without regard to the Corporation's interests. In addition, research analysts of the Agent and its respective affiliates may hold and make statements or investment recommendations and/or publish research reports with respect to the Corporation, the transactions contemplated by this Agreement or any other party involved in such transactions that differ from or are inconsistent with the views or advice communicated by the Agent. The Corporation acknowledges and agrees that the Selling Group Members may be similarly situated. The Corporation agrees that the Agent, the Selling Group Members and its affiliates may undertake any business activity (including, without limitation, performing the same or similar engagements for other clients in the Corporation's industry) without further consultation with or notification to the Corporation. Furthermore, the Corporation agrees that the Agent, the Selling Group Members and their affiliates shall not have a duty to disclose to the Corporation or use on behalf of the Corporation any information whatsoever about, relating to or derived from those activities.

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**ARTICLE 15**  
**GENERAL**

- 15.1. Time shall be of the essence of this Agreement.
- 15.2. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 15.3. All funds referred to in this Agreement shall be in Canadian dollars unless otherwise stated herein.
- 15.4. Unless herein otherwise expressly provided, any notice, request, direction, consent, waiver, extension, agreement or other communication that is required to or may be given or made hereunder shall be in and shall be sufficiently given if delivered personally, or via email to such party, as follows:

(a) in the case of the Corporation:

IntelGenx Technologies Corp.  
6420 Abrams  
Ville St. Laurent, Québec, H4S 1Y2

Attention: André Godin  
Email: [andre@intelgenx.com](mailto:andre@intelgenx.com)

with a copy (for information purposes only and not to constitute notice) to:

McCarthy Tétrault LLP  
1000, De La Gauchetière Street West  
Montréal, Québec H3B 0A2

Attention: Fraser Bourne  
Email: [fbourne@mccarthy.ca](mailto:fbourne@mccarthy.ca)

Dorsey & Whitney LLP  
TD Canada Trust Tower  
Brookfield Place, 161 Bay Street, Suite 4310  
Toronto, Ontario M5J 2S1

Attention: Richard Raymer  
Email: [raymer.richard@dorsey.com](mailto:raymer.richard@dorsey.com)

(b) in the case of the Agent and the Selling Group Members, if applicable:

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Echelon Wealth Partners Inc.  
1 Adelaide Street East, Suite 2100  
Toronto, Ontario, M5C 2V9

Attention: Michael Lorimer, Managing Director,  
Healthcare Investment Banking  
Email: mlorimer@echelonpartners.com

Attention: Beth Shaw, Head of Equity Capital Markets  
Email: bshaw@echelonpartners.com

with a copy to:

Dickinson Wright LLP  
Commerce Court West  
199 Bay Street, Suite 2200  
Toronto, Ontario M5L 1G4

Attention: Andre G. Poles  
Email : apoles@dickinsonwright.com

Any such notice, direction or other instrument, if delivered personally, shall be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following such day and if transmitted by fax or email, shall be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following the day of such transmission.

Any party hereto may change its address for service from time to time by notice given to each of the other parties hereto in accordance with the foregoing provisions.

15.5. If any provision of this Agreement shall be adjudged by a competent authority to be invalid or for any reason unenforceable in whole or in part, such invalidity or unenforceability shall not affect the validity, enforceability or operation of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

15.6. Except as required by law or as deemed necessary to the Corporation in connection with legal or regulatory proceedings, the written or verbal advice or opinions of the Agent and the Selling Group Members, including any background or supporting materials or analysis, will not be publicly disclosed or referred to or provided to any third party by the Corporation without the prior written consent of the Agent (for and on behalf of the Agent and the Selling Group Members), in each specific instance such consent not to be unreasonably withheld. The Agent (for and on behalf of the Agent and the Selling Group Members) expressly disclaim any liability or responsibility by reason of any unauthorized use, publication, distribution of or reference to any written or verbal advice or opinions or materials provided by the Agent or the Selling Group Members or any unauthorized reference to the Agent, the Selling Group Members or this Agreement.

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15.7. The Corporation agrees that the Agent and the Selling Group Members may, subsequent to the announcement of the Offering, make public its involvement with the Corporation in the Offering, including the right of the Agent or the Selling Group Members, as applicable, at its own expense to, following completion of the Offering, place advertisements describing its services to the Corporation in financial, news or business publications.

15.8. The Corporation acknowledges that it has retained the Agent under this Agreement solely to provide the services set forth in this Agreement. In rendering such services, the Agent will act independent contractors, and the Agent owes their duties arising out of this Agreement solely to the Corporation and to no other person. The Corporation acknowledges that nothing in this Agreement is intended to create duties to the Corporation beyond those expressly provided for in this Agreement, and the Agent, the Selling Group Members and the Corporation specifically disclaim the creation of any partnership, joint venture, fiduciary, agency or non-contractual relationship between, or the imposition of any partnership, joint venture, fiduciary, agency or non-contractual duties on, either party. Except as set out in Article 11, nothing in this Agreement is intended to confer upon any other person any rights or remedies under this Agreement or by reason of this Agreement. For greater certainty, the Agent and the Selling Group Members will not provide any legal, tax, accounting or regulatory advice, either pursuant to this Agreement or otherwise. The Corporation will be solely responsible for engaging and instructing such legal, tax, accounting and regulatory professionals as it deems necessary for purposes of the subject matter of this Agreement.

15.9. This Agreement may be executed by any one or more of the parties to this Agreement by facsimile or electronic transmission and in any number of counterparts, each of which shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

15.10. This Agreement shall constitute the entire agreement between the parties with respect to the subject matter of this Agreement and shall not be changed, modified or rescinded, except in writing signed by the parties. The provisions of this Agreement supersede all contemporaneous oral agreements and all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of this Agreement.

15.11. The parties hereto have required that this agreement and all documents and notices related thereto and/or resulting therefrom be drawn up in English only. *Les parties aux présentes ont exigé que la présente convention ainsi que tous les documents et avis qui s'y rattachent et/ou découleront soient rédigés en langue anglaise seulement.*

**[Signature page follows]**

---

Would you kindly confirm the agreement of the Corporation to the foregoing by executing this Agreement and thereafter returning such executed copy to the Agent.

Yours truly,

**ECHELON WEALTH PARTNERS INC.**

By: \_\_\_\_\_

Name:

Title:

Accepted and agreed to as of the date first written above.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_

Name: Dr. Horst G. Zerbe

Title: Chief Executive Officer

---

**SCHEDULE "A"**  
**NOTICE OF EXERCISE OF**  
**OVER-ALLOTMENT OFFERING**

**To: INTELGENX TECHNOLOGIES CORP.**

Pursuant to the terms of the Agency Agreement by and between IntelGenx Technologies Corp. and Echelon Wealth Partners, dated as of January 27, 2020 (the "Agency Agreement"), notice is hereby provided that the Agent is exercising their right to increase the size of the Offering by \_\_\_\_\_ Offered Units at a price of \$0.50 per Offered Unit on \_\_\_\_\_, 2020.

Capitalized terms used but not defined in this Notice of Exercise of Over-Allotment Offering shall have the meaning ascribed to such terms in the Agency Agreement.

**Dated** at Toronto this \_\_\_\_ day of \_\_\_\_\_, 2020.

**ECHELON WEALTH PARTNERS INC.**

Per:

\_\_\_\_\_  
Authorized Signature

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**SCHEDULE "B"**

**PRESIDENT'S LIST**

The subscribers on the President's List are as follows:

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January 27, 2020

IntelGenx Technologies Corp.  
6420 Abrams, Ville Saint Laurent, Quebec  
H4S 1Y2 Canada

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel to IntelGenx Technologies Corp., a Delaware corporation (the "Company"), in connection with a Registration Statement on Form S-1 (File No. 333-235607) (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") under the United States Securities Act of 1933, as amended (the "Securities Act"), relating to the offer and sale by the Company of a minimum of CA\$5,000,000 and a maximum of CA\$10,000,000 units of the Company (each, a "Unit"), each of which consists of one share ("Offered Shares") of the Company's common stock ("Common Stock") and one Common Stock purchase warrant ("Warrant") (the "Offering"). Each Warrant is exercisable to purchase one share of the Company's Common Stock ("Warrant Shares"). The Company has agreed to issue to Echelon Wealth Partners Inc. (the "Agent") warrants ("Agent Warrants") to purchase a number of shares of Common Stock ("Agent Warrant Shares") equal to seven percent (7.0%) of the aggregate number of Units sold in the Offering (not including any shares of Common Stock underlying the Warrants issued in the Offering). Additionally, the Company has granted to the Agent an option to increase the size of the Offering by up to fifteen percent (15.0%), exercisable in whole or in part at any time for a period of thirty (30) days after and including the closing date of the Offering.

We have examined such documents and have reviewed such questions of law as we have considered necessary or appropriate for the purposes of our opinions set forth below. In rendering our opinions set forth below, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures and the conformity to authentic originals of all documents submitted to us as copies. We have also assumed the legal capacity for all purposes relevant hereto of all natural persons and, with respect to all parties to agreements or instruments relevant hereto other than the Company, that such parties had the requisite power and authority (corporate or otherwise) to execute, deliver and perform such agreements and instruments, that such agreements and instruments have been duly authorized by all requisite action (corporate or otherwise), executed and delivered by such parties and that such agreements and instruments are the valid, binding and enforceable obligations of such parties. In addition, in rendering our opinions set forth below, we have assumed that all agreements or instruments relevant hereto are the valid, binding and enforceable obligations of all parties thereto, other than the Company. As to questions of fact material to our opinions, we have relied upon certificates or comparable documents of officers and other representatives of the Company and of public officials.

Based on the foregoing, we are of the opinion that

1. The Offered Shares, when issued and delivered in accordance with the Registration Statement, will be validly issued, fully paid and non-assessable.
-

2. The Warrant Shares, when issued and delivered upon exercise of the Warrants in accordance with the terms thereof, will be validly issued, fully paid and non-assessable.
3. The Agent Warrants, when issued and delivered in accordance with the Registration Statement, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.
4. The Agent Warrant Shares, when issued and delivered upon exercise of the Agent Warrants in accordance with the terms thereof, will be validly issued, fully paid and non-assessable.

Our opinions expressed above are limited to the Delaware General Corporation Law.

Our opinions set forth above are subject to the following qualifications and exceptions:

- A. Our opinions set forth above are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws).
- B. Our opinions set forth above are subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.
- C. Our opinions set forth above are subject to limitations regarding the availability of indemnification and contribution where such indemnification or contribution may be limited by applicable law or the application of principles of public policy.
- D. We express no opinion as to (i) provisions that relate to choice of law, forum selection or submission to jurisdiction (including, without limitation, any express or implied waiver of any objection to venue in any court or of any objection that a court is an inconvenient forum) to the extent that the validity, binding effect or enforceability of any such provision is to be determined by any court other than a state court of the State of Delaware, (ii) waivers by the Company of any statutory or constitutional rights or remedies, (iii) terms which excuse any person or entity from liability for, or require the Company to indemnify such person or entity against, such person's or entity's negligence or willful misconduct or (iv) obligations to pay any prepayment premium, default interest rate, early termination fee or other form of liquidated damages, if the payment of such premium, interest rate, fee or damages may be construed as unreasonable in relation to actual damages or disproportionate to actual damages suffered as a result of such prepayment, default or termination.
- E. We draw your attention to the fact that, under certain circumstances, the enforceability of terms to the effect that provisions may not be waived or modified except in writing may be limited.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement, and to the reference to our firm under the heading "Legal Matters" in the prospectus constituting part of the Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly  
yours,

/s/ Dorsey  
&  
Whitney  
LLP

---

McCarthy Tétrault LLP  
Suite 2500  
1000 De La Gauchetière Street West  
Montréal, QC H3B 0A2  
Canada  
Tél : 514-397-4100  
Télé : 514-875-6246



January 27, 2020

**IntelGenx Technologies Corp.**  
6420 Abrams  
Ville Saint-Laurent, QC H4S 1Y2

**Re: IntelGenx Technologies Corp.**

Ladies and Gentlemen:

This opinion is furnished to IntelGenx Technologies Corp. (the "**Corporation**"), in connection with the Registration Statement on Form S-1 (the "**Registration Statement**") filed by the Corporation with the Securities and Exchange Commission (the "**Commission**") under the United States Securities Act of 1933, as amended, relating to the offer and sale by the Corporation of a minimum of Cdn\$5,000,000 and a maximum of Cdn\$10,000,000 units of the Corporation (each, a "**Unit**"), each of which consists of one share of the Corporation's common stock ("**Common Stock**") and one half of one Common Stock purchase warrant (each whole Common Stock purchase warrant, a "**Warrant**").

The Warrants will be issued under an indenture (the "**Indenture**") between the Corporation and TSX Trust Corporation, as trustee (the "**Trustee**").

We have examined the Registration Statement and the form of the Indenture, which has been filed with the Commission as an exhibit to the Registration Statement. We also have examined the originals, or duplicates or certified or conformed copies, of such corporate and other records, agreements, documents and other instruments and have made such other investigations as we have deemed relevant and necessary in connection with the opinion hereinafter set forth. As to questions of fact material to this opinion, we have relied upon certificates or comparable documents of public officials and of officers and representatives of the Corporation.

In rendering the opinion set forth below, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed, photostatic, electronic, or facsimile copies and the authenticity of the originals of such documents. In making our examination of the form of Indenture we have assumed the Indenture constitutes or will constitute a valid and binding obligation of the Trustee.

Based upon the foregoing, and subject to the qualifications, assumptions and limitations stated herein, assuming (a) the taking of all necessary corporate action to approve the Indenture, the issuance and terms of the Warrants, the terms of the offering thereof and related matters by the Board of Directors of the Corporation or a duly constituted and acting committee of such Board (such Board of Directors or committee being hereinafter referred to as the "**Board**") and (b) the due execution, authentication, issuance and delivery of the Warrants and the Indenture, upon payment of the consideration therefor provided for in the applicable definitive purchase, underwriting or similar agreement approved by the Board and otherwise in accordance with the provisions of the Indenture and such agreement, the Warrants will constitute valid and legally binding obligations of the Corporation enforceable against the Corporation in accordance with their terms.

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Our opinion set forth above is subject to (i) bankruptcy, insolvency, reorganization, arrangement, winding up, moratorium and other similar laws of general application limiting the enforcement of creditors' rights generally, (ii) general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of a court, and (iii) principles of good faith and reasonableness, as such principles are construed and applied by the courts of the Province of Ontario.

The opinion expressed herein is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein (the "**Applicable Law**").

We do not express any opinion herein with respect to the validity of any issuance of common shares of the Corporation that may be issued upon the exercise of the Warrants or otherwise.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement. We also consent to the reference to our firm under the heading "Legal Matters" in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under the Securities Act or the rules and regulations promulgated thereunder. This opinion is expressed as of the date hereof unless otherwise expressly stated, and we disclaim any undertaking to advise you of any subsequent changes of the facts stated or assumed herein or any subsequent changes in Applicable Law.

Yours truly,

*/s/ McCarthy Tétrault LLP*

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**WARRANT INDENTURE**

**Providing for the Issue of Common Share Purchase Warrants**

**BETWEEN**

**INTELGEX TECHNOLOGIES CORP.**

**AND**

**TSX TRUST COMPANY**

**Dated as of January [•], 2020**

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**THIS WARRANT INDENTURE** is made as of January [●], 2020

**BETWEEN:** **INTELGEX TECHNOLOGIES CORP.**, a corporation incorporated under the laws of Delaware;  
(hereinafter referred to as the "**Corporation**");

**AND:** **TSX TRUST COMPANY**, a trust company incorporated under the federal laws of Canada;  
(hereinafter referred to as the "**Warrant Agent**").

**WHEREAS:**

- A. The Corporation intends to complete a prospectus offering (the "**Offering**") of units (the "**Units**") on a "best efforts" basis and has retained Echelon Wealth Partners Inc. as agent for the purposes of the Offering;
- B. The Corporation has filed a registration statement under the U.S. Securities Act (as defined below) with the United States Securities and Exchange Commission on Form S-1 (Registration Statement No. 333-235607) (the "**Registration Statement**") to register the Units and the securities underlying such Units.
- C. Each Unit will consist of one share (a "**Share**") of the Corporation's common stock (the "**Common Stock**") and one warrant to purchase one Share of Common Stock (a "**Warrant**");
- D. Each Warrant will, subject to adjustment, entitle the holder thereof to acquire one (1) share of Common Stock upon payment of the Exercise Price (as such term is hereinafter defined) and subject to the terms and conditions set forth herein;
- E. In order to satisfy the exercise of the rights attached to each Warrant, the Corporation has agreed to reserve for issuance one (1) share of Common Stock for each Warrant outstanding;
- F. All acts and deeds necessary have been done and performed to make the Warrants, when created and issued as provided in this Indenture, legal, valid and binding upon the Corporation with the benefits and subject to the terms of this Indenture; and
- G. The foregoing recitals are made as representations and statements of fact by the Corporation and not by the Warrant Agent.

