



No. S-226773  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
1985, c. C-36

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF *MEDIPIRE PHARMACEUTICALS INC. AND MEDIPIRE HOLDINGS INC.*

PETITIONERS

**ORDER MADE AFTER APPLICATION**

**(APPROVAL AND VESTING ORDER)**

BEFORE THE HONOURABLE )  
MR. JUSTICE WALKER ) November 1, 2022  
)

ON THE APPLICATION of Deloitte Restructuring Inc., in its capacity as Court-appointed Monitor of the Petitioners (in such capacity, the "Monitor") coming on for hearing at Vancouver, British Columbia via MS Teams, on the 29<sup>th</sup> day of September, 2022, and continued on the 4<sup>th</sup> and 24<sup>th</sup> days of October, 2022; AND ON HEARING Christopher J. Ramsay, and those other counsel listed on Schedule "A" hereto, no one else appearing, although duly served; AND UPON READING the material filed, including the Second Report of the Monitor dated September 28, 2022 and the First Supplement to the Second Report of the Monitor dated October 4, 2022, and the Second Supplement to the Report dated October 24, 2022 (collectively, the "Report");

THIS COURT ORDERS that:

1. The sale transaction (the "Transaction") contemplated by the Asset Purchase Agreement dated October 31, 2022 (the "Sale Agreement") between the Petitioners, Apogee Pharmaceuticals, Inc. (the "Purchaser") and SHP Capital, LLC, a copy of which

is attached as Schedule "C" is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Petitioners is hereby authorized and approved, and the Petitioners, the Monitor and the CRO (as such term is defined in the Report) are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the "**Purchased Assets**").

2. Upon delivery by the Monitor to the Purchaser of a certificate substantially in the form attached as Schedule "**B**" hereto (the "**Monitor's Certificate**"), all of the Petitioners' right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser (or to such affiliate as it may direct in accordance with the terms of the Purchase Agreement) in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Orders of this Court in the within proceedings dated August 19, 2022, August 22, 2022 and September 1, 2022, (ii) all charges created by Orders of the Court issued in the proceedings having Court File Nos. B220220 and B220221; and (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
4. The Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof.
5. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the CRO and the Monitor are hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company's records pertaining to the Petitioners' past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioners.
6. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets shall be delivered to the Purchaser at 12:01 a.m. (Pacific Time) on the Closing Date (as defined in the Sale Agreement), subject only to the permitted encumbrances as set out in the Sale Agreement.

7. The Monitor, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court provided that the Closing Date occurs by no later than the Outside Date (as defined in the Sale Agreement).

8. Notwithstanding:

(a) these proceedings;

(b) any applications for a bankruptcy order in respect of the Petitioners now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made by or in respect of the Petitioners,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners and shall not be void or voidable by creditors of the Petitioners, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

10. As of the Closing Date, the Petitioners shall cease to be applicants in these CCAA Proceedings and the Petitioners shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to the Petitioners ) shall continue to apply in all respects;

11. Effective upon the delivery of the Monitor's Certificate to the Purchaser, the Monitor and its legal counsel and the CRO (as defined in the Amended and Restated Initial Order pronounced August 22, 2022), their respective present and former directors, officers, partners, employees and advisors (collectively, the "**Released Parties**"), shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, offer, investment proposal, dealing, or other fact, matter, occurrence or thing existing or taking place prior to the delivery of the Monitor's

Certificate or completed pursuant to the terms of this Order and/or in connection with the Transaction in respect of the Petitioners, its assets, business or affairs, prior dealings with the Petitioners (wherever or however conducted or governed), or the administration and/or management of the Petitioners, or these proceedings (collectively, the "Released Claims"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA.

12. All activities of Deloitte acting as Monitor in these CCAA proceedings and as Proposal Trustee in the related bankruptcy proceedings, and the CRO in these CCAA proceedings are hereby approved and authorized, provided however, that only the Monitor and the CRO, their employees and representatives, acting in their personal capacities, and only with respect to their own liability, shall be entitled to rely upon or utilize in any way such approval.
13. The Monitor and the CRO, and their respective employees and representatives shall not be deemed directors of the Petitioners de facto or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct.
14. The Monitor or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
15. The stay of proceedings is further extended to November 1, 2022.
16. Endorsement of this Order by counsel appearing on this application other than the Monitor is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



*fc* \_\_\_\_\_  
Signature of Lawyer for Deloitte Restructuring Inc.  
Lawyer: Christopher J. Ramsay

BY THE COURT



\_\_\_\_\_  
Registrar



**Schedule "A"**

**LIST OF COUNSEL**

Christopher J. Ramsay	Deloitte Restructuring Inc., Monitor (and making submissions on behalf of the CRO)
Martin Sennott	Petitioners
David Gruber	SHP Capital, LLC and Apogee Pharmaceuticals, Inc.
Cobi Dayan	Seaforth Construction Ltd.
Ryan Laity	Peretz-Lalli Group

**SCHEDULE "B"**

**MONITOR'S CERTIFICATE**

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-35, AS AMENDED

AND

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, S.B.C 2002, c. 57

AND

IN THE MATTER OF MEDIPIRE PHARMACEUTICALS INC. AND MEDIPIRE HOLDINGS  
INC.

PETITIONERS

**MONITOR'S CERTIFICATE**

A. By order made August 19, 2022, this Court appointed Deloitte Restructuring Inc. as monitor (the "**Monitor**") of each of the Petitioners pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-46 (as amended, the "**CCAA**").

B. Pursuant to an order of the Court dated October 24, 2022 (the "**Approval and Vesting Order**"), the Court approved the sale of the Purchased Assets to Apogee Pharmaceuticals, Inc. (the "**Purchaser**"), providing for the vesting in the Purchaser of all of the Petitioners' right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming the transaction contemplated by the Sale Agreement has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Approval and Vesting Order or the Sale Agreement, as the case may be.

THE MONITOR HEREBY CERTIFIES the following:

1. The Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Purchaser and Vendor that all conditions of Closing have been satisfied or waived by the applicable Parties.

2. The Monitor is holding the Deposit in trust to be used to satisfy the Purchase Price in accordance with the Sale Agreement.

This Certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2022.

