



SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 30, 2015

**NOTICE OF MEETING
AND MANAGEMENT INFORMATION CIRCULAR**

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF ZENITH EPIGENETICS CORP. OF PROXIES TO BE VOTED AT THE SPECIAL MEETING OF SHAREHOLDERS OF ZENITH EPIGENETICS CORP. TO BE HELD ON JUNE 30, 2015.

**TO BE HELD AT:
Calgary TELUS Convention Centre
The Glen Room 206
120 – 9th Avenue SE
Calgary, Alberta**

At 10:00 a.m. (Calgary Time)

Dated: May 29, 2015

ZENITH EPIGENETICS CORP.

NOTICE OF SPECIAL MEETING TO BE HELD ON JUNE 30, 2015

To: The holders of common shares (the "**Common Shares**"):

TAKE NOTICE that a special meeting (the "**Meeting**") of the shareholders of Zenith Epigenetics Corp. (the "**Corporation**") will be held on Tuesday, June 30, 2015 at 10:00 a.m. (Calgary time), at the Calgary TELUS Convention Centre, The Glen Room 206, 120 – 9th Avenue SE, Calgary, Alberta for the following purposes:

1. to consider, and if thought fit, pass an ordinary resolution to authorize and direct the Corporation to vote, or sign a written resolution, as the sole holder of the Royalty Preferred Shares of Resverlogix Corp. in favour of the proposed amendments to the terms of the Royalty Preferred Shares (the "**Royalty Preferred Share Resolution**") described in the accompanying management information circular (the "**Management Information Circular**"); and
2. to transact such other business that may properly come before the Meeting or adjournments thereof.

The details of the Royalty Preferred Share Resolution are set forth in the Management Information Circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve the Royalty Preferred Share Resolution.

The Board of Directors has fixed the close of business on May 29, 2015 as the record date for determining holders of Common Shares who are entitled to notice of and to attend and vote at the Meeting.

Holders of Common Shares who are unable to be present at the Meeting are requested to date, execute and return the accompanying form of proxy to the Corporation's registrar and transfer agent, Valiant Trust Company, pursuant to the instructions noted therein, prior to 10:00 a.m., Calgary time, on June 26, 2015, or at least forty-eight (48) hours, excluding Saturdays, Sundays and statutory holidays, preceding any adjournment of the Meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

Your participation as a shareholder is very important to the Corporation. Please ensure your Common Shares are represented at the Meeting.

DATED at Calgary, Alberta, this 29th day of May, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Donald J. McCaffrey*"

Donald J. McCaffrey
Chairman of the Board

ZENITH EPIGENETICS CORP.

MANAGEMENT INFORMATION CIRCULAR

**For the Special Meeting of Shareholders
to be held on June 30, 2015**

PROXIES

Solicitation of Proxies

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of Zenith Epigenetics Corp. (the "**Corporation**") for use at the Special Meeting of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of the Corporation to be held on Tuesday, June 30, 2015, at the Calgary TELUS Convention Centre, The Glen Room 206, 120 – 9th Avenue SE, Calgary, Alberta at 10:00 a.m. (Calgary time) and at any adjournment thereof (the "**Meeting**"), for the purposes set forth in the accompanying Notice of Meeting. Only Shareholders of record at the close of business on May 29, 2015 (the "**Record Date**") are entitled to notice of, and to attend and vote at, the Meeting, unless a Shareholder has transferred any Common Shares subsequent to that date and the transferee Shareholder establishes ownership to the Common Shares and demands, not later than 10 days before the Meeting, that the transferee's name be included on the list of Shareholders.

Notice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders of the Corporation, as a substantial number of the Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the brokers/nominees are prohibited from voting Common Shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of securityholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable "voting instruction form" in lieu of the form of proxy. Beneficial Shareholders are requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number or access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and vote the Common Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that

voting instruction form to vote Common Shares directly at the Meeting. The voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Beneficial Shareholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Common Shares at the Meeting.

Beneficial Shareholders who wish to appear in person and vote at the Meeting must appoint themselves as proxy by inserting their name in the blank space on the Form of Proxy or voting instruction form provided to them and return same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

Management of the Corporation does not intend to pay for intermediaries to forward to objecting beneficial owners under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* the Meeting materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary, and in the case of an objecting beneficial owner, the objecting beneficial owner will not receive the Meeting materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

Appointment and Revocation of Proxies

Shareholders that cannot attend the Meeting in person are requested to complete, sign, date and return the accompanying form of proxy ("**Form of Proxy**") in the envelope provided. The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. In order to be effective, the proxy must be deposited at the office of the Corporation's transfer agent, Valiant Trust Company, 310, 606 – 4th Street SW, Calgary, Alberta, Canada, T2P 1T1, or by fax at 403-233-2857, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting.