**NOW THEREFORE**, in consideration of the premises and mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Corporation hereby appoints the Warrant Agent to hold the rights, interests and benefits contained herein for and on behalf of those persons who from time to time become the holders of Warrants issued pursuant to this Indenture and the parties hereto agree as set forth below:

## 1. INTERPRETATION

### 1.1 Definitions

In this Indenture, including the recitals and schedules hereto, and in all indentures supplemental hereto, unless there is something in the subject matter or context inconsistent therewith:

- 1.1.1 "**Adjustment Period**" means the period from and including the Effective Date up to and including the Expiry Time;
- 1.1.2 "**Applicable Legislation**" means any statute of Canada or a province thereof, and the regulations under any such named or other statute, relating to warrant indentures or to the rights, duties and obligations of warrant agents and of corporations under warrant indentures, to the extent that such provisions are at the time in force and applicable to this Indenture;
- 1.1.3 "**Authenticated**" means (a) with respect to the issuance of a Warrant Certificate, one which has been duly signed by the Corporation and authenticated by manual signature of an authorized officer of the Warrant Agent, (b) with respect to the issuance of an Uncertificated Warrant, one in respect of which the Warrant Agent has completed all Internal Procedures such that the particulars of such Uncertificated Warrant as required by Section 2.7 are entered in the register of holders of Warrants, "Authenticate", "Authenticating" and "Authentication" have the appropriate correlative meanings;
- 1.1.4 "**Beneficial Owner**" means a person that has a beneficial interest in a Warrant that is represented by a Global Certificate;
- 1.1.5 "**Book-Based Participants**" means institutions that participate directly or indirectly in the Book-Based System;
- 1.1.6 "**Book-Based System**" means the book-based securities registration and transfer system administered by the Depository in accordance with its operating rules and procedures in force from time to time;
- 1.1.7 "**Book Based Warrants**" means Warrants that are to be held by or on behalf of the Depository;
- 1.1.8 "**Business Day**" means any day other than a Saturday, a Sunday, a statutory holiday in the Province of Québec, the Province of Ontario or the State of New York, or any other day on which banks are not open for business in Montréal, Québec, Toronto, Ontario or New-York, New-York;
- 1.1.9 "**Certificated Warrant**" means a Warrant evidenced by a writing or writings substantially in the form of Schedule A attached hereto;
- 1.1.10 "**CDS**" means CDS Clearing and Depository Services Inc. and its successors in interest;

- 1.1.11 "**Closing Date**" means the initial closing date of the Offering;
- 1.1.12 "**Corporation**" means IntelGenx Technologies Corp., a corporation incorporated under the laws of Delaware and its lawful successors from time to time;
- 1.1.13 "**Corporation's Auditor**" means Richter LLP or any other firm of chartered public accountants duly appointed as auditor of the Corporation;
- 1.1.14 "**counsel**" means a barrister or solicitor or a firm of barristers and solicitors retained by the Warrant Agent or retained by the Corporation and acceptable to the Warrant Agent;
- 1.1.15 "**Current Market Price**" of the Shares at any date means the closing price of the Shares on the TSXV on the trading day immediately preceding such date on the TSXV or, if on such date the Shares are not listed on the TSXV, on such stock exchange upon which the Shares are listed and as selected by the directors, or, if such Shares are not listed on any stock exchange, then on such over-the-counter market as may be selected for such purpose by the directors;
- 1.1.16 "**Depository**" means CDS or a successor depository or any other depository offering a similar Book-Based System for recording beneficial interest in the Warrants which the Corporation, acting reasonably, may designate;
- 1.1.17 "**director**" means a director of the Corporation for the time being and, unless otherwise specified herein, reference to action "**by the directors**" means action by the directors of the Corporation as a board or, whenever duly empowered, action by any committee of such board;
- 1.1.18 "**Effective Date**" means the date of this Indenture;
- 1.1.19 "**Exercise Date**" means, with respect to any Warrant, the date on which the Warrant Certificate representing such Warrant is surrendered for exercise together with full payment of the Exercise Price in accordance with Section 3.1;
- 1.1.20 "**Exercise Price**" at any time means, the price at which a Share of Common Stock may be purchased by the exercise of one Warrant and which is \$[●], subject to adjustment in accordance with the provisions of Article 4, in which case it shall mean the adjusted price in effect at such time;
- 1.1.21 "**Expiry Date**" means [●];
- 1.1.22 "**Expiry Time**" means 5:00 p.m. (Toronto time) on the Expiry Date;
- 1.1.23 "**Extraordinary Resolution**" has the meaning set forth in Section 7.11;
- 1.1.24 "**Global Certificate**" means Warrants representing all or a portion of the aggregate number of Warrants issued in the name of the Depository represented by an Uncertificated Warrant, or if requested by the Depository or the Corporation, by a Warrant Certificate;

- 1.1.25 "**Internal Procedures**" means in respect of the making of any one or more entries to, changes in or deletions of any one or more entries in the register of Warrantholders at any time (including without limitation, original issuance or registration of transfer of ownership), the minimum number of the Warrant Agent's internal procedures customary at such time for the entry, change or deletion effected under the operating procedures of the Warrant Agent;
- 1.1.26 "**Issue Date**" means the date(s) upon which the Warrants are issued;
- 1.1.27 "**Offering**" means the offering of Units by way of short form prospectus of the Corporation dated [●], 2020 to persons resident in the Qualifying Jurisdictions;
- 1.1.28 "**Person**" means an individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative or any unincorporated organization;
- 1.1.29 "**Qualifying Jurisdictions**" means collectively, each of the provinces of Alberta, British Columbia, Ontario and Manitoba and such other jurisdictions as Echelon Wealth Partners Inc., acting as lead agent and bookrunner for the Offering, and the Corporation may designate prior to the Closing Date;
- 1.1.30 "**Registered Warrantholders**" means the persons who are registered owners of Warrants as such names appear on the register, and for greater certainty, shall include the Depository as well as the holders of Uncertificated Warrants appearing on the register of the Warrant Agent;
- 1.1.31 "**Shareholder**" means a holder of record of one or more Shares;
- 1.1.32 "**Subsidiary of the Corporation**" or "**Subsidiary**" means any corporation of which more than fifty percent (50%) of the outstanding Voting Shares are owned, directly or indirectly, by or for the Corporation, provided that the ownership of such shares confers the right to elect at least a majority of the board of directors of such corporation and includes any corporation in like relation to a subsidiary;
- 1.1.33 "**Successor corporation**" has the meaning set forth in Section 8.2;
- 1.1.34 "**This Warrant Indenture**", "**This Indenture**", "**herein**", "**hereby**", "**hereof**" and similar expressions mean and refer to this Indenture and any indenture, deed or instrument supplemental hereto; and the expressions "**Article**", "**Section**", "**subsection**" and "**paragraph**" followed by a number, letter or both mean and refer to the specified Article, Section, subsection or paragraph of this Indenture;
- 1.1.35 "**Trading Day**" means, with respect to a stock exchange, a day on which such exchange is open for the transaction of business and with respect to the over-the-counter market means a day on which the TSXV is open for the transaction of business;

- 1.1.36 "**Transaction Instruction**" means a written order signed by the holder or the Depository entitled to request that one or more actions be taken, or such other form as may be reasonably acceptable to the Warrant Agent, requesting one or more such actions to be taken in respect of an Uncertificated Warrant;
- 1.1.37 "**TSXV**" means the TSX Venture Exchange Inc.;
- 1.1.38 "**Uncertificated Warrant**" means any Warrant which is not a Warrant Certificate, including uncertificated warrants issued through the Book-Based System;
- 1.1.39 "**Unit**" means each unit consisting of one Share and one Warrant;
- 1.1.40 "**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- 1.1.41 "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended;
- 1.1.42 "**Voting Shares**" means shares of the capital stock of any class of any corporation carrying voting rights under all circumstances, provided that, for the purposes of such definition, shares which only carry the right to vote conditionally on the happening of an event shall not be considered Voting Shares, whether or not such event shall have occurred, nor shall any shares be deemed to cease to be Voting Shares solely by reason of a right to vote accruing to shares of another class or classes by reason of the happening of any such event;
- 1.1.43 "**Warrant Agency**" means one of the principal offices of the Warrant Agent in the city of Toronto or such other place(s) as may be designated in accordance with subsection 3.1.4;
- 1.1.44 "**Warrant Agent**" means TSX Trust Company in its capacity as Warrant agent, or its successors from time to time.;
- 1.1.45 "**Warrant Certificate**" means a certificate, substantially in the form set forth in Schedule "A" hereto, issued on or after the Issue Date to evidence the Warrants;
- 1.1.46 "**Warrant Exercise Form**" means an exercise form, substantially in the form set forth in Schedule "A" hereto, delivered by a Warrantholder to the Warrant Agency at any time after the Issue Date and prior to the Expiry Time;
- 1.1.47 "**Warrantholders**", or "**holders**" without reference to Shares, means the persons who are registered owners of Warrants as such names appear on the register, and for greater certainty, shall include the Depository as well as the holders of Uncertificated Warrants appearing on the register of the Warrant Agent;

- 1.1.48 "**Warrantholders' Request**" means an instrument signed in one or more counterparts by Warrantholders entitled to acquire in the aggregate not less than ten percent (10%) of the aggregate number of Shares which could be acquired pursuant to all Warrants then unexercised and outstanding, requesting the Warrant Agent to take some action or proceeding specified therein;
- 1.1.49 "**Warrants**" means the Warrants created by and authorized by and issuable under this Indenture, to be issued and countersigned hereunder in certificated form and/or held through the book based registration on a no certificate issued basis, whether by way of Warrant Certificate or Uncertificated Warrant: and
- 1.1.50 "**Written order of the Corporation**", "**written request of the Corporation**" and "**certificate of the Corporation**" mean, respectively, a written order, request and certificate signed in the name of the Corporation by any of its Chief Executive Officer, the President and Chief Financial Officer or the Corporate Secretary and may consist of one or more instruments so executed.

## **1.2 Gender and Number**

Unless herein otherwise expressly provided or unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

## **1.3 Interpretation not Affected by Headings, etc.**

The division of this Indenture into Articles, Sections and subsections, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture.

## **1.4 Day not a Business Day**

In the event that any day on or before which any action or notice is required to be taken or given hereunder is not a Business Day, then such action or notice shall be required to be taken or given on or before the requisite time on the next succeeding day that is a Business Day.

## **1.5 Time of the Essence**

Time shall be of the essence of this Indenture.

## **1.6 Currency**

Except as otherwise expressly provided, all dollar amounts herein are expressed in Canadian dollars.

## **1.7 Assignment**

This Indenture may not be assigned by either party hereto without the consent in writing of the other party. This Indenture shall enure to and bind the parties and their lawful successors and permitted assigns.

## **1.8 Applicable Law and Jurisdiction**

This Indenture and the Warrant Certificates and all documents relating thereto shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as Ontario contracts.

Each party to this Indenture, by its execution hereof, hereby irrevocably submits to the exclusive jurisdiction of the Courts of the Province of Ontario for the purpose of any action, claim, cause of action or suit (in contract, delict or otherwise), inquiry, proceeding or investigation arising out of or based upon this Indenture, Warrant Certificates or all documents relating thereto.

## **2. ISSUE OF WARRANTS**

### **2.1 Creation and Issue of Warrants**

Up to [●] Warrants are hereby created and authorized to be issued, all in accordance with the terms and conditions hereof.

### **2.2 Terms of the Warrants**

- 2.2.1 Each Warrant shall entitle the holder thereof, upon exercise, together with the payment of the Exercise Price, to acquire one (1) Share of Common Stock, subject to adjustment in accordance with Article 4, at any time after the Issue Date until the Expiry Time.
- 2.2.2 By written order of the Corporation, the Warrant Agent shall deliver the Warrants to Registered Warranholders as Certificated Warrants or Uncertificated Warrants and record the name of the Registered Warranholders on the Warrant register. Registration of interests in Warrants held by the Depository may be evidenced by a position appearing on the register for Warrants of the Warrant Agent for an amount representing the aggregate number of such Warrants outstanding from time to time.
- 2.2.3 No fractional Warrants shall be issued or otherwise provided for hereunder, which any fractional entitlements shall be rounded down to the nearest whole number and a purchaser or holder of any Warrant shall not be entitled to any cash or other consideration in lieu of any fractional interest in a Warrant or claim thereto.
- 2.2.4 Each Warrant shall entitle the holder thereof to such other rights and privileges as are set forth in this Indenture.
- 2.2.5 The number of Shares which may be purchased pursuant to the Warrants and the Exercise Price therefor shall be adjusted in the events and in the manner specified in Article 4.
- 2.2.6 Upon the exercise of the Warrants, the Corporation shall issue Shares required to fulfill its obligation to sell Shares upon the exercise of the Warrants.

### **2.3 Warrantholder not a Shareholder**

Except as may be specifically provided herein, nothing in this Indenture or in the holding of a Warrant or Warrant Certificate or otherwise, shall, in itself, confer or be construed as conferring upon a Warrantholder any right or interest whatsoever as a Shareholder or as any other shareholder of the Corporation, including, but not limited to, the right to vote at, to receive notice of, or to attend, meetings of shareholders or any other proceedings of the Corporation, or the right to receive dividends and other distributions.

### **2.4 Warrants to Rank *Pari Passu***

All Warrants shall rank equally and without preference over each other, whatever may be the actual date of issue thereof.

### **2.5 Form of Warrant and Certificated Warrants**

- 2.5.1 The Warrants may be issued in either certificated or uncertificated form. All Warrants issued in certificated form shall be evidenced by one or more Warrant Certificate(s) (including all replacements issued in accordance with this Indenture), substantially in the form set out in Schedule A hereto, which shall be dated as of the Issue Date, shall bear such distinguishing letters and numbers as the Corporation may, with the approval of the Warrant Agent, prescribe, and shall be issuable in any denomination excluding fractions. All Warrants issued to the Depository may be in either a certificated or uncertificated form, such uncertificated form being evidenced by a book position on the register of Warrantholders to be maintained by the Warrant Agent in accordance with Section 2.8. For greater certainty, any Registered Warrantholder holding Warrants represented by an Uncertificated Warrant may, at any time prior to the Expiry Time, request that such Warrants be evidenced by a Warrant Certificate.
- 2.5.2 Each Warrantholder, by purchasing Warrants, acknowledges and agrees that the terms and conditions set forth in the form of Warrant Certificate set out in Schedule A hereto shall apply to all Warrants and Warrantholders, regardless of whether such Warrants are issued in certificated or uncertificated form, or whether such Warrantholders are Registered Warrantholders or owners of Warrants who beneficially hold securities entitlements in respect of the Warrants through a Book-Based Participant.

### **2.6 Beneficial Holders of Warrants**

- 2.6.1 The Warrants may be represented in the form of one or more Global Certificate registered in the name of the Depository or its nominee and held by, or on behalf of, the Depository, as Depository of the Global Certificates for the participants of CDS, and any such Global Certificate will bear, or be deemed to bear the legend included on the form of Global Certificate appended as Schedule A hereto.
- 2.6.2 Registration of beneficial interests in and transfers of Warrants held by the Depository shall be made only through the Book-Based System and no Warrant Certificates shall be issued in respect of such Warrants except where physical certificates evidencing ownership in such securities are required or as set out herein or as may be requested by the Depository, as determined by the Corporation, from time to time. Except as provided in this Section 2.6, owners of beneficial interests in any Global Certificates shall not be entitled to have Warrants registered in their names and shall not receive or be entitled to receive Warrants in definitive form or to have their names appear in the register referred to in Section 2.8 herein.

2.6.3 Notwithstanding any other provision in this Indenture, no Global Certificate may be exchanged in whole or in part for Warrants registered, and no transfer of Global Certificates in whole or in part may be registered, in the name of any person other than the Depository for such Global Certificates or a nominee thereof unless:

- (i) the Depository notifies the Corporation that it is unwilling or unable to continue to act as depository in connection with the Book-Based Warrants and the Corporation is unable to locate a qualified successor;
- (ii) the Corporation determines that the Depository is no longer willing, able or qualified to discharge properly its responsibilities as holder of the Global Certificates and the Corporation is unable to locate a qualified successor;
- (iii) the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository and the Corporation is unable to locate a qualified successor;
- (iv) the Corporation determines that the Warrants shall no longer be held as Book-Based Warrants through the Depository;
- (v) such right is required by Applicable Legislation, as determined by the Corporation and the Corporation's counsel; or
- (vi) such registration is effected in accordance with the Internal Procedures as well as with the internal procedures of the Depository;

following which Warrants for those holders requesting such exchange shall be issued to the beneficial owners of such Warrants or their nominees as directed by the holder. The Corporation shall provide an officer's certificate giving notice to the Warrant Agent of the occurrence of any event outlined in this Section 2.6.3(i)-(v).

2.6.4 Subject to the provisions of this Section 2.6, any exchange of Global Certificates for Warrants which are not Global Certificates may be made in whole or in part in accordance with the provisions of Section 2.10, *mutatis mutandis*. All such Warrants issued in exchange for a Global Certificate or any portion thereof shall be registered in such names as the Depository for such Global Certificates shall direct and shall be entitled to the same benefits and subject to the same terms and conditions (except insofar as they relate specifically to Global Certificates) as the Global Certificates or portion thereof surrendered upon such exchange.

- 2.6.5 Every Warrant Authenticated upon registration of transfer of Global Certificates, or in exchange for or in lieu of Global Certificates or any portion thereof, whether pursuant to this Section 2.6, or otherwise, shall be Authenticated in the form of, and shall be, a Global Certificate, unless such Warrant is registered in the name of a person other than the Depository for such Global Certificate or a nominee thereof.
- 2.6.6 Notwithstanding anything to the contrary in this Indenture, subject to Applicable Legislation, any Global Certificate will be issued as an Uncertificated Warrant, unless otherwise requested in writing by the Depository or the Corporation.
- 2.6.7 The rights of beneficial owners of Warrants who hold securities entitlements in respect of the Warrants through the Book-Based System shall be limited to those established by applicable law and agreements between the Depository and the Book-Based Participants and between such Book-Based Participants and the beneficial owners of Warrants who hold securities entitlements in respect of the Warrants through the Book-Based System, and such rights must be exercised through a Book-Based Participant in accordance with the rules and procedures of the Depository.
- 2.6.8 Notwithstanding anything herein to the contrary, neither the Corporation nor the Warrant Agent nor any agent thereof shall have any responsibility or liability for:
- (i) any aspects of the records relating to any beneficial ownership interests in the Warrants or the Book-Based System, or payments made by the Depository or its nominee on account of any beneficial ownership interest of any person in any Warrant represented by an electronic position in the Book-Based System;
  - (ii) maintaining, supervising or reviewing any records of the Depository or its nominee or any Book-Based Participant relating to any such interest; or
  - (iii) any advice or representation made or given by the Depository or those contained herein that relate to the rules and regulations of the Depository or any action to be taken by the Depository on its own direction or at the direction of any Book-Based Participant.
- 2.6.9 The Corporation may terminate the application of this Section 2.6 in its sole discretion in which case all Warrants shall be evidenced by Warrant Certificates registered in the name of person(s) other than the Depository.