**DELOITTE RESTRUCTURING INC.**, in its capacity as the Monitor of the Petitioners, and not in its personal capacity:

\_\_\_\_\_  
Name: Jeff Keeble

**Schedule "C"**  
**Purchase Agreement**

**MEDIPURE HOLDINGS INC., and MEDIPURE PHARMACEUTICALS INC.**

collectively, as Vendor

and

**APOGEE PHARMACEUTICALS, INC.**

as Purchaser

**SHP CAPITAL, LLC**

as Covenantee

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**ASSET PURCHASE AGREEMENT**

October 31, 2022

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## ASSET PURCHASE AGREEMENT

This asset purchase agreement is made as of October 31, 2022, between Medipure Holdings Inc. ("**MHI**") and Medipure Pharmaceuticals Inc. ("**MPI**", and together with MHI, collectively, "**Medipure**" or the "**Vendor**"), Apogee Pharmaceuticals, Inc. (the "**Purchaser**"), and SHP Capital, LLC ("**SHP**"), as covenantee in respect of the covenants set out in Section 5.3 herein.

### RECITALS:

- (1) On August 19, 2022, the Vendor obtained relief under the CCAA (as defined herein) pursuant to the Initial Order issued by the Supreme Court of British Columbia (the "**Court**"), and Deloitte Restructuring Inc. was appointed as Monitor.
- (2) In order to finance the Monitor's participation in the CCAA Proceedings, SHP advanced to the Monitor a retainer of CAD\$375,000 (the "**Retainer Payment Amount**"), on the condition that such amount either be secured by or be repaid from the first advance under a debtor-in-possession financing facility to be approved, which conditions were unable to be fulfilled.
- (3) The Court issued an Amended and Restated Initial Order on August 22, 2022 (the "**ARIO**"), among other things, appointing the CRO (as defined herein) and empowering it to carry on the activities and operations of the Medipure Entities, including in respect of carrying out the CCAA Proceedings (as defined herein), and granting the CRO Charge in favour of the CRO and the Administration Charge in favour of the Administrative Professionals.
- (4) The Court issued a Second Amended and Restated Initial Order on September 1, 2022 ("**Second ARIO**"), among other things, approving the Liquidation Charge (as defined herein).
- (5) The Court declined to approve debtor-in-possession financing offered by SHP, and the Retainer Payment Amount remains unpaid as of the date hereof.
- (6) Due to lack of financing to carry on the CCAA Proceedings, on September 14, 2022, the CRO advised that it would be immediately commencing a liquidation of the Vendors' assets for the benefit of the Vendors' creditors, generally (the "**Sale Process**").
- (7) On September 23, 2022, the Purchaser submitted a letter of intent to the Monitor under the Sale Process.
- (8) The Court issued an Order Made After Application on October 6, 2022, providing for an extension of the Sale Process until not later than October 26, 2022, and approval of a debtor in possession loan(s), among other things.
- (9) At an attendance held October 24, 2022, the Court declared the Purchaser to be the successful bidder in the Sale Process.
- (10) The Vendor desires to sell the Purchased Assets, and the Purchaser has agreed to purchase such assets subject to the terms and conditions set forth in this Agreement, the Sale Process and the applicable provisions of the CCAA.
- (11) SHP is the Vendor's sole secured creditor with a perfected security interest by virtue of a Promissory Note dated October 21, 2021, as secured by a General Security Agreement dated

November 2, 2021, both of which are in default, which default remains outstanding as of the date hereof.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Vendor and the Purchaser agree as follows:

## ARTICLE 1 INTERPRETATION

### Section 1.1 Definitions

In this Agreement and the recitals above, the following terms have the following meanings:

**"Administrative Professionals"** means the Vendors' legal counsel, the Monitor, the Monitor's legal counsel, and the CRO.

**"Affiliate"** has the meaning given to the term "affiliate" in the *Canada Business Corporations Act*.

**"Agreement"** means this asset purchase agreement, as amended from time to time in accordance with the terms hereof.

**"Applicable Law"** means, in respect of any Person, property, transaction or event, any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order, in each case, having the force of law, that applies in whole or in part to such Person, property, transaction or event.

**"Approval and Vesting Order"** means an order issued by the Court substantially in the form of the British Columbia model vesting order, with such modifications as may be requested or required by the Purchaser, in its sole discretion, authorizing the Transaction and vesting in the Purchaser (or as it may direct) all the right, title and interest of the Vendor in and to the Purchased Assets.

**"Assignment Order"** means an order or orders of the Court pursuant to section 11.3 of the CCAA and other applicable provisions of the CCAA, in form and substance satisfactory to the Purchaser and the Vendor, each acting reasonably, authorizing and approving: (i) the assignment of any Consent Required Contract for which a consent, approval or waiver necessary for the assignment of such Consent Required Contract has not been obtained; (ii) the prevention of any counterparty to such Consent Required Contracts from exercising any right or remedy under such Consent Required Contracts by reason of any defaults arising from the CCAA Proceedings or the insolvency of the Vendor; and (iii) the vesting in the Purchaser (or as it may direct) of all right, title and interest of the Vendor in such Consent Required Contracts.

**"Assumed Obligations"** has the meaning set out in Section 2.4.

**"BIA Proceedings"** means the proposal proceedings commenced by MHI and MPI under Part 3 of the *Bankruptcy and Insolvency Act* (Canada), having Court File Nos. B220220 and B22021, respectively.

**"Books and Records"** means all files, documents, emails, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), used or intended for use by, and in the possession of the Vendor, including the Contracts, customer lists,

customer information and account records, sales records, computer files, data processing records, employment and personnel records, sales literature, advertising and marketing data and records, credit records, records relating only to suppliers and other data, in each case, relating in any way to the Purchased Assets, MHI and MPI, and their past or present affiliates, subsidiaries, officers, directors and employees.

**"Business Day"** means a day on which banks are open for business in Vancouver, British Columbia but does not include a Saturday, Sunday or statutory holiday in the Province of British Columbia.

**"CCAA"** means the *Companies' Creditors Arrangement Act* (Canada).

**"CCAA Proceedings"** means the proceedings commenced by, among others, the Vendor under the CCAA.

**"Claims"** means any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, chose in or cause of action, suit, default, assessment, litigation, third party action, arbitral proceeding or proceeding by or before any Person.

**"Closing"** means the successful completion of the Transaction.

**"Closing Date"** means November 1, 2022, unless the conditions set forth in Article 6 have not been satisfied or waived, other than the conditions set forth in Article 6 that by their terms are to be satisfied or waived at the Closing (or such other date agreed to by the Parties in writing); provided that the Closing Date shall be no later than the Outside Date.