The persons named in the Form of Proxy are directors or officers of the Corporation. A person or corporation submitting the form of proxy has the right to appoint a person (who does not have to be a Shareholder) to be their representative at the Meeting, other than the persons designated in the Form of Proxy furnished by the Corporation. Such appointment may be exercised by inserting the name of the appointed representative in the blank space provided for that purpose. A Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and should instruct him or her as to how the Shareholder's Common Shares are to be voted.

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited at the Corporation's registered office at 600, 815 - 8th Avenue SW, Calgary, Alberta, T2P 3P2, at any time prior to 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting, and upon either of such deposits, the proxy is revoked.

Voting by Internet

The Corporation's Shareholders may also use the internet site at www.valianttrust.com to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the web site. Shareholders will be prompted to enter their Control Number, which is located on the form of proxy. If Shareholders vote by internet, their vote must be received not later than 10:00 a.m. (Calgary time) on June 26, 2015 or 48 hours prior to the time of any adjournment of the Meeting. **The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to**

convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

Persons Making the Solicitation

This solicitation is made on behalf of management of the Corporation. The costs incurred in the preparation and mailing of the Form of Proxy, Notice of Meeting and this Management Information Circular and the solicitation of proxies will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, or by other means of communication or by the directors, officers and employees of the Corporation, who will not be remunerated therefor.

Exercise of Discretion by Proxies

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting on any poll at the Meeting and where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted in accordance with the specification so made.

In the absence of such specification, such Common Shares will be voted IN FAVOUR of the matters to be acted upon as set out herein. The persons appointed under the Form of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Form of Proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting or any other matters are properly brought before the Meeting, it is the intention of the persons designated in the enclosed Form of Proxy to vote in accordance with their best judgment on such matter. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendment, variation or other matter.

Quorum

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of shareholders of the Corporation if at least two persons are present in person or by proxy representing not less than five percent (5%) of the outstanding shares of the Corporation entitled to be voted at the meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at the effective date of this Management Information Circular (the "**Effective Date**"), which is May 29, 2015, the Corporation has 98,585,379 Common Shares and nil Preferred Shares issued and outstanding.

The Common Shares are the only shares entitled to be voted at the Meeting. Holders of Common Shares of record at the close of business on the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than (10) days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

Except as set forth below, to the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

Beneficial Owner	Number of Common Shares Held	Percentage of Outstanding Common Shares
Eastern Capital Limited Cayman Islands	23,200,000	23.53%
NGN BioMed Opportunity II LP New York, U.S.A.	12,603,004	12.78%

BUSINESS OF THE MEETING

Amendment to Royalty Preferred Shares held by the Corporation

The Corporation currently holds 75,202,620 royalty preferred shares ("**Royalty Preferred Shares**") in the capital of Resverlogix Corp. ("**Resverlogix**"). The Royalty Preferred Shares entitle the Corporation to receive dividends equal to a percentage of potential future revenue from the licensing of, or sale of products based on, Resverlogix's lead drug candidate, RVX-208. Resverlogix has proposed certain amendments to the terms of the Royalty Preferred Shares which require the approval of the Corporation in order to be implemented. At the Meeting, the Corporation will request that Shareholders consider these amendments and, if thought fit, authorize and direct the Corporation to approve the amendments (the "**Royalty Preferred Share Resolution**").

Resverlogix has proposed that amendments be made to the terms of the Royalty Preferred Shares with respect to the entitlement to receive dividends. The proposed amendments to the Royalty Preferred Shares would limit the dividends payable to holders of Royalty Preferred Shares in a particular period to amounts received by Resverlogix during that period. Resverlogix determined that this amendment was necessary in the course of negotiating the terms of its proposed license agreement with Shenzhen Hepalink Pharmaceutical Co., Ltd. as more particularly discussed below. A copy of the amended terms of the Royalty Preferred Shares, with the proposed amendments highlighted, is attached hereto as Schedule A.

Background Regarding Royalty Preferred Shares

The Royalty Preferred Shares were issued to the Corporation on June 3, 2013 as part of the spin-off transaction that resulted in Resverlogix's epigenetic platform technology (excluding RVX-208) being transferred to the Corporation and shareholders of Resverlogix at the time of that transaction receiving Common Shares of the Corporation.