## **2.7 Warrant Certificate**

- 2.7.1 For Warrants issued in certificated form, the form of certificate representing Warrants shall be substantially as set out in Schedule A hereto or such other form as is authorized from time to time by the Warrant Agent. Each Warrant Certificate shall be Authenticated manually on behalf of the Warrant Agent. Each Warrant Certificate shall be signed by any duly authorized signatory of the Corporation; whose signature shall appear on the Warrant Certificate and may be printed, lithographed or otherwise mechanically reproduced thereon and, in such event, certificates so signed are as valid and binding upon the Corporation as if it had been signed manually. Any Warrant Certificate shall be valid notwithstanding that any person whose signature is printed, lithographed or mechanically reproduced no longer holds office at the date of issuance of such certificate. The Warrant Certificates may be engraved, printed or lithographed, or partly in one form and partly in another, as the Warrant Agent may determine.

- 2.7.2 Any Warrant Certificate validly issued in accordance with the terms of this Indenture in effect at the time of issue of such Warrant Certificate shall, subject to the terms of this Indenture and applicable law, validly entitle the holder to acquire Shares, notwithstanding that the form of such Warrant Certificate may not be in the form currently required by this Indenture.
- 2.7.3 The Warrant Agent shall Authenticate Uncertificated Warrants (whether upon original issuance, exchange, partial exercise, registration of transfer, or otherwise) by completing its Internal Procedures and the Corporation shall, and hereby acknowledges that it shall, thereupon be deemed to have duly and validly issued such Uncertificated Warrants under this Indenture. Such Authentication shall be conclusive evidence that such Uncertificated Warrants have been duly issued hereunder and that the holder or holders are entitled to the benefits of this Indenture. The register shall be final and conclusive evidence as to all matters relating to Uncertificated Warrants with respect to which this Indenture requires the Warrant Agent to maintain records or accounts. In case of differences between the register at any time and any other time the register at the later time shall be controlling, absent manifest error.
- 2.7.4 No Certificated Warrant shall be considered issued and Authenticated or, if Authenticated, shall be obligatory or shall entitle the holder thereof to the benefits of this Indenture, until it has been Authenticated by manual signature by or on behalf of the Warrant Agent substantially as contemplated in the form of the Warrant set out in Schedule A hereto. Such Authentication on any such Certificated Warrant shall be conclusive evidence that such Certificated Warrant is duly Authenticated and is valid and a binding obligation of the Corporation and that the holder is entitled to the benefits of this Indenture. The Authentication by the Warrant Agent on any such Certificated Warrant hereunder shall not be construed as a representation or warranty by the Warrant Agent as to the validity of this Indenture or of such Warrant or its issuance (except the due Authentication thereof) or as to the performance by the Corporation of its obligations under this Indenture and the Warrant Agent shall in no respect be liable or answerable for the use made of the Warrants or any of them or the proceeds thereof.

2.7.5 No Uncertificated Warrant shall be considered issued and shall be obligatory or shall entitle the holder thereof to the benefits of this Indenture, until it has been Authenticated by entry on the register of the particulars of the Uncertificated Warrant. Such entry on the register of the particulars of an Uncertificated Warrant shall be conclusive evidence that such Uncertificated Warrant is a valid and binding obligation of the Corporation and that the holder is entitled to the benefits of this Indenture. Authenticating by way of entry on the register shall not be construed as a representation or warranty by the Warrant Agent as to the validity of this Indenture or of such Warrants (except the due Authentication thereof) or as to the performance by the Corporation of its obligations under this Indenture and the Warrant Agent shall in no respect be liable or answerable for the use made of the Uncertificated Warrants or any of them or the proceeds thereof.

## **2.8 Register of Warrants**

2.8.1 The Warrant Agent shall maintain records and accounts concerning the Warrants, whether certificated or uncertificated, which shall contain the information called for below with respect to each Warrant, together with such other information as may be required by Applicable Legislation or as the Warrant Agent may elect to record. All such information shall be kept in one set of accounts and records which the Warrant Agent shall designate (in such manner as shall permit it to be so identified as such by an unaffiliated party) as the register of the holders of Warrants. The information to be entered for each account in the register of Warrants at any time shall include (without limitation):

- (i) the name and address of the holder of the Warrants, the date of Authentication thereof and the number of Warrants;
- (ii) whether such Warrant is a Certificated Warrant or an Uncertificated Warrant and, if a Warrant Certificate, the unique number or code assigned to and imprinted thereupon and, if an Uncertificated Warrant, the unique number or code assigned thereto if any;
- (iii) whether such Warrant has been cancelled; and
- (iv) a register of transfers in which all transfers of Warrants and the date and other particulars of each transfer shall be entered.

2.8.2 The register shall be available for inspection by the Corporation or any Warrantholder during the Warrant Agent's regular business hours on a Business Day. Any Warrantholder exercising such right of inspection shall first provide an affidavit in form satisfactory to the Corporation and the Warrant Agent, each acting reasonably, stating the name and address of the Warrantholder and agreeing not to use the information therein except in connection with an effort to call a meeting of Warrantholders or to influence the voting of Warrantholders at any meeting of Warrantholders.

2.8.3 Once an Uncertificated Warrant has been Authenticated, the information set forth in the register with respect thereto at the time of Authentication may be altered, modified, amended, supplemented or otherwise changed only to reflect exercise or proper instructions to the Warrant Agent from the Registered Warranholder as provided herein, except that the Warrant Agent may act unilaterally to make purely administrative changes internal to the Warrant Agent and changes to correct errors. Each person who becomes a holder of an Uncertificated Warrant, by his, her or its acquisition thereof shall be deemed to have irrevocably (i) consented to the foregoing authority of the Warrant Agent to make such error corrections and (ii) agreed to pay to the Warrant Agent, promptly upon written demand, the full amount of all loss and expense (including without limitation reasonable legal fees of the Warrant Agent) plus interest, at an appropriate then prevailing rate of interest, sustained by the Warrant Agent as a proximate result of such error if but only if and only to the extent that such present or former holder realized any benefit as a result of such error and could reasonably have prevented, forestalled or minimized such loss and expense by prompt reporting of the error or avoidance of accepting benefits thereof whether or not such error is or should have been timely detected and corrected by the Warrant Agent; provided, that no person who is a bona fide purchaser shall have any such obligation to the Warrant Agent.

**2.9 Issue in Substitution for Warrant Certificates Lost, etc.**

- 2.9.1 If any Warrant Certificate becomes mutilated or is lost, destroyed or stolen, the Corporation, subject to applicable law, shall issue and thereupon the Warrant Agent shall certify and deliver, a new Warrant Certificate of like tenor and bearing the same legend, as applicable, as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Warrant Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Warrant Certificate, and the substituted Warrant Certificate shall be in a form approved by the Warrant Agent and the Warrants evidenced thereby shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Warrants issued or to be issued hereunder.
- 2.9.2 The applicant for the issue of a new Warrant Certificate pursuant to this Section 2.9 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issuance thereof, furnish to the Corporation and to the Warrant Agent such evidence of ownership and of the loss, destruction or theft of the Warrant Certificate so lost, destroyed or stolen as shall be satisfactory to the Corporation and to the Warrant Agent, in their sole discretion, and such applicant may also be required to furnish an indemnity, surety bond or security in amount and form satisfactory to the Corporation and the Warrant Agent, in their sole discretion, and shall pay the reasonable charges of the Corporation and the Warrant Agent in connection therewith.
- 2.9.3 Warrant Certificates may be replaced only at the Warrant Agency or at any other place that is designated by the Corporation with the approval of the Warrant Agent.

## **2.10 Exchange of Warrant Certificates**

- 2.10.1 Any one or more Warrant Certificates representing any number of Warrants may, upon compliance with the reasonable requirements of the Warrant Agent (including compliance with applicable securities legislation), be exchanged for one or more other Warrant Certificates representing the same aggregate number of Warrants as represented by the Warrant Certificate or Warrant Certificates so exchanged. Warrant Certificates exchanged for Warrant Certificates that bear the legend set forth in Section 2.14 shall bear the same legend.
- 2.10.2 Warrant Certificates may be exchanged only at the Warrant Agency or at any other place that is designated by the Corporation with the approval of the Warrant Agent. Any Warrant Certificate tendered for exchange shall be cancelled and surrendered by the Warrant Agency to the Warrant Agent.

## **2.11 Transfer and Ownership of Warrants**

- 2.11.1 The Warrants may only be transferred on the register kept by the Warrant Agent at the Warrant Agency by the Registered Warrantholder or its legal representatives or its attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Agent only upon (a) in the case of a Warrant Certificate, surrendering to the Warrant Agent at the Warrant Agency the Warrant Certificates representing the Warrants to be transferred together with a duly executed transfer form as set forth in Schedule A, (b) in the case of Book-Based Warrants, in accordance with procedures prescribed by the Depository under the Book-Based System, (c) in the case of Uncertificated Warrants, surrendering to the Warrant Agent at the Warrant Agency, a duly executed Transaction Instruction from the Registered Warrantholder (or such other instructions, in form satisfactory to the Warrant Agent), and (d) upon compliance with:
- (i) the conditions herein;
  - (ii) such reasonable requirements as the Warrant Agent may prescribe; and
  - (iii) all applicable securities legislation and requirements of regulatory authorities;

and such transfer shall be duly noted in such register by the Warrant Agent. Upon compliance with such requirements, the Warrant Agent shall issue to the transferee of a Certificated Warrant, a Warrant Certificate, and to the transferee of an Uncertificated Warrant, an Uncertificated Warrant (or it shall Authenticate and deliver a Certificated Warrant instead, upon request), representing the Warrants transferred and the transferee of a Book-Based Warrant shall be recorded through the relevant Book-Based Participant in accordance with the Book-Based System as the entitlement holder in respect of such Warrants. Transfers within the Book-Based System are not the responsibility of the Warrant Agent and will not be noted on the register maintained by the Warrant Agent.

- 2.11.2 Subject to the provisions of this Indenture and applicable law, the Warrantholder shall be entitled to the rights and privileges attaching to the Warrants, and the issue of Shares by the Corporation upon the exercise of Warrants in accordance with the terms and conditions herein contained shall discharge all responsibilities of the Corporation and the Warrant Agent with respect to such Warrants and neither the Corporation nor the Warrant Agent shall be bound to inquire into the title of any such holder.

## **2.12 Charges for Exchange or Transfer**

The transfer or the exchange of any Warrant Certificate or the issue of a new Warrant Certificate pursuant hereto shall be subject to the payment of a reasonable fee levied by the Warrant Agent in addition to the reimbursement of the Warrant Agent or the Corporation for any and all transfer, stamp or similar taxes or other governmental charges required to be paid, and such payment shall be made by the holder requesting a transfer or exchange as a condition precedent to such transfer or exchange.

## **2.13 Cancellation of Surrendered Warrants**

- 2.13.1 All Warrants surrendered pursuant to Article 3 shall be cancelled by the Warrant Agent and all such Warrants shall be deemed cancelled and so noted on the register by the Warrant Agent.
- 2.13.2 Upon written request by the Corporation, the Warrant Agent shall furnish to the Corporation a cancellation certificate identifying the number of Warrants so cancelled, identifying the Warrant Certificates, if any, evidencing such Warrants, the number of Shares, if any, issued pursuant to such Warrants and the details of any Warrant Certificates issued in substitution or exchange for any such Warrant Certificates cancelled.

## **2.14 Legended Warrant Certificates**

- 2.14.1 Any Global Certificate shall bear a legend in substantially the following form, subject to modification as required by the Depository:

"UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS") TO INTELGENX TECHNOLOGIES CORP. (THE "ISSUER") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE."

- 2.14.2 If the Shares of Common Stock issuable upon the exercise of the Warrants are not registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, the certificate representing the Shares of Common Stock issued upon the exercise of the Warrants shall bear the following restrictive legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) IF THE SECURITIES HAVE BEEN REGISTERED IN COMPLIANCE WITH THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT IN ACCORDANCE WITH RULE 144 THEREUNDER, IF APPLICABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING, OR OTHER EVIDENCE OF EXEMPTION, REASONABLY SATISFACTORY TO THE CORPORATION. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH U.S. SECURITIES LAWS".

### 3. EXERCISE OF WARRANTS

#### 3.1 Limitation on and Method of Exercise of Warrants

- 3.1.1 The holder of any Warrant may exercise the right conferred on such holder to acquire Shares by surrendering, after the Issue Date and prior to the Expiry Time, to the Warrant Agency, (i) the Warrant Certificate representing such Warrant, with a duly completed and executed Warrant Exercise Form, (ii) together with a certified cheque, money order or bank draft, in lawful money of Canada payable to or to the order of the Corporation at par in the city where the Warrant Agency is located in an amount equal to the Exercise Price multiplied by the number of Shares subscribed for. In accordance with subsection 2.6, if Warrants are exercised through the Depository, the payment of such exercise will be done electronically by the Depository to the Warrant Agent. The Warrant Agent will, within three (3) days, send such payment to the Corporation.
- 3.1.2 A Warrant Certificate with the duly completed and executed Warrant Exercise Form referred to in this Section 3.1 shall be deemed to be surrendered only upon personal delivery thereof or, if sent by mail or other means of transmission, upon actual receipt thereof at, in each case, the Warrant Agency, provided that such Warrant Certificate is accompanied by the requisite certified cheque, bank draft or money order in the amount of the aggregate Exercise Price for the Warrants represented thereby that are being exercised.
- 3.1.3 Any Warrant Exercise Form referred to in Section 3.1 shall be signed by the Warrantholder and shall specify:
- (i) the number of Shares which the holder wishes to acquire (being not more than those which the holder is entitled to acquire pursuant to the Warrant Certificate(s) surrendered);
  - (ii) the person or persons in whose name or names such Shares are to be issued;
  - (iii) the address or addresses of such person or persons;
  - (iv) if an individual, the social insurance number of such person or persons; and
  - (v) the number of Shares to be issued to each such person if more than one is so specified.

If any of the Shares subscribed for are to be issued and registered in the name or names of a person or persons other than the Warrantholder, the Warrantholder shall pay to the Corporation or the Warrant Agency on behalf of the Corporation, all applicable transfer or similar taxes and the Corporation shall not be required to issue or deliver certificates evidencing Shares unless or until such Warrantholder shall have paid to the Corporation, or the Warrant Agency on behalf of the Corporation, the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid or that no tax is due.

- 3.1.4 In connection with the exchange of Warrant Certificates and exercise of Warrants and compliance with such other terms and conditions hereof as may be required, the Corporation has appointed the principal offices of the Warrant Agent in Toronto, Ontario as the Warrant Agencies at which Warrant Certificates may be surrendered for exchange, transfer or repurchase or at which Warrants may be exercised and the Warrant Agent has accepted such appointment. The Corporation may from time to time designate alternate or additional places as a Warrant Agency upon notice to and consent of the Warrant Agent of any change of any Warrant Agency. The Corporation shall give notice to Warranholders of any change of a Warrant Agency.
- 3.1.5 Subject to and upon compliance with the terms of this Section 3, a beneficial holder of Uncertificated Warrants evidenced by a security entitlement in respect of Warrants in the Book-Based System may exercise the right of purchase by causing a Book-Based Participant to deliver to the Depository on behalf of the entitlement holder, notice of the owner's intention to exercise the Warrants in a manner acceptable to the Depository. Forthwith upon receipt by the Depository of such notice, as well as payment for the Exercise Price, the Depository shall deliver to the Warrant Agent a Transaction Instruction confirming its intention to exercise Warrants in a manner acceptable to the Warrant Agent, including by electronic means through the Book-Based System.
- 3.1.6 Payment representing the aggregate Exercise Price must be provided to the appropriate office of the Book-Based Participant in a manner acceptable to it. A notice in form acceptable to the Book-Based Participant and payment from such beneficial holder should be provided to the Book-Based Participant sufficiently in advance so as to permit the Book-Based Participant to deliver notice and payment to the Depository and for the Depository in turn to deliver notice and payment to the Warrant Agent prior to the Expiry Time. The Depository will initiate the exercise by way of the Transaction Instruction and will forward the aggregate Exercise Price electronically to the Warrant Agent and the Warrant Agent will provide delivery instructions to the Corporation following which the Corporation will execute the exercise by facilitating, directly or through its transfer agent, the settlement through the Book-Based System of electronic deposits representing the Shares to which such Warranholder is entitled pursuant to the exercise. Any expense associated with the exercise process will be for the account of the entitlement holder exercising the Warrants and/or the Book-Based Participant exercising the Warrants on its behalf.
- 3.1.7 By causing a Book-Based Participant to deliver notice to the Depository, a Warranholder shall be deemed to have irrevocably surrendered his or her Warrants so exercised and appointed such Book-Based Participant to act as his or her exclusive settlement agent with respect to the exercise and the receipt of Shares in connection with the obligations arising from such exercise.