**"Closing Time"** means 12:00:01 a.m. (Vancouver time) on the Closing Date.

**"Consent Required Contract"** has the meaning set out in Section 2.2(a).

**"Contracts"** means the contracts and other written agreements to which the Vendor is a party constituting part of the Purchased Assets listed in Appendix I to Schedule "A" to this Agreement.

**"Court"** means the Supreme Court of British Columbia.

**"CRO"** means Helmsman Management Ltd., in its capacity as chief restructuring officer of the Vendor.

**"CRO Charge"** means the charge in the maximum amount of \$50,000 in favour of the CRO granted by the Court pursuant to the ARIO.

**"Cure Costs"** means all amounts required to be paid pursuant to section 11.3 of the CCAA to effect, pursuant to the CCAA, the assignment by the Vendor and assumption by the Purchaser of Consent Required Contracts under the Assignment Order and to otherwise satisfy all requirements imposed by section 11.3 of the CCAA.

**"Deposit"** means CAD\$925,000, which amount has been provided by wire transfer, in trust, to Clark Wilson LLP, in its capacity as legal counsel for the Monitor.

**"D&O Claims"** means, collectively, all claims and causes of action (whether asserted or unasserted) possessed by or on behalf of MHI and/or MPI, or any of its subsidiaries, against any of the current and former directors and officers, including any Affiliates of, or entities controlled by,

any of the current or former directors and officers (including, but not limited to, Eagles Ledge Investments Inc.), for, among other things, breach of fiduciary duty, negligence, and conversion.

**"DIP Loan"** means a debtor in possession loan or loans made pursuant to a Court order dated October 6, 2022.

**"Employee"** means an individual who is employed by the Vendor, whether on a full-time or a part-time basis, whether active or inactive as of the Closing Date, and includes an employee on short term or long-term disability leave.

**"Encumbrances"** means any security interest, lien, claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, adverse claim or right of a third party of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

**"Excise Tax Act"** means the *Excise Tax Act* (Canada).

**"Excluded Assets"** means all of the Vendor's right, title and interest, in and to those assets and rights set forth in Schedule "B".

**"Excluded Equipment"** means any equipment or machinery and any parts and components thereof, that are Excluded Assets.

**"Final Invoice"** has the meaning set out in Section 3.1(a).

**"GCB Claims"** means collectively, all claims and causes of action (whether asserted or unasserted) possessed by or on behalf of MHI and/or MPI against GCB Capital LLC, its affiliates, advisors, past or current employees, officers, and managers or similar.

**"Governmental Authority"** means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

**"HST"** means the goods and services tax and harmonized sales tax levied under Part IX of the Excise Tax Act.

**"Income Tax Act"** means the *Income Tax Act* (Canada).

**"Intellectual Property"** means all intellectual property and industrial property related to the Vendor's business throughout the world, whether or not registrable, patentable or otherwise formally protectable, and whether or not registered, patented, otherwise formally protected or the subject of a pending application for registration, patent or any other formal protection, including all: (i) copyrights, patents, patent rights, trademarks, certification marks, corporate names, business names, trade names and brand names; (ii) inventions and plant breeders' rights; (iii) works and subject matter in which copyright, neighboring rights or moral rights subsist; (iv) industrial designs; (v) know-how, trade secrets, proprietary information, confidential information and information of a sensitive nature that have value to the Business or relate to business opportunities for the Business, in whatever form communicated, maintained or stored; (vi) telephone numbers and facsimile

numbers; (vii) registered domain names, IP addresses, websites, email addresses; and (viii) social media usernames and other internet identities and all account information relating thereto;

**"Liquidation Charge"** means the charge in the maximum amount of \$200,000 in favour of Monitor, legal counsel to the Monitor and the CRO, granted by the Court pursuant to the Second ARIO.

**"Maximum Purchase Price Amount"** means CAD\$925,000.

**"Medipure"** has the meaning set out in the recitals hereto.

**"Medipure Croatia"** means Medipure d.o.o.

**"Medipure Croatia Shares"** means all the issued and outstanding shares in the capital of Medipure Croatia.

**"Monitor"** means Deloitte Restructuring Inc., in its capacity as the monitor in the CCAA Proceedings.

**"Monitor's Certificate"** means the certificate of the Monitor contemplated by the Approval and Vesting Order certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties.

**"Non-Assignable Interests"** means any Purchased Assets, which, by their nature, cannot be legally or practically sold and assigned by the Vendor to the Purchaser hereunder, including without limitation any Consent Required Contracts and licenses for which an Assignment Order or counterparty consent has not been obtained or which by their nature are not assignable.

**"Outside Date"** means January 31, 2023.

**"Party"** means each of the Purchaser and the Vendor.

**"Permitted Encumbrances"** means those Encumbrances set forth in Schedule "C".

**"Person"** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

**"Purchase Price"** means an amount equal to the lesser of (i) the professional fees and expenses incurred by the Administrative Professionals in connection with the CCAA Proceedings and the BIA Proceedings as evidenced by Final Invoice issued in accordance with Section 3.1(a), plus the amount approved in any Court order issued in the CCAA Proceedings approving the fees and disbursements of the Administrative Professionals, plus the Wind-Down Amount, and (ii) the Maximum Purchase Price Amount.

**"Purchased Assets"** means all of the Vendor's right, title and interest, in and to the assets used in the business of the Vendor, being those assets set forth in Schedule "A" and for greater certainty shall exclude all Excluded Assets.

"**Purchaser**" has the meaning set out in the recitals hereto.

"**Retainer Payment Amount**" has the meaning set out in the recitals hereto.

"**Sale Process**" has the meaning set out in the recitals hereto.

"**SHP**" means SHP Capital, LLC, the parent company of the Purchaser.

"**SHP Claims**" means SHP's trust and/or tracing claims against MHI and MPI relating to SHP's investment in MHI in the amount of US\$5,065,001.

"**SHP Claims Release**" means the release of the SHP Claims by SHP in accordance with Section 5.3.

"**Representative**" means, in respect of a Party, each director, officer, employee, agent, Affiliate, manager, lender, solicitor, accountant, professional advisor, consultant, contractor and other representative of such Party or such Party's Affiliates.

"**Transaction**" means the transaction of purchase and sale contemplated by this Agreement.