The Royalty Preferred Shares entitle the Corporation to cumulative preferential dividends in an amount ranging from 6% to 12% of Net Apo Revenue during any year, subject to an adjustment for tax payable on the dividend. The dividend amount is calculated based on 6% of Net Apo Revenue of up to US\$1 billion, 8% of Net Apo Revenue of between US\$1 billion and US\$2 billion, 10% of Net Apo Revenue between US\$2 billion and US\$5 billion and 12% of Net Apo Revenue in excess of US\$5 billion.

Net Apo Revenue is defined as the aggregate of the following amounts: (i) amounts received by Resverlogix or its affiliates from any person who is not Resverlogix or its affiliate (a "**third party**") in consideration for granting a license or other rights to the third party which entitle the third party to research, develop, make, manufacture, modify, administer, offer to sell, sell or distribute one or more of

the Apo Products and/or Apo Intellectual Property Rights (as such terms are defined in the terms of the Royalty Preferred Shares) or amounts received under the terms of such license or other right that are granted to the third party; (ii) the gross consideration received from a third party by Resverlogix, any licensee or their respective affiliates from the sale of any Apo Product (other than consideration received by Resverlogix, any licensee or their respective affiliates from a licensee of such Apo Product or its affiliate); less (A) credits or allowances, if any, actually granted; (B) discounts actually allowed; (C) freight, postage, and insurance charges and additional special packaging charges; and (D) customs duties, and excise sales taxes, duties or other taxes imposed upon and paid with respect to such sales (excluding what is commonly known as income taxes); and (iii) amounts received from a third party by Resverlogix or its affiliates in consideration for the sale of any Apo Intellectual Property Right.

In the event that Resverlogix does not declare and pay the dividend on the applicable payment date, holders of Royalty Preferred Shares are entitled to receive additional cumulative preferential dividends in an amount equal to twenty percent (20%) per annum of the dividend payable on such payment date, subject to a tax adjustment, calculated daily and compounded monthly.

In the event of the liquidation, dissolution or winding-up of Resverlogix, whether voluntary or involuntary, or any other return of capital or distribution of assets of Resverlogix among its shareholders for the purpose of winding up its affairs, the holders of the Royalty Preferred Shares are entitled to receive in respect of each such share, before any distribution of any part of the assets of Resverlogix among the holders of common shares or other shares of Resverlogix ranking junior to the Royalty Preferred Shares, an amount equal to the greater of \$1.00 divided by the number of outstanding Royalty Preferred Shares and the amount of any accrued, but unpaid dividends.

License Agreement with Shenzhen Hepalink

On April 27, 2015, Resverlogix entered into a framework agreement (the "**Framework Agreement**") with Shenzhen Hepalink Pharmaceutical Co., Ltd. ("**Shenzhen**") which set forth the principal terms of a proposed license of RVX-208 to Shenzhen for China, Hong Kong, Taiwan and Macau (the "**Territories**"). Resverlogix and Shenzhen are currently negotiating a definitive license agreement (the "**Proposed Shenzhen License Agreement**").

Based on the terms of the Framework Agreement, it is anticipated that the Proposed Shenzhen License Agreement will provide for certain milestone payments to Resverlogix based on net sales of RVX-208 in the Territories. The annual sales milestones would range from 500 million renminbi ("**RMB**") to RMB 10 billion, with Resverlogix being eligible to receive sales-based milestone payments from Shenzhen ranging from US\$5 million to US\$90 million (the RMB to CAD exchange rate as published by the Bank of Canada on May 28, 2015 was 1 RMB being equal to CAD\$0.2012).

In addition, it is anticipated that the Proposed Shenzhen License Agreement will provide for Shenzhen to pay Resverlogix a royalty of 6% of annual net sales of RVX-208 in the Territories provided that when annual net sales are in excess of 1 billion RMB, and the sale price of the licensed product approved by the National Development and Reform Commission ("**NDRC**") in the People's Republic of China is decreased to less than eighty-five percent (85%) of the original launch price agreed by the parties, the royalty rate will be adjusted to five percent (5%) of annual net sales of the licensed product in the Territories; and when annual net sales are in excess of 1 billion RMB, and the sale price of the licensed product approved by the NDRC is decreased to less than seventy-five percent (75%) of the original launch price agreed by the parties, the royalty rate will be adjusted to four percent (4%) of annual net sales of the licensed product in the Territories

Proposed Amendments

The terms of the Royalty Preferred Shares currently provide that the Corporation, as holder of these shares, is entitled to dividends in the range of 6% to 12% of Net Apo Revenue, subject to a tax adjustment. As indicated above, Net Apo Revenue includes both amounts received by Resverlogix and amounts received by licensees of Resverlogix from the sale of Apo Products. Therefore, there may be

circumstances where the amount that the Corporation, as holder of Royalty Preferred Shares, is entitled to receive from Resverlogix based on sales of Apo Products by a licensee exceeds the amount that Resverlogix is entitled to receive from the licensee, depending on the terms of the particular license agreement.