- 3.1.8 Any notice which the Depository determines to be incomplete, not in proper form, or not duly-executed shall for all purposes be void and of no effect and the exercise to which it relates shall be considered for all purposes not to have been exercised thereby. A failure by a Book-Based Participant to exercise or to give effect to the settlement thereof in accordance with the Warrantholder's instructions will not give rise to any obligations or liability on the part of the Corporation or Warrant Agent to the Book-Based Participant or the Warrantholder.
- 3.1.9 Any exercise form or other Transaction Instruction referred to in this Section 3 shall be signed by the registered Warrantholder, or its executors or administrators or other legal representatives or an attorney of the registered Warrantholder, duly appointed by an instrument in writing satisfactory to the Warrant Agent but such exercise form need not be executed by the Depository.
- 3.1.10 Any exercise referred to in this Section 3.1 shall require that the entire Exercise Price for Shares subscribed must be paid at the time of subscription and such Exercise Price and original exercise form or other Transaction Instruction executed by the registered Warrantholder or the Depository must be received by the Warrant Agent prior to the Warrant Expiry Time.
- 3.1.11 Notwithstanding any provision to the contrary contained in this Indenture, no Warrantholder may exercise any Warrant at any time when the Registration Statement registering the Warrant Shares under the U.S. Securities Act is not effective, unless an exemption from the registration requirements is available and such holder provides evidence of the availability of such exemption satisfactory to the Corporation and to the Warrant Agent. The Corporation shall give notice to the Warrant Agent in accordance with Section 5.2.11 if at any time the Registration Statement is not effective.

## **3.2 Effect of Exercise of Warrants**

- 3.2.1 Upon the exercise of Warrants pursuant to Section 3.1 and subject to Section 3.3, the Shares to be issued pursuant to the Warrants exercised shall be deemed to have been issued and the person or persons to whom such Shares are to be issued and registered shall be deemed to have become the holder or holders of record of such Shares on the Exercise Date unless the transfer registers of the Corporation shall be closed on such date, in which case the Shares subscribed for shall be deemed to have been issued and such person or persons deemed to have become the holder or holders of record of such Shares, on the date on which such transfer registers are reopened. It is hereby understood that in order for persons to whom Shares are issued to become holders of Shares on record on the Exercise Date, beneficial holders must commence the exercise process sufficiently in advance so that the Warrant Agent is in receipt of all items of exercise at least one Business Day prior to such Exercise Date.

- 3.2.2 Within five (5) Business Days after the Exercise Date with respect to a Warrant, the Corporation shall (i) cause to be mailed to the person or persons in whose name or names such Warrant is registered or, (ii) if so specified in writing by the holder, cause to be delivered to such person or persons at the Warrant Agency where the Warrant Certificate was surrendered, a certificate or certificates for the appropriate number of Shares subscribed for or any other appropriate evidence of the issuance of Shares to such person or persons in respect of Shares issued under the Book-Based System.

### **3.3 Partial Exercise of Warrants; Fractions**

- 3.3.1 A Warrantholder may exercise his right to acquire a number of Shares less than the aggregate number which the holder is entitled to acquire pursuant to the Warrants he holds. In the event of any exercise of a number of Warrants less than the number which the holder is entitled to exercise, the holder of the Warrants upon such exercise shall, in addition, be entitled to receive, without charge therefor, a new Warrant Certificate(s) bearing the same legend, if applicable, or if he holds Uncertificated Warrants, the Book-Based System will be updated, in respect of the balance of the Warrants which were not then exercised.
- 3.3.2 Notwithstanding anything herein contained including any adjustment provided for in Article 4, neither the Corporation nor the Warrant Agent shall be required, upon the exercise of any Warrants, to issue fractions of Shares or to distribute certificates which evidence fractional Shares. Any fractional entitlements will be rounded down to the nearest whole number.

### **3.4 Expiration of Warrants**

Immediately after the Expiry Time, all rights under any Warrant in respect of which the right of acquisition provided for herein shall not have been exercised shall cease and terminate and each Warrant shall be void and of no further force or effect.

### **3.5 Accounting and Recording**

- 3.5.1 The Warrant Agent shall promptly account to the Corporation with respect to Warrants exercised and forward to the Corporation (or into an account or accounts of the Corporation with the bank or trust company designated by the Corporation for that purpose), all monies received by the Warrant Agent on the subscription for Shares through the exercise of Warrants. All such monies and any securities or other instruments, from time to time received by the Warrant Agent shall be received in trust for, and shall be segregated and kept apart by the Warrant Agent, the Warrantholders and the Corporation as their interests may appear.
- 3.5.2 The Warrant Agent shall record the particulars of Warrants exercised, which particulars shall include the names and addresses of the persons who become holders of Shares on exercise and the Exercise Date, in respect thereof. The Warrant Agent shall provide such particulars in writing to the Corporation within five (5) Business Days of any request by the Corporation therefor.

#### 4. ADJUSTMENT OF NUMBER OF SHARES AND EXERCISE PRICE

##### 4.1 Adjustment of Number of Shares and Exercise Price

The acquisition rights as they relate to Shares, in effect at any date attaching to the Warrants, and the Exercise Price in respect thereof, shall be subject to adjustment from time to time as follows:

- 4.1.1 if and whenever at any time during the Adjustment Period, the Corporation shall: (i) subdivide, redivide or change its outstanding Shares into a greater number of shares; (ii) reduce, combine or consolidate its outstanding Shares into a smaller number of shares; or (iii) issue Shares or securities exchangeable for or convertible into Shares to the holders of all or substantially all of the outstanding Shares by way of a stock dividend (other than the issue of Shares to such holders as a dividend paid in the ordinary course), the Exercise Price in effect on the effective date of such subdivision, redivision, change, reduction, combination, consolidation or on the record date of such stock dividend, as the case may be, shall in the case of the events referred to in (i) or (iii) above be decreased in proportion to the number of outstanding Shares resulting from such subdivision, redivision or stock dividend, or shall, in the case of the events referred to in (ii) above, be increased in proportion to the number of outstanding Shares resulting from such reduction, combination or consolidation. Such adjustment shall be made successively whenever any event referred to in this subsection 4.1.1 shall occur. Upon any adjustment of the Exercise Price pursuant to subsection 4.1.1, the number of Shares subject to the right of purchase under each Warrant shall be contemporaneously adjusted by multiplying the number of Shares theretofore obtainable on the exercise thereof by a fraction of which the numerator shall be the respective Exercise Price in effect immediately prior to such adjustment and the denominator shall be the respective Exercise Price resulting from such adjustment;
- 4.1.2 if and whenever at any time during the Adjustment Period, the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all the holders of its outstanding Shares entitling them, for a period expiring not more than forty-five (45) days after such record date, to subscribe for or purchase Shares (or securities convertible or exchangeable into Shares) at a price per share (or having a conversion or exchange price per share) less than ninety-five percent (95%) of the Current Market Price on such record date, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the amount determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Shares outstanding on such record date plus a number of Shares equal to the number arrived at by dividing the aggregate price of the total number of additional Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by such Current Market Price, and of which the denominator shall be the total number of Shares outstanding on such record date plus the total number of additional Shares offered for subscription or purchase or into which the convertible or exchangeable securities so offered are convertible or exchangeable; any Shares owned by or held for the account of the Corporation or any Subsidiary shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that any such rights or warrants are not exercised prior to the expiration thereof the Exercise Price shall be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon the number of Shares (or securities convertible or exchangeable into Shares) actually issued upon the exercise of such rights or warrants, as the case may be. Upon any adjustment of the Exercise Price pursuant to this subsection 4.1.2, the number of Shares subject to the right of purchase under each Warrant shall be contemporaneously adjusted by multiplying the number of Shares theretofore obtainable on the exercise thereof by a fraction of which the numerator shall be the respective Exercise Price in effect immediately prior to such adjustment and the denominator shall be the respective Exercise Price resulting from such adjustment;

4.1.3 if and whenever at any time during the Adjustment Period the Corporation shall fix a record date for the payment, issue or distribution to all or substantially all the holders of its outstanding Shares of (i) shares of any class, whether of the Corporation or any other corporation (other than Shares and other than shares distributed to holders of Shares pursuant to their exercise of options to receive dividends in the form of such shares in lieu of dividends paid in the ordinary course on the Shares), (ii) rights, options or warrants to subscribe for or purchase Shares (or other securities convertible into or exchangeable for Shares) for a period expiring not more than forty-five (45) days after such record date at a price per share (or having a conversion or exercise price per share) not less than ninety-five percent (95%) of the Current Market Price on such record date), (iii) evidences of its indebtedness or (iv) any property or other assets (excluding dividends paid in the ordinary course) then, in each such case, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Shares outstanding on such record date multiplied by such Current Market Price less the aggregate fair market value (as determined by the directors, acting reasonably, which determination shall be conclusive) of such shares or rights, options or warrants or evidences of indebtedness or assets actually distributed, as the case may be, and of which the denominator shall be the total number of Shares outstanding on such record date multiplied by the Current Market Price on such record date; and Shares owned by or held for the account of the Corporation or any Subsidiary shall be deemed not be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that such distribution is not so made, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or assets actually distributed, as the case may be. Upon any adjustment of the Exercise Price pursuant to this subsection 4.1.3, the number of Shares subject to the right of purchase under each Warrant shall be contemporaneously adjusted by multiplying the number of Shares theretofore obtainable on the exercise thereof by a fraction of which the numerator shall be the respective Exercise Price in effect immediately prior to such adjustment and the denominator shall be the respective Exercise Price resulting from such adjustment;

4.1.4 if and whenever at any time during the Adjustment Period, there is a reclassification of the Shares or a capital reorganization of the Corporation other than as described in subsection 4.1.1 or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity in which the holders of Shares are entitled to receive shares, other securities or property, including cash, any Warrantholder who has not exercised its right of acquisition prior to the effective date of such reclassification, capital reorganization, consolidation, amalgamation, arrangement or merger, sale or conveyance, upon the exercise of such right thereafter, shall be entitled to receive and shall accept for the same aggregate consideration, in lieu of the number of Shares then sought to be acquired by it, the number of shares or other securities or property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation or consolidation, or to which such sale or conveyance may be made, as the case may be, that such Warrantholder would have been entitled to receive on such reclassification, capital reorganization, consolidation, amalgamation, arrangement or merger, sale or conveyance, if, on the record date or the effective date thereof, as the case may be, the Warrantholder had been the registered holder of the number of Shares sought to be acquired by it and to which it was entitled to acquire upon the exercise of the Warrants. If determined appropriate by the Warrant Agent, relying on an opinion of counsel, to give effect to or to evidence the provisions of this subsection 4.1.4, the Corporation, its successor, or such purchasing body corporate, partnership, trust or other entity, as the case may be, shall, prior to or contemporaneously with any such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, enter into an indenture which shall provide, to the extent possible, for the application of the provisions set forth in this Indenture with respect to the rights and interests thereafter of the Warrantholders to the end that the provisions set forth in this Indenture shall thereafter correspondingly be made applicable, as nearly as may reasonably be, with respect to any shares, other securities or property to which a Warrantholder is entitled on the exercise of its acquisition rights thereafter. Any indenture entered into between the Corporation and the Warrant Agent pursuant to the provisions of this subsection 4.1.4 shall be a supplemental indenture entered into pursuant to the provisions of Article 8 hereof. Any indenture entered into between the Corporation; any successor to the Corporation or such purchasing body corporate, partnership, trust or other entity and the Warrant Agent shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided in this Section 4.1 and which shall apply to successive reclassifications, capital reorganizations, amalgamations, consolidations, mergers, sales or conveyances;

- 4.1.5 in any case in which this Section 4.1 shall require that an adjustment shall become effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such event, issuing to the holder of any Warrant exercised after such event the additional Shares issuable upon such conversion by reason of the adjustment required by such event before giving effect to such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Shares declared in favour of holders of record of Shares on and after the relevant date of exercise or such later date as such holder would, but for the provisions of this Section 4.1.5, have become the holder of record of such additional Shares pursuant to Section 4.1.4;
- 4.1.6 in any case in which Sections 4.1.2 or 4.1.3 require that an adjustment be made to the Exercise Price, no such adjustment shall be made if the holders of the outstanding Warrants receive the rights, options or warrants referred to in Section 4.1.2 or the shares, rights, options, warrants, evidences of indebtedness, property or assets referred to in Section 4.1.3, as the case may be, in such kind and number as they would have received if they had been holders of Shares on the applicable record date or effective date, as the case may be, by virtue of their outstanding Warrants having then been exercised into Shares at the Exercise Price in effect on the applicable record date or effective date, as the case may be. Any such issuance of share, rights, options, or warrants will be subject to regulatory approval;
- 4.1.7 the adjustments provided for in this Section 4.1 are cumulative, and shall, in the case of adjustments to the Exercise Price, be computed to the nearest whole cent and shall apply to successive subdivisions, redivisions, reductions, combinations, consolidations, distributions, issues or other events resulting in any adjustment under the provisions of this Section 4.1, provided that, notwithstanding any other provision of this Section, no adjustment of the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least one (1%) percent in the Exercise Price then in effect; provided, however, that any adjustments which by reason of this subsection 4.1.7 are not required to be made shall be carried forward and taken into account in any subsequent adjustment; and
- 4.1.8 after any adjustment pursuant to this Section 4.1, the term "Shares" where used in this Indenture shall be interpreted to mean securities of any class or classes which, as a result of such adjustment and all prior adjustments pursuant to this Section 4.1, the Warrantholder is entitled to receive upon the exercise of his Warrant, and the number of Shares indicated by any exercise made pursuant to a Warrant shall be interpreted to mean the number of Shares or other property or securities a Warrantholder is entitled to receive, as a result of such adjustment and all prior adjustments pursuant to this Section 4.1, upon the full exercise of a Warrant.

#### **4.2 Entitlement to Shares on Exercise of Warrant**

All shares of any class or other securities which a Warrantholder is at the time in question entitled to receive on the exercise of its Warrant, whether or not as a result of adjustments made pursuant to this Article 4, shall, for the purposes of the interpretation of this Indenture, be deemed to be shares which such Warrantholder is entitled to acquire pursuant to such Warrant.

#### **4.3 No Adjustment for Certain Transactions**

Notwithstanding anything in this Article 4, no adjustment shall be made in the acquisition rights attached to the Warrants if the issue of Shares is being made pursuant to or in connection with:

- 4.3.1 any stock option or stock purchase plan in force from time to time for directors, officers, employees, consultants or other service providers of the Corporation; or
- 4.3.2 the satisfaction of existing instruments issued at or prior to the date hereof.

#### **4.4 Determination by Corporation's Auditor**

In the event of any question arising with respect to the adjustments provided for in this Article 4, such question shall be conclusively determined by the Corporation's Auditor or if it is unable or unwilling to act, such independent nationally recognized chartered accountants as may be selected by the directors of the Corporation acting reasonably who shall have access to all necessary records of the Corporation, and such determination shall be binding upon the Corporation, the Warrant Agent, all Warrantholders and all other persons interested therein.

#### **4.5 Proceedings Prior to any Action Requiring Adjustment**

As a condition precedent to the taking of any action which would require an adjustment in any of the acquisition rights pursuant to any of the Warrants, including the number of Shares which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may, in the opinion of counsel, be necessary in order that the Corporation has unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all the shares (or other securities or property) which the holders of such Warrants are entitled to receive on the full exercise thereof in accordance with the provisions hereof.

#### **4.6 Certificate of Adjustment**

The Corporation shall from time to time immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Article 4, deliver a certificate of the Corporation to the Warrant Agent specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based, which certificate shall be supported by a certificate of the Corporation's Auditor verifying such calculation. The Warrant Agent shall act and rely, and shall be protected in so doing, upon the certificate of the Corporation or of the Corporation's Auditor and any other document filed by the Corporation pursuant to this Section 4 for all purposes.

#### **4.7 Notice of Special Matters**

The Corporation covenants with the Warrant Agent that, so long as any Warrant remains outstanding, it will give notice to the Warrant Agent and to the Warrantholders of its intention to fix a record date that is prior to the Expiry Date for the purpose of an event that requires or that may require an adjustment in any of the exercise rights pursuant to any Warrants as provided in this Article 4. Such notice shall specify the particulars of such event and the record date for such event, provided that the Corporation shall only be required to specify in the notice such particulars of the event as shall have been fixed and determined on the date on which the notice is given. The notice shall be given in each case not less than fourteen (14) days prior to such applicable record date.

#### **4.8 No Action After Notice**

The Corporation covenants with the Warrant Agent that it will not close its transfer books or take any other corporate action which might deprive the holder of a Warrant of the opportunity to exercise its right of acquisition pursuant thereto during the period of fourteen (14) days after the giving of the certificate or notices set forth in Sections 4.6 and 4.7.

#### **4.9 Other Actions**

In case the Corporation, after the date hereof, shall take any action affecting the Shares other than action described in Section 4.1, which in the reasonable opinion of the directors of the Corporation would materially affect the rights of Warrantholders, the number of Shares which may be acquired upon exercise of the Warrants shall be adjusted in such manner and at such time, by action of the directors, acting reasonably, in their sole discretion as they may determine to be equitable in the circumstances, provided that no such adjustment will be made unless prior approval of any stock exchange on which the Shares are listed for trading has been obtained, if required by any such stock exchange.

#### **4.10 Protection of Warrant Agent**

Except as provided in Section 9.1, the Warrant Agent shall not:

- 4.10.1 at any time be under any duty or responsibility to any Warrantholder to determine whether any facts exist which may require any adjustment contemplated by Sections 4.1 and 4.9, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;
- 4.10.2 be accountable with respect to the validity or value (or the kind or amount) of any Shares or of any shares or other securities or property which may at any time be issued or delivered upon the exercise of the rights attaching to any Warrant;
- 4.10.3 be responsible for any failure of the Corporation to issue, transfer or deliver Shares or certificates for the same upon the surrender of any Warrants for the purpose of the exercise of such rights or to comply with any of the covenants contained in this Article; and

- 4.10.4 incur any liability or responsibility whatsoever or be in any way responsible for the consequences of any breach on the part of the Corporation of any of the representations, warranties or covenants herein contained or of any acts of the directors, officers, employees, agents or servants of the Corporation.