"**Transfer Taxes**" means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including HST but excluding any taxes imposed or payable under the Income Tax Act and any other applicable income tax legislation.

"**Vendor**" has the meaning set out in the recitals hereto.

"**Wind Down Amount**" means CAD\$40,000, being a fixed agreed upon amount needed to fund the Monitor's activities necessary to wind down and dissolve the Medipure entities under the *Bankruptcy and Insolvency Act*.

#### **Section 1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

#### **Section 1.3 General Construction.**

The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement and not to any particular section hereof. The expression "Section" or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

#### **Section 1.4 Extended Meanings**

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings.

**Section 1.5 Currency**

All references in this Agreement to dollars, monetary amounts or to \$ are expressed in Canadian currency unless otherwise specifically indicated.

**Section 1.6 Statutes**

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules, regulations and interpretations made under it, as it or they may have been or may from time to time be modified, amended or re-enacted.

**Section 1.7 Schedules**

The following Schedules are incorporated in, and form part of, this Agreement:

Schedule "A" – Purchased Assets

Schedule "B" – Excluded Assets

Schedule "C" – Permitted Encumbrances

**ARTICLE 2  
SALE AND PURCHASE AND ASSIGNMENT**

**Section 2.1 Sale and Purchase of Assets**

Subject to the terms and conditions hereof, at the Closing Time, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances) pursuant to the Approval and Vesting Order.

**Section 2.2 Assignment of Contracts**

In the event that there are any Contracts which are not assignable in whole or in part without the consent, approval or waiver of another party or parties to them and such consents, approvals or waivers have not yet been obtained as of the Closing Date, then:

- (a) nothing in this Agreement will be construed as an assignment of any such Contract (each a "**Consent Required Contract**");
- (b) until the Approval and Vesting Order is granted, the Vendor shall use its commercially reasonable efforts to obtain any such consent, approval or waiver, and the Purchaser shall provide its reasonable cooperation to assist the Vendor in obtaining any such consent, approval or waiver;
- (c) if any consent, approval or waiver is not obtained for any Consent Required Contract prior to the service of the motion for the Approval and Vesting Order, the Purchaser may request that the Vendor bring a motion to the Court for issuance of an Assignment Order with respect to such Consent Required Contracts together with the motion for the Approval and Vesting Order; and

- (d) once the consent, approval or waiver to the assignment of a Consent Required Contract is obtained, or the assignment of such Contract has been ordered by the Court, such Consent Required Contract shall be deemed to be assigned to the Purchaser on Closing.

With respect to each Consent Required Contract, subject to Closing and to either: (i) the consent of the other parties thereto to the assignment thereof; or (ii) in the absence of such consent, the obtaining of an Assignment Order, in addition to its other obligations under this Agreement, the Purchaser shall pay the applicable Cure Costs related to such Consent Required Contract on Closing.

### **Section 2.3 "As is, Where is"**

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" basis as they shall exist as at the Closing Time. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets. No representation, warranty or condition is expressed or can be implied as to title, Encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (British Columbia) or similar legislation do not apply hereto and have been waived by the Purchaser. The description of the Purchased Assets contained in the Schedules is for purpose of identification only. Except as otherwise provided in Section 4.2, no representation, warranty or condition has or will be given by the Vendor concerning completeness or accuracy of such descriptions.

### **Section 2.4 Assumed Obligations**

The Purchaser shall assume and perform, discharge and pay when due the following obligations and liabilities of the Vendor (the "**Assumed Obligations**"):

- (a) all debts, liabilities and obligations under the Contracts (to the extent assigned or transferred to the Purchaser on Closing) for the period from and after the Closing Time;
- (b) the obligations and liabilities of the Vendor to pay Cure Costs in respect of any Contract; and
- (c) all debts, liabilities and obligations arising from ownership and use of the Purchased Assets for the period from and after the Closing Time.

### **Section 2.5 Excluded Obligations**

Other than the Assumed Obligations, the Purchaser shall not assume and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations of the Vendor, including, without limiting the generality of the foregoing:

- (a) all debts, liabilities, obligations or Claims related to any Excluded Asset;
- (b) subject to Section 2.2 and Section 2.4(b), all debts, liabilities and obligations related to any Purchased Assets or the business of the Vendor arising out of or related to the period prior to the Closing Time;
- (c) all obligations and liabilities owing by the Vendor to any Affiliate;

- (d) all taxes imposed on or relating to the Purchased Assets that are attributable to any pre-Closing tax period whether or not any such period ends or before the Closing Date (other than any Transfer Taxes that may be imposed on the Vendor in accordance with Section 3.2); and
- (e) all debts, liabilities and obligations of the Vendor arising under this Agreement.

#### **Section 2.6 Allocation of Purchase Price**

The Purchase Price will be allocated among the Purchased Assets in the manner to be agreed, in writing, by the Purchaser and the Vendor as soon as practicable after the Closing and in any event no later than thirty days following the Closing Date.

### **ARTICLE 3 PURCHASE PRICE**

#### **Section 3.1 Satisfaction of Purchase Price**

The Purchase Price shall be satisfied by the Purchaser as follows:

- (a) On Closing, the Monitor shall be and is hereby authorized to transfer the Wind-Down Amount from the Deposit to a separate account, in partial satisfaction of the Purchase Price, such amount to be used by the Monitor solely to administer Medipure's bankruptcy proceedings.
  - (b) No less than two (2) Business Days after Closing, legal counsel to the Vendor shall submit a summary of all duly issued invoices (including the name of applicable legal counsel, dates and reference numbers of all invoices, amounts of fees and disbursements billed, but excluding any information subject to solicitor-client privilege) to the Monitor with a copy to the Purchaser for fees and expenses incurred through to Closing (collectively "**Final Invoice**").
  - (c) Promptly following the Purchaser's receipt of the Final Invoice, and subject to the Monitor's approval of the Final Invoice, the Monitor shall be and is hereby authorized to promptly distribute from the Deposit in partial satisfaction of the Purchase Price the amounts stipulated (or as revised) in the approved Final Invoice to legal counsel to the Vendor by wire transfer to accounts to be specified in writing on the Final Invoice.
  - (d) Following the issuance of a Court Order approving of the fees and disbursements incurred by the CRO, Monitor, and legal counsel to the Monitor in the CCAA Proceedings and the BIA Proceedings, the Monitor shall be and is hereby authorized to promptly distribute from the Deposit to the Administrative Professionals entitled to receive the amounts approved by such Court Order, in full and final satisfaction of the Purchase Price.
- (2) The remaining amount of the Deposit following the satisfaction of the Purchase Price in accordance with Section 3.1 shall be returned to the Purchaser, in accordance with Section 3.2.