In the course of negotiating the Framework Agreement and Proposed Shenzhen License Agreement, Resverlogix determined that the amounts payable pursuant to the Royalty Preferred Shares based on sales of RVX-208 in the Territories in a given period could exceed the amounts received in that period by Resverlogix from Shenzhen pursuant to the Proposed Shenzhen License Agreement. Accordingly, the completion of the transactions contemplated by the Framework Agreement, including the Proposed Shenzhen License Agreement, is conditional upon the terms of the Royalty Preferred Shares being amended to limit the dividend entitlement for a given payment period to the lesser of the existing percentage of Net Apo Revenue and the actual amounts received by Resverlogix on account of Net Apo Revenue during that period. In addition, Resverlogix proposes to amend the definition of Net Apo Revenue in the terms of the Royalty Preferred Shares to include certain deductions from revenue which are expected to be deducted from net sales of RVX-208 for purposes of determining royalties payable pursuant to the Proposed Shenzhen License Agreement. The specific amendments to the terms of the Royalty Preferred Shares are highlighted in the attached Schedule A.

Disclosure of Interest

In accordance with the *Business Corporations Act* (Alberta), each of the directors of the Corporation, being Donald McCaffrey, Peter Johann, Kelly McNeill, Eldon Smith and Kenneth Zuerblis and certain officers of the Corporation, being Donald McCaffrey (President and Chief Executive Officer) and Brad Cann (Chief Financial Officer) have disclosed an interest in the Royalty Preferred Share Resolution insofar as such individuals also serve as directors and officers of Resverlogix, the issuer of such shares. Due to this interest in the Royalty Preferred Share Resolution, the Board of Directors determined to submit the Royalty Preferred Share Resolution to Shareholders for their consideration and not to make any recommendation with respect thereto.

Text of Shareholder Resolution

To be effective, the Royalty Preferred Share Resolution must be passed by a majority of the votes cast thereon by the holders of Common Shares at the Meeting. The text of the resolution is set out below. The persons designated in the enclosed form of proxy or voting instruction form, unless instructed otherwise, intend to vote FOR the resolution.

BE IT RESOLVED THAT:

1. The Corporation is authorized and directed to vote, or sign a written resolution, as the sole holder of the Royalty Preferred Shares of Resverlogix Corp. in favour of the proposed amendment to the Royalty Preferred Shares described in the Management Information Circular dated May 29, 2015; and
2. Any one of the directors or officers of the Corporation is hereby authorized to sign all such agreements, instruments and documents and to do all such acts and things as such director or officer determines, in his or her discretion, to be necessary or advisable in order to properly implement and give effect to the foregoing.

INTEREST OF INFORMED PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth elsewhere in this Management Information Circular, to the knowledge of the Board of Directors and management of the Corporation, no director or executive officer of the Corporation or anyone who has held office as such since the beginning of the last financial year of the Corporation nor

any proposed nominee for election as a director of the Corporation or of any associate or affiliate of any of the foregoing has a material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below, to the knowledge of the Board of Directors and management of the Corporation, none of the Corporation's directors, executive officers or companies or persons that beneficially own or control or direct, directly or indirectly, or a combination of both, more than 10 percent of the Corporation's Common Shares, proposed nominees for election as directors of the Corporation or any of their respective associates or affiliates, has any material interest in any transaction with the Corporation since the commencement of the Corporation's last financial year, or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

In July 2014, the Corporation closed a private placement to NGN BioMed Opportunity II, LP ("**NGN**"), a holder of more than 10 percent of the outstanding Common Shares, of 1,000,000 Common Shares at a price of US\$1.00 per share for gross proceeds of US\$1 million. Pursuant to the terms of the private placement, in the event that the Corporation completes an equity financing within 18 months and the price per share is lower than US\$1.00, the price per share paid by NGN will be adjusted to the lower price per share and NGN will, accordingly, receive additional Common Shares for no additional consideration.

In October 2014, the Corporation closed a private placement to NGN of 1,000,000 Common Shares at a price of US\$1.00 per share for gross proceeds of US\$1 million. Pursuant to the terms of the private placement, in the event that the Corporation completes an equity financing within 18 months and the price per share is lower than US\$1.00, the price per share paid by NGN will be adjusted to the lower price per share and NGN will, accordingly, receive additional Common Shares for no additional consideration. Furthermore, in the event that the Corporation completes an equity financing within 18 months and the Corporation issues or grants additional securities, contractual rights or entitlements to any of the subscribers, then the Corporation shall issue or grant the same additional securities, contractual rights or entitlements to NGN. Lastly, pursuant to the subscription agreement, in the event that the Corporation licenses or sells intellectual property rights to a third party or greater than two-thirds of the outstanding Common Shares are sold to a third party prior to the Corporation having raised gross proceeds from equity financings of at least US\$25 million then NGN is entitled to an additional 1,000,000 Common Shares for no additional consideration.