## **5. RIGHTS OF THE CORPORATION AND COVENANTS**

### **5.1 Optional Purchases by the Corporation**

Subject to compliance with applicable securities legislation and approval of applicable regulatory authorities, the Corporation may from time to time purchase on any stock exchange, in the open market, by private contract or otherwise any of the Warrants. Any such purchase shall be made at the lowest price or prices at which, in the opinion of the directors, such Warrants are then obtainable, plus reasonable costs of purchase, and may be made in such manner, from such persons and on such other terms as the Corporation, in its sole discretion, may determine. In the case of Certificated Warrants, the Warrant Certificates representing the Warrants purchased pursuant to this Section 5.1 shall forthwith be surrendered to and cancelled by the Warrant Agent. In the case of Uncertificated Warrants, the Warrants purchased pursuant to this Section 5.1 shall be cancelled and reflected accordingly on the register of Warrants and, if applicable, reflected in accordance with procedures prescribed by the Depository under the Book-Based System. No Warrants shall be issued in replacement thereof.

### **5.2 General Covenants**

The Corporation covenants with the Warrant Agent that so long as any Warrants remain outstanding and may be exercised:

- 5.2.1 it will reserve and keep available a sufficient number of Shares for the purpose of enabling it to satisfy its obligations to issue Shares upon the exercise of the Warrants;
- 5.2.2 it will cause the Shares and the certificates representing the Shares from time to time acquired pursuant to the exercise of the Warrants to be duly issued and delivered in accordance with the Warrant Certificates and the terms hereof;
- 5.2.3 all Shares which shall be issued upon exercise of the right to acquire provided for herein and in the Warrant Certificates, upon payment of the prevailing Exercise Price herein provided for and in the Warrant Certificates, shall be fully paid and non-assessable;
- 5.2.4 it will use all reasonable commercial efforts to maintain its corporate existence and carry on its business in the ordinary course;
- 5.2.5 if any of its Shares are listed on a stock exchange, it will use reasonable efforts to ensure that the Shares, and all Shares outstanding or issuable from time to time (including without limitation the Shares issuable on the exercise of the Warrants) are listed and posted for trading on such stock exchange;

- 5.2.6 it will use all reasonable commercial efforts to make all requisite filings under applicable Canadian securities legislation and stock exchange rules, including (on a reasonable efforts basis) those necessary to remain a reporting issuer not in default in each of the provinces of Canada and those necessary to report the exercise of the right to acquire Shares pursuant to Warrants;
- 5.2.7 it will provide to Warrantholders copies of all financial statements and other documentation required to be provided by applicable laws to registered holders of Shares as if such Warrantholders were registered shareholders of the Corporation;
- 5.2.8 it shall not close its transfer books or take any other action which might deprive the Warrantholders of the opportunity of exercising their right of purchase pursuant to the Warrants held by such persons after the giving of the notice required by Section 4.7;
- 5.2.9 generally, it will well and truly perform and carry out all of the acts or things to be done by it as provided in this Indenture;
- 5.2.10 it will promptly notify the Warrant Agent and the Warrantholders in writing of any default under the terms of this Indenture which remains unrectified for more than five days following its occurrence;
- 5.2.11 if at any time the Registration Statement is not effective, it will give notice in writing to the Warrant Agent forthwith (but, in any event, within one Business Day) after learning that the Registration Statement is not effective; and
- 5.2.12 it will use reasonable best efforts to maintain the continuous effectiveness of the Registration Statement under the U.S. Securities Act until the Expiry Date or exercise of all Warrants (provided, however, that nothing shall prevent the Corporation's amalgamation, arrangement, merger or sale, including any take-over bid, and any associated delisting or deregistration or ceasing to be a reporting issue, provided that, so long as the Warrants are still outstanding and represent a right to acquire securities of the acquiring company, the acquiring company shall assume our obligations under this Indenture).

### **5.3 Cannabis-Related Representations, Warranties and Covenants**

The Corporation represents and warrants to the Warrant Agent, and covenants with the Warrant Agent that so long as any Warrants remain outstanding and may be exercised, as applicable:

- 5.3.1 it will engage in marijuana-related activities in Canada only in accordance with the *Cannabis Act* (Canada) and all other applicable laws in Canada;
- 5.3.2 it does not and will not invest or engage (directly or indirectly) in any business or activity that is focused on serving the non-medical or medical marijuana market internationally unless and until such time as the production and sale of non-medical and/or medical marijuana, as applicable, becomes legal under the applicable laws in the respective international jurisdiction;

- 5.3.3 it does not and will not invest or engage (directly or indirectly) in any business or activity that is focused on serving the medical or non-medical marijuana market in the United States unless and until such time as the production and sale of medical and/or non-medical marijuana, as applicable, becomes legal under applicable state and federal laws in the United States.
- 5.3.4 it does not and will not specifically target or derive (or reasonably expect to derive) revenues or funds from any of the prohibited activities described in items Sections 5.3.2 and 5.3.3, unless and until such time that any such activities become legal under all applicable laws in the United States and/or internationally, as applicable; and
- 5.3.5 it will provide the Warrant Agent with reasonable prior notice if it decides to engage in any of the activities described in Sections 5.3.2, 5.3.3, and 5.3.4, and it agrees that the Warrant Agent may, in its sole discretion, immediately terminate any contract for services between the Corporation and the Warrant Agent upon receipt of any information relating to the Corporation's marijuana-related business activities, or as otherwise permitted under any such contract for service.

#### **5.4 Warrant Agent's Remuneration and Expenses**

The Corporation covenants that it will pay to the Warrant Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Warrant Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Warrant Agent in the administration or execution of its duties hereunder (including the reasonable compensation and the disbursements of its counsel and all other advisers and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Warrant Agent hereunder shall be finally and fully performed. Any amount owing hereunder and remaining unpaid after 30 days from the invoice date will bear interest at the then current rate charged by the Warrant Agent against unpaid invoices and shall be payable upon demand. This Section shall survive the resignation or removal of the Warrant Agent and/or the termination of this Indenture.

The Warrant Agent shall have no obligation to take any action under this Indenture so long as any payment remains due to the Warrant Agent for any reasonable fees, expenses and disbursements.

#### **5.5 Securities Qualification Requirements**

If, in the opinion of counsel, any instrument is required to be filed with, or any permission is required to be obtained from, any governmental authority in Canada or any other step is required under any federal, provincial or territorial law of Canada before any Shares which a Warrantholder is entitled to acquire pursuant to the exercise of any Warrant may properly and legally be issued and subscribed for upon due exercise thereof and thereafter traded, without further formality or restriction, the Corporation covenants that it will take such required action.

## **5.6 Performance of Covenants by Warrant Agent**

If the Corporation shall fail to perform any of its covenants contained in this Indenture and shall have not rectified such failure within ten (10) Business Days after receiving notice from the Warrant Agent of such failure, the Warrant Agent may notify the Warrantheolders of such failure on the part of the Corporation or may itself perform any of the covenants capable of being performed by it but, subject to Section 9.1, shall be under no obligation to perform said covenants or to notify the Warrantheolders of such performance by it. All sums expended or advanced by the Warrant Agent in so doing shall be repayable as provided in Section 5.4. No such performance, expenditure or advance by the Warrant Agent shall relieve the Corporation of any default hereunder or of its continuing obligations under the covenants herein contained.

## **5.7 Enforceability of Warrants**

The Corporation covenants and agrees that it is duly authorized to create and issue the Warrants to be issued hereunder and that the Warrants, when issued and countersigned as herein provided, will be valid and enforceable against the Corporation in accordance with the provisions hereof and the terms hereof and that, subject to the provisions of this Indenture, the Corporation will cause the Shares from time to time acquired pursuant to the Warrants under this Indenture and the certificates representing such Shares to be duly issued and delivered in accordance with the terms of this Indenture.

## **6. ENFORCEMENT**

### **6.1 Suits by Warrantheolders**

All or any of the rights conferred upon any Warrantheolder by any of the terms of the Warrant Certificates or of this Indenture, or of both, may be enforced by the Warrantheolder by appropriate proceedings but without prejudice to the right which is hereby conferred upon the Warrant Agent to proceed in its own name to enforce each and all of the provisions herein contained for the benefit of the Warrantheolders.

### **6.2 Immunity of Shareholders, etc.**

The Warrant Agent and, by the acceptance of the Warrant Certificates and as part of the consideration for the issue of the Warrants, the Warrantheolders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any incorporator or any past, present or future shareholder, director, officer, employee or agent of the Corporation or any successor corporation on any covenant, agreement, representation or warranty by the Corporation herein or contained in the Warrant Certificates.

### **6.3 Limitation of Liability**

The obligations hereunder are not personally binding upon, nor shall resort hereunder be had to, the private property of any of the past, present or future directors or shareholders of the Corporation or any successor corporation or any of the past, present or future officers, employees or agents of the Corporation or any successor corporation, but only the property of the Corporation or any successor corporation shall be bound in respect hereof.

## **6.4 Waiver of Default**

Upon the happening of any default hereunder:

- 6.4.1 the Warrantholders may by Extraordinary Resolution by requisition in writing to instruct the Warrant Agent to waive any default hereunder and the Warrant Agent shall thereupon waive the default upon such terms and conditions as shall be prescribed in such requisition; or
- 6.4.2 the Warrant Agent shall have power to waive any default hereunder upon such terms and conditions as the Warrant Agent may deem advisable, if, in the Warrant Agent reasonable opinion or, in the opinion of counsel acceptable to the Warrant Agent, the same shall have been cured or adequate provision made therefore;

provided that no delay or omission of the Warrant Agent or of the Warrantholders to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein and provided further that no act or omission either of the Warrant Agent or of the Warrantholders in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default hereunder of the rights resulting therefrom.

## **7. MEETINGS OF WARRANTHOLDERS**

### **7.1 Right to Convene Meetings**

The Warrant Agent may at any time and from time to time, and shall on receipt of a written request of the Corporation or of a Warrantholders' Request and upon being indemnified to its reasonable satisfaction by the Corporation or by the Warrantholders signing such Warrantholders' Request against the costs which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Warrantholders. In the event of the Warrant Agent failing to so convene a meeting within seven (7) days after receipt of such written request of the Corporation or such Warrantholders' Request and indemnity given as aforesaid, the Corporation or such Warrantholders, as the case may be, may convene such meeting. Every such meeting shall be held in Toronto, Ontario or at such other place as may be approved or determined by the Warrant Agent and approved by the Corporation.

### **7.2 Notice**

At least twenty-one (21) days' prior written notice of any meeting of Warrantholders shall be given to the Warrantholders in the manner provided for in Section 10.2 and a copy of such notice shall be sent by mail to the Warrant Agent (unless the meeting has been called by the Warrant Agent) and to the Corporation (unless the meeting has been called by the Corporation). Such notice shall state the time when and the place where the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Warrantholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 7. The notice convening any such meeting may be signed by an appropriate officer of the Warrant Agent or of the Corporation or the person or persons designated by such Warrantholders, as the case may be.

### **7.3 Chairman**

An individual (who need not be a Warrantholder) designated in writing by the Warrant Agent shall be chairman of the meeting and if no individual is so designated, or if the individual so designated is not present within fifteen (15) minutes from the time fixed for the holding of the meeting, the Warrantholders present in person or by proxy shall choose some individual present to be chairman.

### **7.4 Quorum**

Subject to the provisions of Section 7.11, at any meeting of the Warrantholders a quorum shall consist of Warrantholders present in person or by proxy and entitled to purchase at least twenty-five percent (25%) of the aggregate number of Shares which could be acquired pursuant to all the then outstanding Warrants, provided that at least two persons entitled to vote thereat are personally present. If a quorum of the Warrantholders shall not be present within thirty (30) minutes from the time fixed for holding any meeting, the meeting, if summoned by Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum be present at the commencement of business; provided that at the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not be entitled to acquire at least twenty-five percent (25%) of the aggregate number of Shares which may be acquired pursuant to all then outstanding Warrants.

### **7.5 Power to Adjourn**

The chairman of any meeting at which a quorum of the Warrantholders is present may, with the consent of the meeting, adjourn any such meeting, and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

### **7.6 Show of Hands**

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an Extraordinary Resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

## **7.7 Poll and Voting**

On every Extraordinary Resolution, and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Warrantheolders acting in person or by proxy and entitled to acquire in the aggregate at least five percent (5%) of the aggregate number of Shares which could be acquired pursuant to all the Warrants then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by Extraordinary Resolution shall be decided by a majority of the votes cast on the poll.

On a show of hands, every person who is present and entitled to vote, whether as a Warrantheolder or as proxy for one or more absent Warrantheolders, or both, shall have one vote. On a poll, each Warrantheolder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Share of Common Stock which it is entitled to acquire pursuant to the Warrant or Warrants then held or represented by it. A proxy need not be a Warrantheolder. In the case of joint holders, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others, but in case more than one of them shall be present in person or by proxy, they shall vote together in respect of Warrants of which they are joint registered holders. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Warrants, if any, held or represented by him.

## **7.8 Regulations**

The Warrant Agent, or the Corporation with the approval of the Warrant Agent, may from time to time make and from time to time vary such regulations as it shall think fit for:

- 7.8.1 the setting of the record date for a meeting for the purpose of determining Warrantheolders entitled to receive notice of and to vote at the meeting;
- 7.8.2 the issue of voting certificates by any bank, trust company or other Depository satisfactory to the Warrant Agent stating that the Warrant Certificates specified therein have been deposited with it by a named person and will remain on deposit until after the meeting, which voting certificate shall entitle the persons named therein to be present and vote at any such meeting and at any adjournment thereof or to appoint a proxy or proxies to represent them and vote for them at any such meeting and at any adjournment thereof in the same manner and with the same effect as though the persons so named in such voting certificates were the actual bearers of the Warrant Certificates specified therein;
- 7.8.3 the deposit of voting certificates and instruments appointing proxies at such place and time as the Warrant Agent, the Corporation or the Warrantheolders convening the meeting, as the case may be, may in the notice convening the meeting direct;
- 7.8.4 the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed or telecopied before the meeting to the Corporation or to the Warrant Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;

7.8.5 the form of the instrument of proxy and the manner in which the instrument of proxy must be executed; and

7.8.6 generally for the calling of meetings of Warrantholders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as a Warrantholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 7.9), shall be Warrantholders or their counsel, or proxies of Warrantholders.

#### **7.9 Corporation and Warrant Agent May be Represented**

The Corporation and the Warrant Agent, by their respective directors and officers, and the counsel for the Corporation and for the Warrant Agent may attend any meeting of the Warrantholders, but shall not be entitled to vote thereat, whether in respect of any Warrants held by them or otherwise.

#### **7.10 Powers Exercisable by Extraordinary Resolution**

In addition to all other powers conferred upon them by any other provisions of this Indenture or by law, the Warrantholders at a meeting shall, subject to the provisions of Section 7.11, have the power, exercisable from time to time by Extraordinary Resolution:

- 7.10.1 to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Warrantholders or the Warrant Agent in its capacity as Warrant Agent hereunder (subject to the Warrant Agent's prior consent) or on behalf of the Warrantholders against the Corporation whether such rights arise under this Indenture or the Warrant Certificates or otherwise;
- 7.10.2 to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Warrantholders;
- 7.10.3 to direct or to authorize the Warrant Agent, subject to subsection 9.2.2 hereof, to enforce any of the covenants on the part of the Corporation contained in this Indenture or the Warrant Certificates or to enforce any of the rights of the Warrantholders in any manner specified in such Extraordinary Resolution or to refrain from enforcing any such covenant or right;
- 7.10.4 to waive, and to direct the Warrant Agent to waive, any default on the part of the Corporation in complying with any provisions of this Indenture or the Warrant Certificates either unconditionally or upon any conditions specified in such Extraordinary Resolution;

- 7.10.5 to restrain any Warranholder from taking or instituting any suit, action or proceeding against the Corporation for the enforcement of any of the covenants on the part of the Corporation in this Indenture or the Warrant Certificates or to enforce any of the rights of the Warranholders;
- 7.10.6 to direct any Warranholder who, as such, has brought any suit, action or proceeding to stay or to discontinue or otherwise to deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by such Warranholder in connection therewith;
- 7.10.7 to consent to any change in or omission from the provisions contained in the Warrant Certificates and this Indenture or any ancillary or supplemental instrument which may be agreed to by the Corporation, and to authorize the Warrant Agent to concur in and execute any ancillary or supplemental indenture embodying the change or omission;
- 7.10.8 with the consent of the Corporation, such consent not to be unreasonably withheld, to remove the Warrant Agent or its successor in office and to appoint a new warrant agent or warrant agents to take the place of the Warrant Agent so removed; and
- 7.10.9 to consent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any shares or other securities of the Corporation.