For greater certainty, the value of the Assumed Obligations and the SHP Claims Release has been taken into account with respect to the determination of the aggregate Purchase Price payable pursuant to this Article 3.

**Section 3.2 Deposit**

- (a) The Parties hereby acknowledge and confirm that the Purchaser has provided the Deposit to legal counsel to the Monitor, in trust, prior to the execution of this Agreement.
- (b) The Monitor shall provide the Retainer Payment Amount to SHP by wire transfer from the Deposit account to an account to be specified by SHP in writing, within four (4) Business Days after Closing.
- (c) The Monitor shall return the surplus remaining of the Deposit, if any, after satisfaction of the Purchase Price in accordance with Section 3.1, to the Purchaser by wire transfer to an account to be specified by the Purchaser in writing, within four (4) Business Days after Closing; provided, however, this period may be delayed if it takes longer to review the Final Invoice.
- (d) Except for termination by the Vendor pursuant to Section 7.7(3), if the Closing does not occur for any reason, the full amount of the Deposit shall be forthwith returned by the Monitor to the Purchaser.
- (e) If the Agreement is terminated by the Vendor pursuant to Section 7.7(3), a portion of the Deposit in an amount equal to the Retainer Payment Amount shall become the property of, and may be retained by, the Vendor as liquidated damages (and not as a penalty) to compensate it for the expenses incurred and opportunities foregone as a result of the failure of the transaction of purchase and sale contemplated hereby to close. In this case, the remaining portion of the Deposit shall be returned to the Purchaser within one (1) Business Day.

**Section 3.3 Transfer Taxes**

- (1) The Parties agree that:
  - (a) the Purchase Price is exclusive of all Transfer Taxes and the Purchaser shall be liable for and shall pay any and all applicable Transfer Taxes pertaining to the Purchaser's acquisition of the Purchased Assets;
  - (b) the Purchaser shall pay any applicable Transfer Taxes on the Purchaser's acquisition of the Purchased Assets in addition to the Purchase Price, either to the Monitor on behalf of the Vendor or directly to the appropriate Governmental Authority, as required by Applicable Law; and
  - (c) if applicable, the Vendor and the Purchaser shall jointly elect under section 167 of the Excise Tax Act that no HST will be payable pursuant to the Excise Tax Act with respect to the purchase and sale of the Purchased Assets under this Agreement, and the Purchaser shall file such election(s) no later than the due date for the Purchaser's HST return for the first reporting period in which HST would, in the absence of filing such election, become payable in connection with the purchase and sale of the Purchased Assets under this Agreement. Notwithstanding this election(s), in the event it is determined by a Governmental Authority that there is a liability of the Purchaser to pay, or of the Vendor to collect and remit, HST in respect of the purchase and sale of the Purchased Assets hereunder, the Purchaser shall forthwith pay such HST to the applicable Governmental Authority, or to the Vendor for remittance to the appropriate Governmental Authority, as the case may be, and shall indemnify and save harmless the Vendor from any penalties and

interest which may be payable by or assessed against the Vendor (or its representatives, agents, employees, directors or officers) under the Excise Tax Act in respect thereof.

- (2) If requested by the Purchaser, the Vendors shall make a joint election(s) to have the rules in section 22 of the Income Tax Act, and any equivalent or corresponding provision under applicable provincial or territorial tax legislation, apply in respect of the Accounts Receivable.

If requested by the Purchaser, the Vendor shall make a joint election(s) to have the rules in subsection 20(24) of the Income Tax Act, and any equivalent or corresponding provision under applicable provincial or territorial tax legislation, apply to the obligations of the Vendor in respect of undertakings which arise from the operation of the business to which the Purchased Assets related and to which paragraph 12(1)(a) of the Income Tax Act applies.

#### **Section 3.4 Wind-Down Amount**

- (1) On Closing, the Monitor shall be authorized to take possession of the Wind-Down Amount in accordance with Section 3.1(a), to be held in trust for the benefit of the Administrative Professionals entitled to be paid costs in connection with the bankruptcy of Medipure. The Wind-Down Amount is a fixed amount estimated to cover the costs of the Administrative Professionals and there will be no upward or downward adjustment if the actual costs are higher or lower.
- (2) The Monitor shall be entitled to distribute the Wind Down Amount to the Administrative Professionals from time to time, subject only to the provision to the Monitor of duly rendered invoices.

### **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

#### **Section 4.1 Purchaser's Representations**

The Purchaser represents and warrants to the Vendor as of the date hereof and acknowledges that, as of the Closing Time, the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) the Purchaser is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation and has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder;
- (b) the Purchaser has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder;
- (c) neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constating documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Governmental Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;

- (d) the Purchaser is not a non-resident of Canada for purposes of the Income Tax Act of the Excise Tax Act, as applicable;
- (e) the Purchaser is a registrant for purposes of the HST, and its registration number is 73441 5300 RC0001; and
- (f) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

#### **Section 4.2 Vendor's Representations**

The Vendor represents and warrants to the Purchaser as of the date hereof and as of the Closing Time as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) the Vendor is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation;
- (b) the Vendor is not a non-resident of Canada for purposes of the Income Tax Act or the Excise Tax Act, as applicable;
- (c) MHI and MPI are registrants for purposes of the HST, and their registration numbers are 80734 2175 RC0001 in the case of MHI, and 81812 4232 RC0001 in the case of MPI; and
- (d) subject to obtaining the Approval and Vesting Order and, if applicable, the Assignment Order(s), the Vendor has the requisite power and authority to enter into this Agreement and to complete the Transaction contemplated hereunder.

#### **Section 4.3 Limitations**

With the exception of the Vendor's representations and warranties in Section 4.2 and the Purchaser's representations and warranties in Section 4.1, neither of the Vendor or the Purchaser, or their respective Representatives, nor any of their respective officers, directors or Employees make, have made or shall be deemed to have made any other representation or warranty, express or implied, at law or in equity, in respect of the Vendor, the Purchaser, or the Purchased Assets or the sale and purchase of the Purchased Assets pursuant to this Agreement.