#### **7.11 Meaning of Extraordinary Resolution**

- 7.11.1 The expression "**Extraordinary Resolution**" when used in this Indenture means, subject as hereinafter provided in this Section 7.11 and in Section 7.14, a resolution proposed at a meeting of Warranholders duly convened for that purpose and held in accordance with the provisions of this Article 7 at which there are present in person or by proxy at least two (2) Warranholders entitled to acquire at least twenty-five percent (25%) of the aggregate number of Shares which may be acquired pursuant to all the then outstanding Warrants and passed by the affirmative votes of Warranholders entitled to acquire not less than sixty-six and two third percent (66-2/3%) of the aggregate number of Shares which may be acquired pursuant to all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution.
- 7.11.2 If, at the meeting at which an Extraordinary Resolution is to be considered, at least two (2) Warranholders entitled to acquire at least twenty-five percent (25%) of the aggregate number of Shares which may be acquired pursuant to all the then outstanding Warrants are not present in person or by proxy within thirty (30) minutes after the time appointed for the meeting, then the meeting, if convened by Warranholders or on a Warranholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than fifteen (15) or more than sixty (60) days later, and to such place and time as may be appointed by the chairman. Not less than ten (10) days' prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in Sections 10.1 and 10.2. Such notice shall state that at the adjourned meeting the Warranholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Warranholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in subsection 7.11.1 shall be an Extraordinary Resolution within the meaning of this Indenture notwithstanding that Warranholders entitled to acquire at least twenty-five percent (25%) of the aggregate number of Shares which may be acquired pursuant to all the then outstanding Warrants are not present in person or by proxy at such adjourned meeting.

7.11.3 Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

#### **7.12 Powers Cumulative**

Any one or more of the powers or any combination of the powers in this Indenture stated to be exercisable by the Warranholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Warranholders to exercise such power or powers or combination of powers then or thereafter from time to time.

#### **7.13 Minutes**

Minutes of all resolutions and proceedings at every meeting of Warranholders shall be made and duly entered in books to be provided from time to time for that purpose by the Warrant Agent at the expense of the Corporation, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings had shall be prima facie evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.

#### **7.14 Instruments in Writing**

All actions which may be taken and all powers that may be exercised by the Warranholders at a meeting held as provided in this Article 7 may also be taken and exercised by Warranholders entitled to acquire at least sixty-six and two-third percent ( $66\frac{2}{3}\%$ ) of the aggregate number of Shares which may be acquired pursuant to all the then outstanding Warrants by an instrument in writing signed in one or more counterparts by such Warranholders in person or by attorney duly appointed in writing, and the expression "Extraordinary Resolution" when used in this Indenture shall include an instrument so signed.

### **7.15 Binding Effect of Resolutions**

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article 7 at a meeting of Warrantholders shall be binding upon all the Warrantholders, whether present at or absent from such meeting, and every instrument in writing signed by Warrantholders in accordance with Section 7.14 shall be binding upon all the Warrantholders, whether signatories thereto or not, and each and every Warrantholder and the Warrant Agent (subject to the provisions for indemnity herein contained) shall be bound to give effect accordingly to every such resolution and instrument in writing.

### **7.16 Holdings by Corporation Disregarded**

In determining whether Warrantholders holding Warrant Certificates evidencing the entitlement to acquire the required number of Shares are present at a meeting of Warrantholders for the purpose of determining a quorum or have concurred in any consent, waiver, Extraordinary Resolution, Warrantholders' Request or other action under this Indenture, Warrants owned legally or beneficially by the Corporation or any Subsidiary of the Corporation shall be disregarded.

## **8. SUPPLEMENTAL INDENTURES**

### **8.1 Provision for Supplemental Indentures for Certain Purposes**

From time to time the Corporation (when authorized by action of the directors) and the Warrant Agent may, subject to the provisions hereof, and they shall, when so directed in accordance with the provisions hereof, execute and deliver by their proper officers, indentures or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

- 8.1.1 setting forth any adjustments resulting from the application of the provisions of Article 4;
- 8.1.2 adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of counsel, are necessary or advisable in the premises, provided that the same are not in the opinion of the Warrant Agent, relying on an opinion of counsel, prejudicial to the interests of the Warrantholders;
- 8.1.3 giving effect to any Extraordinary Resolution passed as provided in Article 7;
- 8.1.4 making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder or for the purpose of obtaining a listing or quotation of the Warrants on any stock exchange, provided that such provisions are not, in the opinion of the Warrant Agent, relying on an opinion of counsel, prejudicial to the interests of the Warrantholders;

- 8.1.5 adding to or altering the provisions hereof in respect of the transfer of Warrants, making provision for the exchange of Warrant Certificates, and making any modification in the form of the Warrant Certificates which does not affect, relying on an opinion of counsel, the substance thereof;
- 8.1.6 with the prior approval of the TSXV, modifying any of the provisions of this Indenture, including relieving the Corporation from any of the obligations, conditions or restrictions herein contained, provided that such modification or relief shall be or become operative or effective only if, in the opinion of the Warrant Agent, such modification or relief in no way prejudices any of the rights of the Warrantholders or of the Warrant Agent, relying on an opinion of counsel, and provided further that the Warrant Agent may in its sole discretion decline to enter into any such supplemental indenture which in its opinion, relying on an opinion of counsel, may not afford adequate protection to the Warrant Agent when the same shall become operative; and
- 8.1.7 for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein, provided that in the opinion of the Warrant Agent, relying on an opinion of counsel, the rights of the Warrant Agent and of the Warrantholders are in no way prejudiced thereby.

## **8.2 Successor Corporations**

In the case of the consolidation, amalgamation, arrangement, merger or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another company (the "**successor corporation**"), the successor corporation resulting from such consolidation, amalgamation, arrangement, merger or transfer (if not the Corporation) shall expressly assume, by supplemental indenture satisfactory in form to the Warrant Agent and executed and delivered to the Warrant Agent, the due and punctual performance and observance of each and every covenant and condition of this Indenture to be performed and observed by the Corporation.

## **9. CONCERNING THE WARRANT AGENT**

### **9.1 Indenture Legislation**

- 9.1.1 If and to the extent that any provision of this Indenture limits, qualifies or conflicts with a mandatory requirement of Applicable Legislation, such mandatory requirement shall prevail.
- 9.1.2 The Corporation and the Warrant Agent agree that each will, at all times in relation to this Indenture and any action to be taken hereunder, observe and comply with and be entitled to the benefits of Applicable Legislation.

## **9.2 Rights and Duties of Warrant Agent**

- 9.2.1 In the exercise of the rights and duties prescribed or conferred by the terms of this Indenture, the Warrant Agent shall exercise that degree of care, diligence and skill that a reasonably prudent warrant agent would exercise in comparable circumstances. No provision of this Indenture shall be construed to relieve the Warrant Agent from, liability for its own gross negligent action, willful misconduct, bad faith or fraud under the Indenture.
- 9.2.2 The obligation of the Warrant Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Warrant Agent or the Warranholders hereunder shall be conditional upon the Warranholders furnishing, when required by notice by the Warrant Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Warrant Agent to protect and to hold harmless the Warrant Agent and its officers, directors, employees and agents, against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Indenture shall require the Warrant Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded as aforesaid.
- 9.2.3 The Warrant Agent may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Warranholders, at whose instance it is acting to deposit with the Warrant Agent the Warrants held by them, for which Warrants the Warrant Agent shall issue receipts.
- 9.2.4 Every provision of this Indenture that by its terms relieves the Warrant Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of Applicable Legislation.
- 9.2.5 No duty shall rest with the Warrant Agent to determine compliance of the transferor or transferee with applicable securities laws. The Warrant Agent shall be entitled to assume that all transfers comply with applicable securities laws.
- 9.2.6 The Warrant Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable documentation which complies with the terms of this Indenture, which documentation does not require the exercise of any discretion or independent judgment.

## **9.3 Evidence, Experts and Advisers**

- 9.3.1 In addition to the reports, certificates, opinions and other evidence required by this Indenture, the Corporation shall furnish to the Warrant Agent such additional evidence of compliance with any provision hereof, and in such form, as may be prescribed by Applicable Legislation or as the Warrant Agent may reasonably require by written notice to the Corporation.

- 9.3.2 In the exercise of its rights and duties hereunder, the Warrant Agent may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed in statutory declarations, opinions, reports, written requests, consents, or orders of the Corporation, certificates of the Corporation or other evidence furnished to the Warrant Agent pursuant to a request of the Warrant Agent, provided that such evidence complies with Applicable Legislation and that the Warrant Agent examines the same and determines that such evidence complies with the applicable requirements of this Indenture.
- 9.3.3 Whenever it is provided in this Indenture or under Applicable Legislation that the Corporation shall deposit with the Warrant Agent resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of the Corporation to have the Warrant Agent take the action to be based thereon.
- 9.3.4 Proof of the execution of an instrument in writing, including a Warranholders' Request, by any Warranholder may be made by the certificate of a notary public, or other officer with similar powers, that the person signing such instrument acknowledged to it the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Warrant Agent may consider adequate, and in respect of a corporate Warranholder, shall include a certificate of incumbency of such Warranholder together with a certified resolution authorizing the person who signs such instrument to sign such instrument.
- 9.3.5 The Warrant Agent may employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel, and shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed with due care by the Warrant Agent.
- 9.3.6 The Warrant Agent shall have the right to consult with and obtain advice from legal counsel employed or appointed by it, who may but need not be legal counsel for the Corporation, or from any expert, in the event of any questions as to any of the provisions hereof or its duties hereunder and it shall incur no liability and it shall be fully protected in acting or not acting in good faith in accordance with any opinion or instruction of such counsel or other expert. The cost of such services shall be added to and be part of the Warrant Agent's expenses hereunder.

#### **9.4 Documents, Monies, etc. Held by Warrant Agent**

Until released in accordance with this Indenture, any funds received hereunder shall be kept in segregated records of the Warrant Agent and the Warrant Agent shall place the funds in segregated trust accounts of the Warrant Agent at one or more of the Canadian Chartered Banks listed in Schedule 1 of the Bank Act (Canada), including The Toronto-Dominion Bank and Bank of Montreal ("**Approved Bank**"). All amounts held by the Warrant Agent pursuant to this Agreement shall be held by the Warrant Agent for the Corporation and the delivery of the funds to the Warrant Agent shall not give rise to a debtor-creditor or other similar relationship. The amounts held by the Warrant Agent pursuant to this Indenture are at the sole risk of the Corporation and, without limiting the generality of the foregoing, the Warrant Agent shall have no responsibility or liability for any diminution of any funds resulting from any deposit made with an Approved Bank pursuant to this section including any losses resulting from a default by the Approved Bank or other credit losses (whether or not resulting from such a default). The parties hereto acknowledge and agree that the Warrant Agent will have acted prudently in depositing the funds at any Approved Bank, and that the Warrant Agent is not required to make any further inquiries in respect of any such bank. The Warrant Agent may hold cash balances constituting part or all of such monies and need not, invest same; the Warrant Agent, its affiliates or a Canadian chartered bank shall not be liable to account for any profit to any parties to this Indenture or to any other person or entity.

**9.5 Actions by Warrant Agent to Protect Interest**

The Warrant Agent shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Warranholders.

**9.6 Warrant Agent Not Required to Give Security**

The Warrant Agent shall not be required to give any bond or security in respect of the execution of the duties, obligations, and powers of this Indenture or otherwise in respect of the premises.

**9.7 Protection of Warrant Agent**

By way of supplement to the provisions of any law for the time being relating to the Warrant Agent it is expressly declared and agreed as follows:

- 9.7.1 the Warrant Agent shall not be liable for or by reason of any statements of fact or recitals in this Indenture or in the Warrant Certificates (except the representation contained in Section 9.9 or in the certificate of the Warrant Agent on the Warrant Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by the Corporation;
- 9.7.2 nothing herein contained shall impose any obligation on the Warrant Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Indenture or any instrument ancillary or supplemental hereto;
- 9.7.3 the Warrant Agent shall not be bound to give notice to any person or persons of the execution hereof;
- 9.7.4 the Warrant Agent shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Corporation of any of the covenants herein contained or of any acts of any directors, officers, employees, agents or servants of the Corporation; and

- 9.7.5 the Corporation hereby indemnifies and agrees to hold harmless the Warrant Agent, its affiliates, their current and former officers, directors, employees, agents, successors and assigns (the "**Indemnified Parties**") from and against any and all liabilities, losses, damages, penalties, claims, demands, actions, suits, proceedings, costs, expenses and disbursements, including legal fees and disbursements of whatever kind and nature which may at any time be imposed on, or incurred by or asserted against the Indemnified Parties, or any of them, whether, at law or in equity, in any way caused by or arising, directly or indirectly, in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Indemnified Parties' duties, or any other services that Warrant Agent may provide in connection with or in any way relating to this Indenture. The Corporation agrees that its liability hereunder shall be absolute and unconditional regardless of the correctness of any representations of any third parties and regardless of any liability of third parties to the Indemnified Parties, and shall accrue and become enforceable without prior demand or any other precedent action or proceeding; provided that the Corporation shall not be required to indemnify the Indemnified Parties in the event of the gross negligence or willful misconduct of the Warrant Agent, and this provision shall survive the resignation or removal of the Warrant Agent or the termination or discharge of this Indenture.
- 9.7.6 The Warrant Agent may act on the opinion or advice obtained from counsel to the Warrant Agent and shall, provided it acts in good faith in reliance thereon, not be responsible for any loss occasioned by doing so nor shall it incur any liability or responsibility for determining in good faith not to act upon such opinion or advice. The Warrant Agent may act and rely, and shall be protected in acting and relying, upon any statement, request, direction or other paper or document believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties. The Warrant Agent may assume for the purposes of this Indenture that any address on the register of the Warrant holders is the holder's actual address and is also determinative as to residency and that the address of any transferee to whom any Shares are to be registered, as shown on the transfer document is the transferee's actual address and is also determinative as to residency of the transferee. The Warrant Agent shall have no obligation to ensure that legends appearing on the Warrant Certificates or Shares comply with regulatory requirements or securities laws of any applicable jurisdiction.
- 9.7.7 The Warrant Agent shall not be responsible for any failure of the Corporation to issue, transfer or deliver Shares or certificates representing Shares upon the surrender of any Warrants for the purpose of the exercise of such rights or to comply with any of the covenants contained in Section 5.2.
- 9.7.8 Notwithstanding the foregoing or any other provision of this Indenture, any liability of the Warrant Agent shall be limited, in the aggregate, to the amount of annual retainer fees paid by the Corporation to the Warrant Agent under this Indenture in the twelve (12) months immediately prior to the Warrant Agent receiving the first notice of the claim. Notwithstanding any other provision of this Indenture, and whether such losses or damages are foreseeable or unforeseeable, the Warrant Agent shall not be liable under any circumstances whatsoever for any (i) breach by any other party of securities law or other rule of any securities regulatory authority, (ii) lost profits or (iii) special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

## 9.8 Replacement of Warrant Agent; Successor by Merger

- 9.8.1 The Warrant Agent may resign its agency and be discharged from all further duties and liabilities hereunder, subject to this Section 9.8, by giving to the Corporation not less than ninety (90) days' prior notice in writing or such shorter prior notice as the Corporation may accept as sufficient. The Warranholders by Extraordinary Resolution shall have power at any time to remove the existing Warrant Agent and to appoint a new Warrant Agent. In the event of the Warrant Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Corporation shall forthwith appoint a new warrant agent unless a new warrant agent has already been appointed by the Warranholders; failing such appointment by the Corporation, the retiring Warrant Agent or any Warranholder may apply to a justice of the Superior Court of Justice of the Province of Ontario on such notice as such justice may direct, for the appointment of a new warrant agent; but any new warrant agent so appointed by the Corporation or by the Court shall be subject to removal as aforesaid by the Warranholders. Any new warrant agent appointed under any provision of this Section 9.8 shall be a corporation authorized to carry on the business of a trust company in each of the provinces of Canada. On any such appointment the new warrant agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Warrant Agent without any further assurance, conveyance, act or deed; but there shall be immediately executed, at the expense of the Corporation, all such conveyances or other instruments as may, in the opinion of counsel, be necessary or advisable for the purpose of assuring the same to the new Warrant Agent, provided that any resignation or removal of the Warrant Agent and appointment of a successor warrant agent shall not become effective until the successor warrant agent shall have executed an appropriate instrument accepting such appointment- and, at the request of the Corporation, the predecessor Warrant Agent shall execute and deliver to the successor warrant agent an appropriate instrument transferring to such successor trustee all rights and powers of the Warrant Agent hereunder so ceasing to act.
- 9.8.2 Upon the appointment of a successor warrant agent, the Corporation shall promptly notify the Warranholders thereof in the manner provided for in Section 10.2.
- 9.8.3 Any corporation into or with which the Warrant Agent may be merged or consolidated, or amalgamated, or to which all or substantially all of its corporate trust business is sold or otherwise transferred, or any corporation resulting therefrom to which the Warrant Agent shall be a party, or any corporation succeeding to the trust business of the Warrant Agent shall be the successor to the Warrant Agent hereunder without any further act on its part or any of the parties hereto, provided that such corporation would be eligible for appointment as a successor trustee under subsection 9.8.1.

- 9.8.4 Any Warrant Certificates Authenticated but not delivered by a predecessor warrant agent may be authenticated by the successor warrant agent in the name of the predecessor or successor warrant agent.
- 9.8.5 Upon payment by the Corporation to the retiring Warrant Agent of any and all outstanding fees or charges still properly owing to it, the retiring Warrant Agent shall undertake to transfer all requisite files, inventory and other records to the successor warrant agent upon request of the Corporation.

**9.9 Conflict of Interest**

- 9.9.1 The Warrant Agent represents to the Corporation that, to the best of its knowledge, at the time of execution and delivery hereof no material conflict of interest exists between its role as a warrant agent hereunder and its role in any other capacity and agrees that in the event of a material conflict of interest arising hereafter it will, within ninety (90) days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its agency hereunder to a successor warrant agent approved by the Corporation and meeting the requirements set forth in subsection 9.8.1. Notwithstanding the foregoing provisions of this subsection 9.9.1, if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Indenture and the Warrant Certificate shall not be affected in any manner whatsoever by reason thereof.
- 9.9.2 Subject to subsection 9.9.1, the Warrant Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Corporation and generally may contract and enter into financial transactions with the Corporation or any Subsidiary of the Corporation without being liable to account for any profit made thereby.

**9.10 Acceptance of Agency**

The Warrant Agent hereby accepts the agency in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth.

**9.11 Warrant Agent Not to be Appointed Receiver**

The Warrant Agent and any person related to the Warrant Agent shall not be appointed a receiver, a receiver and manager or liquidator of all or any part of the assets or undertaking of the Corporation.

**9.12 Warrant Agent Not Required to Give Notice of Default**

The Warrant Agent shall not be bound to give any notice or do or take any act, action or proceeding by virtue of the powers conferred on it hereby unless and until it shall have been required so to do under the terms hereof; nor shall the Warrant Agent be required to take notice of any default hereunder, unless and until notified in writing of such default, which notice shall distinctly specify the default desired to be brought to the attention of the Warrant Agent and in the absence of any such notice the Warrant Agent may for all purposes of this Indenture conclusively assume that no default has been made in the observance or performance of any of the representations, warranties, covenants, agreements or conditions contained herein. Any such notice shall in no way limit any discretion herein given to the Warrant Agent to determine whether or not the Warrant Agent shall take action with respect to any default.

**10. GENERAL**

**10.1 Notice to the Corporation and the Warrant Agent**

10.1.1 Unless herein otherwise expressly provided, any notice to be given hereunder to the Corporation or the Warrant Agent shall be deemed to be validly given if delivered, sent by registered letter, postage prepaid, emailed or faxed:

(i) If to the Corporation:

**IntelGenx Technologies Corp.**

6420 Abrams  
Ville St-Laurent, Québec  
H4S 1Y2

Attention: Corporate Secretary  
Email: [ingrid@intelgenx.com](mailto:ingrid@intelgenx.com)  
Fax: (514) 331-0436

(i) If to the Warrant Agent:

**TSX Trust Company**

100 Adelaide Street West, Suite 301  
Toronto, Ontario  
M5H 4H1

Attention: Vice President, Corporate Trust Services  
Email: [tmxestaff-corporatetrust@tmx.com](mailto:tmxestaff-corporatetrust@tmx.com)  
Fax: (416) 361-0470

and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery or, if mailed, on the fifth (5<sup>th</sup>) Business Day following the date of the postmark on such notice or, if faxed or transmitted by other electronic means, on the next Business Day following the date of transmission provided that its contents are transmitted and received completely and accurately.

10.1.2 The Corporation or the Warrant Agent, as the case may be, may from time to time notify the other in the manner provided in subsection 10.1.1 of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Corporation or the Warrant Agent, as the case may be, for all purposes of this Indenture.

- 10.1.3 If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Warrant Agent or to the Corporation hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if it is delivered to the named officer of the party to which it is addressed or, if it is delivered to such party at the appropriate address provided in subsection 10.1.1, by email, fax or other means of prepaid, transmitted and recorded communication.

## **10.2 Notice to Warrantholders**

- 10.2.1 Unless otherwise provided herein, notice to the Warrantholders under the provisions of this Indenture shall be valid and effective if delivered or sent by ordinary post addressed to such holders at their post office addresses appearing on the register hereinbefore mentioned and shall be deemed to have been effectively given on the date of delivery or, if mailed, on the fifth Business Day following the date of the postmark on such notice. In the event that Warrants are held in the name of the Depository, a copy of such notice may be sent by electronic communication to the Depository and shall be deemed received on the next Business Day following the date of transmission, provided that its contents are transmitted and received completely and accurately.
- 10.2.2 If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Warrantholders hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if such notice is published once in the National Edition of The Globe and Mail or, if the National Edition of The Globe and Mail is not being generally circulated, in The National Post, and, if the National Edition of The Globe and Mail (or The National Post if the notice is published therein) is not circulated in the city where the Warrant Agency is situated, in an English language daily newspaper of general circulation in such city; provided that in the case of a notice convening a meeting of Warrantholders, the Warrant Agent may require such additional publications of such notice, in the same or another city or both as it may deem necessary for the reasonable protection of the Warrantholders or to comply with any applicable requirements of law or of any stock exchange. Any notice so given shall be deemed to have been given on the day on which it has been published in the National Edition of The Globe and Mail or The National Post, as the case may be, and in all of the cities in which such publication was required (or first published in all such cities if more than one publication in any such city is required). In determining under any provision hereof the date when notice of any meeting or other event must be given, the date of giving notice shall be included and the date of the meeting or other event shall be excluded.
- 10.2.3 Accidental error or omission in giving notice or accidental failure to mail notice to any Warrantholder will not invalidate any action or proceeding founded thereon.

### **10.3 Ownership of Warrants**

The Corporation and the Warrant Agent may deem and treat the registered owner of any Warrants as the absolute owner thereof for all purposes, and the Corporation and the Warrant Agent shall not be affected by any notice or knowledge to the contrary except where the Corporation or the Warrant Agent is required to take notice by statute or by order of a court of competent jurisdiction. A Warrantholder shall be entitled to the rights evidenced by its Warrant Certificate free from all equities or rights of set off or counterclaim between the Corporation and the original or any intermediate holder of the Warrants and all persons may act accordingly. The receipt of any such Warrantholder for the Shares which may be acquired pursuant thereto, or the receipt of the amount payable to such Warrantholder upon the exercise of the repurchase right referred to in Section 5.1 shall be a good discharge to the Corporation and the Warrant Agent for the same and neither the Corporation nor the Warrant Agent shall be bound to inquire into the title of any such holder except where the Corporation or the Warrant Agent is required to take notice by statute or by order of a court of competent jurisdiction.

### **10.4 Evidence of Ownership**

10.4.1 Upon receipt of a certificate of any bank, trust company or other Depository satisfactory to the Warrant Agent stating that the Warrants specified therein have been deposited by a named person with such bank, trust company or other Depository and will remain so deposited until the expiry of the period specified therein, the Corporation and the Warrant Agent may treat the person so named as the owner, and such certificate as sufficient evidence of the ownership by such person of such Warrant during such period, for the purpose of any requisition, direction, consent, instrument or other document to be made, signed or given by the holder of the Warrant so deposited.

10.4.2 The Corporation and the Warrant Agent may accept as sufficient evidence of the fact and date of the signing of any requisition, direction, consent, instrument or other document by any person (i) the signature of any officer of any bank, trust company, or other Depository satisfactory to the Warrant Agent as witness of such execution, (ii) the certificate of any notary public or other officer authorized to take acknowledgements of deeds to be recorded at the place where such certificate is made that the person signing acknowledged to him the execution thereof, (iii) a statutory declaration of a witness of such execution, or (iv) any other documentation satisfactory to the Corporation and the Warrant Agent.

### **10.5 Counterparts and Electronic Copies**

This Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof. Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Indenture and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

### **10.6 Satisfaction and Discharge of Indenture**

Upon the earlier of:

- (i) the date by which there shall have been delivered to the Warrant Agent for exercise or destruction all Warrant Certificates contemplated to be authenticated hereunder; or
- (ii) the Expiry Time;

and if all certificates or other entry on the register representing Shares required to be issued in compliance with the provisions hereof have been issued and delivered hereunder or to the Warrant Agent in accordance with such provisions and if all payments required to be made in accordance with such provisions have been made, this Indenture shall cease to be of further effect and the Warrant Agent, on demand of and at the cost and expense of the Corporation and upon delivery to the Warrant Agent of a certificate of the Corporation stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture. Notwithstanding the foregoing, the indemnities provided to the Warrant Agent by the Corporation hereunder shall remain in full force and effect and survive the termination of this Indenture.

#### **10.7 Provisions of Indenture and Warrants for the Sole Benefit of Parties and Warrantholders**

Nothing in this Indenture or in the Warrant Certificates, expressed or implied, shall give or be construed to give to any person other than the parties hereto and the Warrantholders, as the case may be, any legal or equitable right, remedy or claim under this Indenture, or under any covenant or provision herein or therein contained, all such covenants and provisions being for the sole benefit of the parties hereto and the Warrantholders.

#### **10.8 Shares or Warrants Owned by the Corporation or its Subsidiaries - Certificate to be Provided**

For the purpose of disregarding any Warrants owned legally or beneficially by the Corporation or any Subsidiary of the Corporation in Section 7.16, the Corporation shall provide to the Warrant Agent, from time to time, a certificate of the Corporation setting forth as at the date of such certificate:

- 10.8.1 the names (other than the name of the Corporation) of the registered holders of Warrants which, to the knowledge of the Corporation, are owned by or held for the account of the Corporation or any Subsidiary of the Corporation; and
- 10.8.2 the number of Warrants owned legally or beneficially by the Corporation or any Subsidiary of the Corporation;

and the Warrant Agent, in making the computations in Section 7.16, shall be entitled to rely on such certificate without any additional evidence.

#### **10.9 Rights of Rescission and Withdrawal for Holders**

Should a holder of Warrants exercise any legal, statutory, contractual or other right of withdrawal or rescission that may be available to it, and the holder's funds which were paid on exercise have already been released to the Corporation by the Warrant Agent, the Warrant Agent shall not be responsible for ensuring the exercise is cancelled and a refund is paid back to the holder. In such cases, the holder shall seek a refund directly from the Corporation and subsequently, the Corporation, upon surrender to the Corporation or the Warrant Agent of any underlying shares that may have been issued, or such other procedure as agreed to by the parties hereto, shall instruct the Warrant Agent in writing, to cancel the exercise transaction and any such underlying shares on the register, which may have already been issued upon the Warrant exercise. In the event that any payment is received from the Corporation by virtue of the holder being a shareholder for such Warrants that were subsequently rescinded, such payment must be returned to the Corporation by such holder. The Warrant Agent shall not be under any duty or obligation to take any steps to ensure or enforce that the funds are returned pursuant to this section, nor shall the Warrant Agent be in any other way responsible in the event that any payment is not delivered or received pursuant to this section. Notwithstanding the foregoing, in the event that the Corporation provides the refund to the Warrant Agent for distribution to the holder, the Warrant Agent shall return such funds to the holder as soon as reasonably practicable, and in so doing, the Warrant Agent shall incur no liability with respect to the delivery or non-delivery of any such funds.

## **10.10 Force Majeure**

Neither party shall be liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 10.10.

## **10.11 Anti-Money Laundering and Anti-Terrorist Legislation**

- 10.11.1 The Corporation hereby represents to the Warrant Agent that any account to be opened by, or interest to be held by the Warrant Agent in connection with this Indenture, for or to the credit of the Corporation, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Warrant Agent's prescribed form as to the particulars of such third party.
- 10.11.2 The Warrant Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Warrant Agent, in its sole judgment, acting reasonably, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline. Further, should the Warrant Agent, in its sole judgment, determine at any time that its acting under this Warrant Indenture has resulted in its being in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline, then it shall have the right to resign on 10 days written notice to the Corporation, provided that (i) the Warrant Agent's written notice shall describe the circumstances of such non-compliance; and (ii) if such circumstances are rectified to the Warrant Agent's satisfaction within such 10 day period, then such resignation shall not be effective.

## 10.12 Compliance with Privacy Code

The Corporation acknowledges that the Warrant Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:

- 10.12.1 to provide the services required under this Indenture and other services that may be requested from time to time;
- 10.12.2 to help the Warrant Agent manage its servicing relationships with such individuals;
- 10.12.3 to meet the Warrant Agent's legal and regulatory requirements; and
- 10.12.4 if Social Insurance Numbers are collected by the Warrant Agent, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

The Corporation acknowledges and agrees that the Warrant Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of its acting as agent hereunder for the purposes described above and, generally, in the manner and on the terms described in its privacy policy, which the Warrant Agent shall make available on its website, [www.tsxtrust.com](http://www.tsxtrust.com), or upon request, including revisions thereto. The Warrant Agent may transfer personal information to other companies in or outside of Canada that provide data processing and storage or other support in order to facilitate the services it provides. Further, the Corporation agrees that it shall not provide or cause to be provided to the Warrant Agent any personal information relating to an individual who is not a party to this Indenture unless the Corporation has assured itself that such individual understands and has consented to the aforementioned uses and disclosures.

*(Signatures on following page)*

**IN WITNESS WHEREOF** the parties hereto have executed this Indenture under their respective corporate seals and the hands of their proper officers in that behalf.

**INTELGEX TECHNOLOGIES CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TSX TRUST COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SCHEDULE A

FORM OF WARRANT CERTIFICATE

"UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS") TO INTELGENX TECHNOLOGIES CORP. (THE "ISSUER") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE."

Certificate No.: \_\_\_\_\_ No. of Warrants: \_\_\_\_\_

WARRANTS

Exercisable to Acquire

Shares

of

**IntelGenx Technologies Corp.**

(Incorporated under the laws of Delaware)

THIS IS TO CERTIFY THAT, for value received, ● (the "**Holder**") is the registered holder of the number of Warrants of IntelGenx Technologies Corp. (the "**Corporation**") specified above and, for each Warrant held, is thereby entitled to be issued, subject to adjustment and except as otherwise described herein, one fully paid and non-assessable share of common stock of the Corporation (each, a "**Common Share**") and subject to the limitation referred to below by surrendering to TSX Trust Company (the "**Warrant Agent**") at its principal transfer offices in Toronto, Ontario during the exercise period hereinafter referred to, a certified cheque or bank draft made payable to the Corporation in the amount of the Exercise Price as hereinafter determined in respect of each Common Share to be issued, this Warrant Certificate and a notice of exercise in the form set forth in Appendix 1 annexed hereto duly completed and executed, provided notice is also sent to the Corporation by delivering to it a copy of such documents.

Capitalized terms which are not otherwise defined herein shall have the same meaning as in the Warrant indenture (which indenture, together with all instruments supplemental or ancillary thereto, is herein referred to as the "**Warrant Indenture**") dated [●], 2020 between the Corporation and the Warrant Agent.

Surrender of this Warrant Certificate will be deemed to have been effected only on personal delivery thereof to, or, if sent by mail or other means of transmission, on actual receipt thereof by, the Warrant Agent at the office specified above.

This Warrant Certificate evidences Warrants of the Corporation issued or issuable under the provisions of the Warrant Indenture. **Reference is made to the Warrant Indenture for particulars of the rights of the holders of the Warrants and of the Corporation and of the Warrant Agent in respect thereof and of the terms and conditions upon which the Warrants are issued and held, all to the same effect as if the provisions of the Warrant Indenture were herein set forth in full, to all of which the holder, by acceptance hereof, assents. To the extent of any inconsistency between the terms of the Warrant Indenture and the terms of this Warrant Certificate, the terms of the Warrant Indenture shall prevail.** The Corporation will furnish to the holder, on request and upon payment of a reasonable charge for photocopying and postage, a copy of the Warrant Indenture.

The Warrants evidenced by this Warrant Certificate may be exercised by the holder (including, if applicable, any agent under any power of attorney granted by such holder) at any time until 5:00 pm (Toronto Time) on [●] (the "**Expiry Time**").

On and after the date of any exercise of the Warrants evidenced by this Warrant Certificate, the holder will have no rights hereunder except to receive certificates representing the Shares thereby issued to him upon delivery of a certified cheque or bank draft payable to the Corporation in respect of each Common Share to be issued in the amount of \$[●] the "**Exercise Price**"), this Warrant Certificate and a duly completed notice of exercise as set out in Appendix 1" thereto to the Warrant Agent at its principal offices in Toronto, Ontario. After the Expiry Time, all rights under any unexercised Warrant evidenced hereby will wholly cease and terminate and this Warrant Certificate will be void.

The Corporation will not be obligated to issue any fraction of a Common Share on the exercise of any Warrant. To the extent that a holder of Warrants would otherwise have been entitled to receive, on the exercise of Warrants, a fraction of a Common Share, such right may only be exercised in respect of such fraction in connection with another Warrant or Warrants which in the aggregate entitle the holder to receive a whole number of Shares. If a Warrantholder is not able to combine Warrants so as to be entitled to acquire a whole number of Shares, the number of Shares which such Warrantholder is entitled to receive shall be rounded down to the prior whole number, as applicable.

The Warrant Indenture provides for adjustments to the number of Shares issuable and to the Exercise Price in certain events set forth therein.

The Warrant Indenture contains provisions making binding on all holders of Warrants outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and instruments in writing signed by holders of a specified majority of all outstanding Warrants.

On presentation at the principal offices of the Warrant Agent in Toronto Ontario, subject to the provisions of the Warrant Indenture and on compliance with the reasonable requirements of the Warrant Agent, one or more Warrant Certificates may be exchanged for one or more Warrant Certificates of different denominations evidencing in the aggregate the same number of Warrants as the Warrant Certificate or Warrant Certificates being exchanged.

The Warrants evidenced by this Warrant Certificate may only be transferred, upon compliance with the conditions prescribed in the Warrant Indenture, on the register of transfers to be kept at the principal offices of the Warrant Agent in Toronto, Ontario by the holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Agent, and, upon compliance with such requirements and such other reasonable requirements as the Warrant Agent may prescribe, such transfer will be duly noted on such register of transfers by the Warrant Agent. Notwithstanding the foregoing, the Corporation will be entitled, and may direct the Warrant Agent, to refuse to record any transfer of any Warrant on such register if such transfer would constitute a violation of the securities laws of any jurisdiction or require the Corporation to qualify the Shares for distribution in any jurisdiction other than the Qualifying Jurisdictions.

No Shares will be issued pursuant to any exercise of any Warrant if the issue of such security would constitute a violation of the securities laws of any applicable jurisdiction.

The Warrants evidenced hereby shall not be exercised by any person during any time that no registration statement under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), registering the Common Shares issuable upon the exercise of the Warrants evidenced hereby is effective, unless an exemption from the registration requirements of the U.S. Securities Act is available and such holder provides evidence of the availability of such exemption satisfactory to the Corporation and the Warrant Agent.