### **ARTICLE 5 COVENANTS**

#### **Section 5.1 Conduct of Business in the Ordinary Course**

- (1) The Vendor shall use its commercially reasonable efforts to:
  - (a) remain in possession of the Purchased Assets until Closing, use the Purchased Assets only in the ordinary course of business and maintain, preserve and protect the Purchased Assets

in the condition in which they exist on the date hereof, other than ordinary wear and tear and other than replacements, dispositions, modifications or maintenance in the ordinary course of business,

- (b) not dispose of any of the Purchased Assets, other than in the ordinary course of business,
- (c) not disclaim any Contract that is materially applicable to the Purchased Assets without the prior written consent of the Purchaser;
- (d) not make any repayments under the DIP Loan; and
- (e) not enter into any material contract or other material written agreement in respect of any of the Purchased Assets other than in the ordinary course of business; except, in each case, with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, or an order of the Court, and provided that such consent of the Purchaser shall be deemed to have been given with respect to any request for such a consent to which the Purchaser fails to respond within two (2) Business Days after such request is made.

#### **Section 5.2 Actions to Satisfy Closing Conditions**

The Vendor agrees to take all commercially reasonable actions so as to ensure compliance with all of the conditions set forth in Section 6.1 and Section 6.3.

#### **Section 5.3 Release of SHP Claims**

Conditional upon Closing, SHP agrees to fully and finally release and discharge the Vendor in respect of the SHP Claims. This release shall not extend to the former directors and officers of the Vendor. SHP reserves its right to pursue actions against former directors and officers of the Vendor. For greater certainty, if the Closing does not occur for any reason, the release contemplated by this Section shall be voided and SHP shall remain at liberty to pursue the SHP Claims.

### **ARTICLE 6 CONDITIONS PRECEDENT**

#### **Section 6.1 Conditions Precedent in favour of the Purchaser**

- (1) The obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed:
  - (a) all representations and warranties of the Vendor contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date; and
  - (b) the Vendor shall have performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Time, including the delivery of each of the items required pursuant to Section 7.3;
- (2) The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 6.1 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any

such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 6.1 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Vendor to terminate this Agreement.

**Section 6.2 Conditions Precedent in favour of the Vendor**

- (1) The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed:
  - (a) all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date; and
  - (b) the Purchaser shall have performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Time, including the delivery of each of the items required pursuant to Section 7.2.
- (2) The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 6.2 may be waived by the Vendor in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in Section 6.2 is not satisfied or performed on or prior to the Outside Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

**Section 6.3 Conditions Precedent in favour of both the Purchaser and the Vendor**

- (1) The obligations of the Vendor and the Purchaser to complete the Transaction are subject to the following conditions being fulfilled or performed:
  - (a) the Approval and Vesting Order shall have been obtained and shall not have been stayed, varied, or vacated;
  - (b) no order shall have been issued by a Governmental Authority which restrains or prohibits the completion of the Transaction; and
  - (c) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.
- (2) The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Vendor and the Purchaser. If the conditions set out in this Section 6.3 are not satisfied performed or mutually waived on or before the Outside Date, any Party shall have the option to terminate this Agreement upon written notice to the other Parties.

**ARTICLE 7  
CLOSING**

**Section 7.1 Closing**

Subject to the conditions set out in this Agreement, the completion of the Transaction shall take place at the Closing Time by electronic means, or as otherwise determined by mutual agreement of the Parties in

writing and the Parties shall exercise commercially reasonable efforts to cause the Closing to occur at the Closing Time, and, in any event, prior to the Outside Date.

**Section 7.2 Purchaser's Deliveries on Closing**

At or before the Closing Time, the Purchaser shall execute and deliver, or arrange for the delivery, as the case may be, to the Vendor the following, each of which shall be in form and substance satisfactory to the Vendor, acting reasonably:

- (a) payment of Transfer Taxes required by Applicable Law to be collected by the Vendor, or alternatively, if applicable, the election referred to in Section 3.3(1)(c) executed by the Purchaser;
- (b) an executed assignment and assumption agreement evidencing the assumption by the Purchaser of the Assumed Obligations;
- (c) in accordance with Section 5.3, a full and final release by SHP in favour of the Vendor forever releasing and discharging the Vendor in respect of the SHP Claims;
- (d) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all respects the covenants to be performed by it prior to the Closing Time; and
- (e) such further and other documentation as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

**Section 7.3 Vendor's Deliveries on Closing**

At or before the Closing Time, the Vendor shall execute and deliver, or arrange for the delivery, as the case may be, to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing;
- (b) the Approval and Vesting Order;
- (c) an executed assignment and assumption agreement evidencing the assignment by the Vendor of the Assumed Obligations to the Purchaser;
- (d) all Assignment Orders entered by the Court, if any;
- (e) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Vendor contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Vendor have performed in all material respects the covenants to be performed by them prior to the Closing Time;
- (f) if applicable, the election referred to in Section 3.3(1)(c) executed by the Vendor;
- (g) the executed Monitor's Certificate; and

- (h) such further and other documentation as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

#### **Section 7.4 Vendor's Post-Closing Deliveries**

As soon as practicable after the Closing Time, the Vendor shall execute and deliver, or arrange for the delivery, as the case may be, to the Purchaser, in form and substance satisfactory to the Purchaser, acting reasonably, stock/unit certificates or similar documents registered in the name of the Purchaser (or its designee) representing all of the Medipure Croatia Shares, and any other documents which may be reasonably requested by the Purchaser, if any, to transfer good title to the Medipure Croatia Shares from the Vendor to the Purchaser (or its designee) and to enable the Purchaser to procure registration of such Medipure Croatia Shares in its name or as it may direct.