The holding of this Warrant Certificate will not constitute the holder a shareholder of the Corporation or entitle such holder to any right or interest in respect thereof except as otherwise provided in the Warrant Indenture.

This Warrant Certificate will not be valid for any purpose until it has been authenticated by or on behalf of the Warrant Agent for the time being under the Warrant Indenture. Time will be of the essence hereof.

**THE WARRANTS REPRESENTED BY THIS CERTIFICATE WILL BE VOID AND OF NO VALUE UNLESS EXERCISED PRIOR TO 5:00 P.M. (TORONTO TIME) ON OR BEFORE [●], IN ACCORDANCE WITH THE PROVISIONS OF THE WARRANT INDENTURE.**

**IN WITNESS WHEREOF** the Corporation has caused this Warrant Certificate to be signed by its officer or other individual duly authorized in that behalf as of ●.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

This Warrant Certificate is one of the Warrant Certificates referred to in the Warrant Indenture within mentioned.

Countersigned and Registered by:

【●】

By: \_\_\_\_\_  
Authorized Signatory

APPENDIX 1

NOTICE OF EXERCISE

To: INTELGENX TECHNOLOGIES CORP.

And To: [●], as Warrant Agent

[address]

The undersigned holder of the Warrants evidenced by the within Warrant Certificate hereby exercises its right to acquire \_\_\_\_\_ (A) Shares of IntelGenx Technologies Corp. (or such other securities or property to which such exercise entitles such holder in lieu thereof or in addition thereto under the provisions of the Warrant Indenture mentioned in such Warrant Certificate) that are issuable upon the exercise of such Warrants, on the terms specified in such Warrant Certificate and Warrant Indenture.

Exercise Price Payable: \_\_\_\_\_

((A) multiplied by \$[●], subject to adjustment)

If the Common Shares issuable upon the exercise of the Warrants are not registered under the U.S. Securities Act, the undersigned represents, warrants and certifies as follows (one (only) of the following must be checked):

- A. [ ] that (i) at the time of exercise of this Warrant the undersigned is not within the United States; (ii) the undersigned is not exercising this Warrant for the account or benefit of a U.S. Person or person in the United States, and (iii) the delivery of the underlying Common Shares will not be to an address in the United States; or
- B. [ ] that the undersigned is tendering with this notice of exercise form a written opinion of counsel satisfactory to the Corporation to the effect that the securities to be delivered upon exercise of this Warrant are exempt from such registration requirements.

"United States" and "U.S. person" are as defined by Regulation S under the U.S. Securities Act.

The undersigned holder understands that unless the Common Shares issuable upon the exercise of the Warrants are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, the certificate representing the Common Shares issued upon exercise of this Warrant will bear the following restrictive legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) IF THE SECURITIES HAVE BEEN REGISTERED IN COMPLIANCE WITH THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT IN ACCORDANCE WITH RULE 144 THEREUNDER, IF APPLICABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING, OR OTHER EVIDENCE OF EXEMPTION, REASONABLY SATISFACTORY TO THE CORPORATION. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH U.S. SECURITIES LAWS".

The undersigned hereby irrevocably directs that the said Shares be issued, registered and delivered as follows:

Name(s) in Full	Address(es)	Number of Shares and Number of Warrants (# and #)
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Please print full name in which certificates for Shares are to be issued. If any shares are to be issued to a person or persons other than the holder, the holder must pay to the Warrant Agent all exigible transfer taxes or other government charges and sign the Form of Transfer.)

DATED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Witness

\_\_\_\_\_  
Signature of Registered Holder

\_\_\_\_\_  
Name of Registered Holder

**Note:** The name of the Registered Holder on this Notice of Exercise must be the same as the name appearing on the face page of the Warrant Certificate to which this Notice of Exercise is attached.

Please check if the Common Share certificates are to be delivered at the office where this Warrant Certificate is surrendered, failing which such certificates will be mailed.

Certificates will be delivered or mailed as soon as practicable after the due surrender of the Warrant Certificate to which this Appendix is attached.

**APPENDIX 2**

**FORM OF TRANSFER**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers to

Name: \_\_\_\_\_

Address: \_\_\_\_\_

(such person, the "**Transferee**") \_\_\_\_\_ Warrants of IntelGenx Technologies Corp. (the "**Corporation**") represented by the attached Warrant Certificate and does hereby appoint \_\_\_\_\_ as its attorney with full power of a substitution to transfer the Warrants on the appropriate register of the Warrant Agent.

DATED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Witness Signature of Transferor

Signature of Transferor must be Medallion guaranteed \_\_\_\_\_

Name of Transferor

**Note:** The name of the Transferor on this Form of Transfer must be the same as the name appearing on the face page of the Warrant Certificate to which this Form of Transfer is attached.

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COMMON STOCK NON-TRANSFERABLE PURCHASE WARRANT

INTELGEX TECHNOLOGIES CORP.

Warrant Shares: \_\_\_\_\_

Issue Date: ● \_\_\_\_, 2020

Initial Exercise Date: ● \_\_\_\_, 2020

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, ● (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "Initial Exercise Date") and on or prior to 5:00 p.m. (Montreal time) on ● (the "Termination Date") but not thereafter, to subscribe for and purchase from IntelGenx Technologies Corp., a Delaware corporation (the "Company"), up to ● shares (as subject to adjustment hereunder, the "Warrant Shares") of the Company's common stock (the "Common Stock"). The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1.      Definitions.

a)      "**Affiliate**" means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person and, for the purposes of this definition, "**control**" (including, with correlative meanings, the terms "**controlled by**" or "**under common control with**") means the power to direct or cause the direction of the management and policies of any other Person, whether through the ownership of voting securities, or by contract or otherwise.

b)      "**Business Day**" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York, Canada or Quebec are authorized or required by law or other governmental action to close.

c)      "**Commission**" means the United States Securities and Exchange Commission.

d)      "**Exchange Act**" means the United States Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

e)      "**Person**" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

f)      "**Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

g) "**Subsidiary**" means 6544361 Canada Inc. and Intelgenx Corp, both corporations incorporated under the federal laws of Canada.

h) "**Trading Day**" means, with respect to the TSXV or other market for securities, any day on which such exchange or market is open for trading or quotation.

i) "**Trading Market**" means any of the following markets or exchanges on which the Shares are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, the Toronto Stock Exchange, the TSXV Exchange or the OTC Markets (or any successors to any of the foregoing).

j) "**Transfer Agent**" means Philadelphia Stock Transfer, Inc., the current transfer agent of the Corporation and any successor transfer agent of the Corporation.

k) "**TSXV**" means the TSX Venture Exchange.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy or PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise substantially in the form attached hereto as Exhibit A (the "Notice of Exercise"). Within the two (2) Trading Days following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by certified cheque, money order, bank draft or wire transfer of lawful money of Canada. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Trading Day of receipt of such notice. **The Holder, by acceptance of this Warrant, acknowledges and agrees that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b) Exercise Price. The exercise price per share of Common Stock under this Warrant shall be \$●, subject to adjustment hereunder (the "Exercise Price").

c) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its DWAC if the Company is then a participant in such system and there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by the Holder, and otherwise by physical delivery of a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earlier of (A) (2) Trading Days after the delivery to the Company of the Notice of Exercise and (B) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company (such date, the "Warrant Share Delivery Date"), provided that the Company shall not be obligated to deliver Warrant Shares hereunder unless the Company has received the aggregate Exercise Price on or prior to the Warrant Share Delivery Date. Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price is received by the Warrant Share Delivery Date.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

v. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vi. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) Trading Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the sixty first (61<sup>st</sup>) day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Section 3.      Certain Adjustments.

a)      Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company ((i)-(iv), a "Share Reorganization"), then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Rights Offerings. If and whenever during the exercise period of this Warrant, the Company shall fix a record date for the issuance of rights, options or warrants to all or substantially all of the holders of shares of Common Stock under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance ("Rights Period"), to subscribe for or purchase shares of Common Stock or securities exchangeable for or convertible into shares of Common Stock at a price per share to the holder (or having a conversion price or exchange price per share of Common Stock) of less than the VWAP for the shares of Common Stock on such record date (any of such events being called a "Rights Offering"), then the Exercise Price shall be adjusted, effective immediately after the end of the Rights Period to a price determined by multiplying the Exercise Price in effect immediately prior to the end of the Rights Period by a fraction:

- (i) the numerator of which shall be the aggregate of:
  - (A) the number of shares of Common Stock outstanding as of the record date for the Rights Offering, and
  - (B) a number determined by dividing either
    - I. the product of the number of shares of Common Stock issued or subscribed for during the Rights Period and the price at which such shares of Common Stock are offered,
    - or, as the case may be,
    - II. the product of the exchange or conversion price per share of such securities offered and the number of shares of Common Stock for or into which the securities so offered pursuant to the Rights Offering have been exchanged or converted during the Rights Period,by the VWAP of the shares of Common Stock as of the record date for the Rights Offering; and
- (ii) the denominator of which shall be the number of shares of Common Stock outstanding after giving effect to the Rights Offering and including the number of shares of Common Stock actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering or upon the exercise of the exchange or conversion rights contained in such exchangeable or convertible securities under the Rights Offering.

If the Holder has exercised any of the Warrants during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period, the Holder shall, in addition to the shares of Common Stock to which the Holder is otherwise entitled upon such exercise in accordance with Section 2 hereof, be entitled to that number of additional shares of Common Stock equal to the result obtained when the difference, if any, resulting from the subtraction of the Exercise Price as adjusted for such Rights Offering pursuant to this Section 3(b) from the Exercise Price in effect immediately prior to the end of such Rights Offering is multiplied by the number of shares of Common Stock purchased upon exercise of the Warrants held by such Holder during such period, and the resulting product is divided by the Exercise Price as adjusted for such Rights Offering pursuant to this Section 3(b); provided that the provisions of Section 2(d)(v) shall be applicable to any fractional interest in a share of Common Stock to which such Holder might otherwise be entitled under the foregoing provisions of this Section 3(b). Such additional shares of Common Stock shall be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional Shares shall be delivered to such Holder within three (3) Business Days following the end of the Rights Period.

c) Pro Rata Distributions. If and whenever during the Exercise Period the Company shall issue or distribute to all or to substantially all the holders of the shares of Common Stock:

- (i) securities of the Company including shares, rights, options or warrants to acquire shares of any class of securities exchangeable for or convertible into or exchangeable into any such shares or cash, property or assets and including evidences of its indebtedness, or
- (ii) any cash, property or other assets,

and if such issuance or distribution does not constitute dividends paid in the ordinary course, a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a "Special Distribution"), the Exercise Price will be adjusted, immediately after such record date so that the Exercise Price will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of shares of Common Stock outstanding on such record date multiplied by the VWAP on the earlier of such record date and the date on which the Company announces its intention to make such distribution, less the aggregate fair market value (as determined by the directors, acting reasonably, at the time such distribution is authorized) of such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets so distributed, and of which the denominator shall be the total number of shares of Common Stock outstanding on such record date multiplied by such VWAP and the number of shares of Common Stock to be issued by the Company under the Warrants shall, at the time of exercise, be appropriately adjusted).

d) Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then the Holder, where he has not exercised his Warrant prior to the effective date or record date, as the case may be, of such Fundamental Transaction, shall be entitled to receive, and shall accept upon the exercise of such right for the same aggregate consideration, in lieu of the number of Warrant Shares to which the Holder was theretofore entitled upon such exercise, the aggregate number of shares, other securities or other property which the Holder would have been entitled to receive as a result of such Fundamental Transaction if, on the effective date thereof, he had been the registered holder of the number of shares of Common Stock to which the Holder was theretofore entitled to subscribe for and purchase; provided however, that no such Fundamental Transaction shall be carried into effect unless all necessary steps shall have been taken to so entitle the Holder. If determined appropriate by the board of directors of the Company, acting reasonably and in good faith, and subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the shares of Common Stock are then listed or quoted for trading, appropriate adjustments shall be made as a result of any such Fundamental Transaction in the application of the provisions set forth in this Section 3 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Section 3 shall thereafter correspondingly be made applicable as nearly as may reasonably be necessary in relation to any shares, other securities or other property thereafter deliverable upon the exercise of any Warrant. Any such adjustments shall be made by and set forth in terms and conditions supplemental hereto approved by the board of directors of the Company, acting reasonably and in good faith.

e) If and whenever at any time after the date hereof and prior to the Termination Date, the Company takes any action affecting its shares of Common Stock to which the foregoing provisions of this Section 3, in the opinion of the board of directors of the Company, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes thereof, or would otherwise materially affect the rights of the Holder hereunder, then the Company shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Company may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Company to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence that the board of directors has determined that it is equitable to make no adjustment in the circumstances.

- f) Procedures for Adjustments. The following rules and procedures shall be applicable to the adjustments made pursuant to Section 3:
- (i) The adjustments provided for in Section 3 are cumulative, and shall, in the case of adjustments to the Exercise Price be computed to the nearest one-tenth of one cent and shall be made successively whenever an event referred to therein shall occur, subject to the following paragraphs of this Section 3(f).
  - (ii) No adjustment in the Exercise Price or in the number of shares of Common Stock purchasable upon exercise of Warrants shall be made in respect of any event described in Section 3, other than the events referred to in Section 3(d), if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had exercised its Warrants prior to or on the effective date or record date of such event. The terms of the participation of the Holder in such event shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the shares of Common Stock are then listed or quoted for trading.
  - (iii) No adjustment in the Exercise Price shall be made pursuant to Section 3 in respect of the issue from time to time:
    - (A) of shares of Common Stock purchasable on exercise of the Warrants represented by or issued concurrently with this Warrant Certificate;
    - (B) of shares of Common Stock pursuant to any stock option plan, stock purchase plan or benefit plan in force at the date hereof for directors, officers, employees, advisers or consultants of the Company, as such option or plan is amended or superseded from time to time in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the shares of Common Stock are then listed or quoted for trading and applicable securities laws, and such other stock option plan, stock purchase plan or benefit plan as may be adopted by the Company in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the shares of Common Stock are then listed or quoted for trading and applicable securities laws;

(C) the payment of interest or premium on any outstanding notes;

(D) the issuance of securities in connection with strategic license agreements and other partnering arrangements; or

(E) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity;

and any such issue shall be deemed not to be a Share Reorganization or Capital Reorganization.

(iv) If the Company shall set a record date to determine the holders of the shares of Common Stock for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of shares of Common Stock purchasable upon exercise of any Warrant shall be required by reason of the setting of such record date.

g) Any question or dispute that at any time or from time to time arises with respect to the amount of any adjustment to the Exercise Price or other adjustments pursuant to Section 3 shall be conclusively determined by a firm of independent chartered accountants (who may be the Company's auditors) and shall be binding upon the Company and the Holder. Notwithstanding the foregoing, such determination shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the shares of Common Stock are then listed or quoted for trading. In the event that any such determination is made, the Company shall notify the Holder in the manner contemplated in Section 5g) describing such determination.

h) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least twenty (20) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

- a) Non-Transferability. Neither this Warrant nor the rights hereunder may be assigned or transferred by the Holder.

Section 5. Miscellaneous.

- a) No Rights as Stockholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3. Without limiting the rights of a Holder to receive the cash payments contemplated pursuant to Sections 2(c), 2(d)(i) and 2(d)(iv) herein, in no event will the Company be required to net cash settle a Warrant exercise.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies, notwithstanding the fact that the right to exercise this Warrant terminates on the Termination Date. Without limiting any other provision of this Warrant, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

f) Notices. Any notice, document or communication required or permitted by this Warrant to be given by a party hereto shall be in writing and is sufficiently given if delivered personally, or if sent by prepaid registered mail, or if transmitted by any form of recorded telecommunication rested prior to transmission, to such party addressed as follows:

- i. to the Holder, in the register to be maintained pursuant to Section 5(f) hereof; and
- ii. to the Corporation at:

**IntelGenx Technologies Corp.**

6420 Abrams  
Ville St-Laurent, Québec  
H4S 1Y2

Attention: Corporate Secretary  
Email: [ingrid@intelgenx.com](mailto:ingrid@intelgenx.com)  
Telecopier: (514) 331-0436

g) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

h) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

i) Amendment. No provision of this Warrant, or any Warrant in this series, may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Holders of Warrants holding at least two thirds (2/3) in interest of such Warrants then outstanding or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

j) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

k) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

l) Jurisdiction. This Warrant Certificate and the Warrants represented hereby shall be governed by the laws of the State of Delaware and the federal laws of the United States of America applicable therein.

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*(Signature Page Follows)*

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_

Name:

Title:

NOTICE OF EXERCISE

TO: INTELGENX TECHNOLOGIES CORP.

(1) The undersigned hereby elects to purchase \_\_\_\_\_ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of lawful money of Canada.

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_

The Warrant Shares shall be delivered to the following DWAC Account Number:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[SIGNATURE OF HOLDER]

Name of Investing Entity: \_\_\_\_\_

*Signature of Authorized Signatory of Investing Entity:* \_\_\_\_\_

Name of Authorized Signatory: \_\_\_\_\_

Title of Authorized Signatory: \_\_\_\_\_

Date: \_\_\_\_\_



## **Consent of Independent Registered Public Accounting Firm**

We hereby consent to the use in this Registration Statement on Form S-1A (Amendment No.1) of IntelGenx Technologies Corp. of our report dated March 22, 2019 relating to our audits of financial statements of IntelGenx Technologies Corp. as of and for the years ended December 31, 2018 and 2017 appearing in the Annual Report on Form 10-K of IntelGenx Technologies Corp. for the year ended December 31, 2018.

*Richter LLP (Signed)*<sup>1</sup>

Montréal, Québec,  
Canada  
January 27, 2020

<sup>1</sup>CPA auditor, CA, public accountancy permit No. A112505

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