#### **Section 7.5 Possession of Assets**

- (1) On Closing, the Purchaser shall take possession of the Purchased Assets where situated at Closing. The Purchaser acknowledges that the Vendor shall have no obligation to deliver physical possession of the Purchased Assets to the Purchaser. In no event shall the Purchased Assets be sold, assigned, transferred or sent over to the Purchaser until the conditions set out in this Agreement and the Approval and Vesting Order have been satisfied or waived by the Purchaser or Vendor, as applicable, and the Purchaser has satisfied all delivery requirements outlined in Section 7.2. The Purchaser shall promptly notify the Vendor of any Excluded Assets which may come into the possession or control of the Purchaser, whether before or after Closing, and thereupon shall promptly release such Excluded Assets to the Vendor, or to such other Person as the Vendor may direct in writing and, for greater certainty, title shall not be deemed to vest to the Purchaser in respect of any Excluded Assets. The Vendor shall have no obligation to remove any Excluded Equipment from any premises that constitute part of the Purchased Assets.
- (2) The Purchased Assets shall be and remain until Closing at the risk of the Vendor. In the event of material damage by fire or other hazard to the Purchased Assets or any part thereof occurring before the Closing Date, the Vendor shall immediately advise the Purchaser thereof by notice in writing. Where such damage is of such a nature that the Purchaser determines that it no longer wishes to complete the Transaction, acting in its sole and unfettered discretion, then the Purchaser, at its sole option, may within one (1) Business Day of receiving such written notice, terminate this Agreement without liability or obligation to the Vendor. Forthwith thereafter, the Deposit, without interest, shall be returned to the Purchaser.

#### **Section 7.6 Dispute Resolution**

If any dispute arises with respect to any matter related to the Transaction or the interpretation or enforcement of this Agreement such dispute will be determined by the Court, or by such other Person or in such other manner as the Court may direct.

#### **Section 7.7 Termination**

- (1) This Agreement shall automatically terminate at any time prior to the Closing Time by mutual written agreement of the Vendor and the Purchaser and on consent of the Monitor.
- (2) This Agreement may be terminated at any time prior to the Closing Time should Closing not have occurred on or prior to the Outside Date in accordance with Section 6.3 and any of the Parties shall have delivered written notice of termination to the other Parties terminating this Agreement as a

result thereof (provided that the terminating Party has not failed to satisfy a closing condition under this Agreement).

- (3) This Agreement may be terminated by the Vendor, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.2 or Section 6.3 by the Outside Date and such violation or breach has not been waived by the Vendor or cured within two Business Days of the Vendor providing notice to the Purchaser of such breach, unless the Vendor is in material breach of its obligations under this Agreement.
- (4) This Agreement may be terminated by the Purchaser, if there has been a material violation or breach by the Vendor of any agreement, covenant, representation or warranty of the Vendor in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Section 6.1 or Section 6.3 by the Outside Date and such violation or breach has not been waived by the Purchaser or cured within two Business Days of the Purchaser providing notice to the Vendor of such breach, unless the Purchaser is in material breach of its obligations under this Agreement.

#### **Section 7.8 Effects of Termination and Closing**

- (1) If this Agreement is terminated pursuant to Section 7.7, all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other except for the provisions of this Section 7.8 (Effects of Termination and Closing) and Section 3.2 (Deposit), each of which will survive termination.
- (2) Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any special, punitive, exemplary, consequential or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the transactions contemplated herein.

### **ARTICLE 8 GENERAL**

#### **Section 8.1 Access to Books and Records**

For a period of two (2) years from the Closing Date or for such longer period as may be reasonably required for the Vendor (or any trustee in bankruptcy of the estate of the Vendor) to comply with Applicable Law, the Purchaser will retain all original Books and Records that are transferred to the Purchaser under this Agreement. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, the Vendor (and any officer or trustee in bankruptcy of the estate of the Vendor, including the Monitor) has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

#### **Section 8.2 Notice**

- (1) Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:
  - (a) in the case of the Purchaser, as follows:

**Apogee Pharmaceuticals, Inc.**  
c/o Bennett Jones LLP  
Suite 2500, 666 Burrard Street  
Vancouver, BC V6C 2X8

Attention: Craig Anderson  
Email: [cea@shpam.com](mailto:cea@shpam.com)

with a copy to:

**Bennett Jones LLP**  
Suite 2500, 666 Burrard Street  
Vancouver, BC V6C 2X8

Attention: David Gruber / Jesse Mighton  
Email: [gruberd@bennettjones.com](mailto:gruberd@bennettjones.com) / [mightonj@bennettjones.com](mailto:mightonj@bennettjones.com)

(b) in the case of the Vendor, as follows:

**Medipure Holdings Inc.**  
302-267 West Esplanade Ave  
North Vancouver, BC V7M 1A5

Attention: Nihar Pandey  
Email: [nrpandey@medipurepharma.com](mailto:nrpandey@medipurepharma.com)

with a copy to:

**Boughton Law Corporation**  
595 Burrard Street, Suite 700  
Vancouver, BC V7X 1S8

Attention: Martin Sennott  
Email: [msennott@boughtonlaw.com](mailto:msennott@boughtonlaw.com)

(c) in the case of the CRO, as follows:

**Helmsman Management Ltd.**  
400-602 Broughton Street  
Victoria, BC V8W 1C7

Attention: John Parkinson / Stephen Albinati  
Email: [john.parkinson@helmsmangroup.ca](mailto:john.parkinson@helmsmangroup.ca) / [stephen.albinati@helmsmangroup.ca](mailto:stephen.albinati@helmsmangroup.ca)

(d) in the case of the Monitor, as follows:

**Deloitte Restructuring Inc.**  
410 West Georgia Street  
Vancouver, BC V6B 0S7

Attention : Jeff Keeble, Senior Vice-President

Email: [jkeeble@deloitte.ca](mailto:jkeeble@deloitte.ca)

with a copy to:

**Clark Wilson LLP**  
900-885 West Georgia Street  
Vancouver, BC V6C 3H1

Attention: Christopher Ramsay  
Email: [cramsay@cwilson.com](mailto:cramsay@cwilson.com)

- (2) Any such notice or other communication, if transmitted by email before 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.
- (3) Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

### **Section 8.3 Time**

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser.

### **Section 8.4 Survival**

The representations and warranties of the Parties contained in this Agreement shall merge on Closing and the covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

### **Section 8.5 Personal Information**

The Purchaser hereby acknowledges that it is aware, and that it will advise its Representatives, that privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada), applies to certain information that may be disclosed to the Purchaser and its Representatives pursuant to this Agreement and/or the Transaction. The Purchaser agrees to comply, and cause its Representatives to comply, with such privacy legislation in connection with any such information disclosed to it or any of them.

### **Section 8.6 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

### **Section 8.7 Entire Agreement**

This Agreement, the attached Schedules hereto, constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements.

This Agreement may not be amended or modified in any respect except by written instrument executed by all of the Parties.

**Section 8.8 Assignment**

Neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party without the prior written consent of the other Party; provided, however, that the Purchaser may assign the right to purchase certain Purchased Assets to one or more of its affiliates. Any purported assignment without such consent shall be void and unenforceable.

**Section 8.9 Paramourncy**

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

**Section 8.10 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court.

**Section 8.11 Further Assurances**

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

**Section 8.12 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

**Section 8.13 Severability**

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant, an agreement or the transfer of any Purchased Asset herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant, agreement or transfer shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

**Section 8.14 Monitor's Certificate**

The Parties acknowledge and agree that the Monitor shall be entitled to deliver to the Purchaser, and file with the Court, the executed Monitor's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Monitor shall have no liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from both Parties that all conditions of Closing in favour of such Party have been satisfied or waived (other than the

payments contemplated in Section 3.1(c) and the delivery of the executed Monitor's Certificate), the Monitor may deliver the executed Monitor's Certificate to the Purchaser's counsel in escrow, with the sole condition of its release from escrow being the Monitor's written confirmation that all such funds have been received, the Monitor's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred.

**Section 8.15 Monitor and CRO's Capacity**

The Vendor and the Purchaser acknowledge and agree that the Monitor and the CRO, each acting in its respective capacity in the CCAA Proceedings, will have no liability, in its personal capacity or otherwise, in connection with this Agreement whatsoever as Monitor or as CRO, as the case may be, except for gross negligence or willful misconduct.

*[The remainder of this page has been left intentionally blank]*

IN WITNESS WHEREOF, the Parties have executed this Agreement.

PURCHASER:

**APOGEE PHARMACEUTICALS, INC.**

By:   
Name: Craig Anderson  
Title: Chief Executive Officer

VENDOR:

**MEDI-PURE HOLDINGS INC., by its authorized signatory, HELMSMAN MANAGEMENT LTD., in its capacity as Court-appointed Chief Restructuring Officer, and not in its personal capacity**

By: \_\_\_\_\_  
Name: John Parkinson  
Title: President

**MEDI-PURE PHARMACEUTICALS INC., by its authorized signatory, HELMSMAN MANAGEMENT LTD., in its capacity as Court-appointed Chief Restructuring Officer, and not in its personal capacity**

By: \_\_\_\_\_  
Name: John Parkinson  
Title: President

COVENANTEE:

**SHP CAPITAL, LLC**

By:   
Name: Craig Anderson  
Title: Manager

IN WITNESS WHEREOF, the Parties have executed this Agreement.

PURCHASER:

**APOGEE PHARMACEUTICALS, INC.**

By: \_\_\_\_\_  
Name: Craig Anderson  
Title: Chief Executive Officer

VENDOR:

**MEDIPURE HOLDINGS INC., by its authorized signatory, HELMSMAN MANAGEMENT LTD., in its capacity as Court-appointed Chief Restructuring Officer, and not in its personal capacity**

DocuSigned by:  
By: \_\_\_\_\_  
Name:   
Title: 2B5763B76965460... President

**MEDIPURE PHARMACEUTICALS INC., by its authorized signatory, HELMSMAN MANAGEMENT LTD., in its capacity as Court-appointed Chief Restructuring Officer, and not in its personal capacity**

DocuSigned by:  
By: \_\_\_\_\_  
Name:   
Title: 2B5763B76965460... President

COVENANTEE:

**SHP CAPITAL, LLC**

By: \_\_\_\_\_  
Name: Craig Anderson  
Title: Manager

**SCHEDULE "A"**  
**PURCHASED ASSETS**

1. All inventory of the Vendor used in the carrying on of its business;
2. The Medipure Croatia Shares;
3. The D&O Claims;
4. All Intellectual Property;
5. all vehicles, tools, equipment, furniture, furnishings, computer hardware and peripheral equipment, supplies and accessories;
6. all inventories and all production, shipping and packaging supplies;
7. all accounts receivable, pre-paid expenses and deposits;
8. The proceeds from any SRED tax credits payable to the Vendor;
9. The benefit of all contracts or other agreements listed in Appendix 1 to this Schedule A in each case, as amended, extended, assigned or otherwise modified (the "**Assumed Contracts**");
10. All other government licenses, approvals, permits or similar used in connection with the business, to the extent they are assignable;
11. All supplies owned by the Vendor and used in connection with the business;
12. All movable property, leasehold improvements and equipment, furniture, fixtures and other fixed assets, if any (excluding those that are subject to capital leases), in addition to all computer hardware used in connection with the business; and
13. All Books and Records;
14. All goodwill associated with the business or the Purchased Assets, including the right to carry on the business in continuation of the Vendor;
15. All cash and equivalents; and
16. The GCB Claims.

**Appendix 1 to Schedule "A"**  
**Assumed Contracts**

1. U-Lock - Storage Locker
2. BDO – Forensic Audit
3. Elsevier BC Science Direct – Scientific Articles Review
4. University of Eastern Finland – Research and Technology Transfer
5. FE Eurofins Advinus – Toxicology Study
6. Lloyd's Insurance – Office and Lab insurance
7. Shaw Internet – Assume contracts for 1) 267 W Esplanade, North Vancouver and 2) 4475 Wayburne Drive, Burnaby
8. Telus – Mobile Line for 2FA
9. Intuit – Quickbooks
10. GoDaddy – Domain and DNS
11. Veeam – Backups
12. Microsoft – Windows Server
13. Microsoft – Office 365
14. Cisco – Network Hardware

**SCHEDULE "B"**  
**EXCLUDED ASSETS**

Stock of Medipure LifeSciences India Pvt Ltd.

**SCHEDULE "C"**  
**PERMITTED ENCUMBRANCES**

None.

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No. **S-226773**  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH  
COLUMBIA**

*THE COMPANIES' CREDITORS ARRANGEMENT  
ACT, R.S.C. 1985, c. C-36*

AND

IN THE MATTER OF THE *BUSINESS  
CORPORATIONS ACT, S.B.C. 2002, c. 57*

AND

IN THE MATTER OF MEDIPURE  
PHARMACEUTICALS INC. AND MEDIPURE  
HOLDINGS INC.

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**ORDER MADE AFTER APPLICATION**

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File No.: 29442-0031

**Clark Wilson LLP**

900 – 885 West Georgia Street  
Vancouver, BC V6C 3H1  
604.643.3176

LAWYER: Christopher J. Ramsay