In December 2014, the Corporation closed a private placement to NGN of 500,000 Common Shares at a price of US\$1.00 per share for gross proceeds of US\$500,000. Pursuant to the terms of the private placement, in the event that the Corporation completes an equity financing within 36 months and the price per share is lower than US\$1.00, the price per share paid by NGN will be adjusted to the lower price per share and NGN will, accordingly, receive additional Common Shares for no additional consideration. Furthermore, in the event that the Corporation completes an equity financing within 36 months and the Corporation issues or grants additional securities, contractual rights or entitlements to any of the subscribers, then the Corporation shall issue or grant the same additional securities, contractual rights or entitlements to NGN. Lastly, pursuant to the subscription agreement, in the event that the Corporation licenses or sells intellectual property rights to a third party or greater than two-thirds of the outstanding Common Shares are sold to a third party prior to the Corporation having raised gross proceeds from equity financings of at least US\$25 million then NGN is entitled to an additional 500,000 Common Shares for no additional consideration.

In May 2015, the Corporation closed a private placement to Eastern Capital Limited ("**Eastern**"), a holder of more than 10 percent of the Corporation's Common Shares, of 4,000,000 Common Shares at a price of US\$1.00 per share for gross proceeds of US\$4,000,000. Pursuant to the terms of the private placement, in the event that the Corporation completes an equity financing within 180 days and the price per share is lower than US\$1.00, the price per share paid by Eastern will be adjusted to the lower price per share and Eastern will, accordingly, receive additional common shares for no additional

consideration. Furthermore, in the event that the Corporation completes an equity financing within 180 days and the Corporation issues or grants additional securities, contractual rights or entitlements to any of the subscribers, then the Corporation shall issue or grant the same additional securities, contractual rights or entitlements to Eastern.

OTHER MATTERS

As of the date of this Management Information Circular, the Board of Directors and management know of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting; however, if any other matter properly comes before the Meeting, proxies in favour of management nominees will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

The contents and the sending of this Management Information Circular have been approved by the Directors of the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information relating to the Corporation's most recently completed financial year is provided in the Corporation's comparative financial statements and management's discussion and analysis available on SEDAR. A shareholder may contact the Corporation at 300, 4820 Richard Road SW, Calgary, Alberta, T3E 6L1, Attention: CFO, to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

Dated May 29, 2015

SCHEDULE A

AMENDMENTS TO RESVERLOGIX ROYALTY PREFERRED SHARES HELD BY THE CORPORATION

3. The rights, privileges, restrictions and conditions attaching to the Royalty Preferred Shares are as follows:

(a) Definitions:

(i) “**ABCA**” means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

(ii) “**Actual APO Amounts Received**” means the amount computed on each Royalty Dividend Payment Date using the following formula:

$$\frac{A}{B}$$

where

A is the aggregate of all amounts received by the Corporation or its Affiliates in respect of and including Net APO Revenue for the applicable Royalty Dividend Payment Period

and

B is 75,202,620, being the number of Royalty Preferred Shares issued on June 3, 2013;

(iii) “**Additional Royalty Dividend Payment**” has the meaning attributable to such term in subsection 3(c)(iii);

(iv) “**Affiliate**” means any Person, or group of Persons entitled to carry on business in any country, which now or hereafter directly or indirectly controls, is controlled by, or is under common control with, the entity; “control” in an affiliate requires ownership of fifty percent (50%) or more of: (A) voting stock of a Person which has issued voting stock; or (B) ownership interest in any other enterprise;

(v) “**ApoA-1**” means Apolipoprotein A-1;

(vi) “**ApoA-1 Therapeutic Field**” means the prevention, treatment or mitigation of any disease via the administration of a Pharmaceutical Agent that results in therapeutic relevant elevation in the plasma levels of ApoA-1 that in a predictable model of ApoA-1 expression, using either a human or nonhuman primate model, the Pharmaceutical Agent is demonstrated to have at least a seven percent (7%) increase in humans and fifty percent (50%) increase in nonhuman primates in the ApoA-1 plasma level in two consecutive weeks of treatment using less than 30 milligrams

– b.i.d. (60 milligrams per day) of the Pharmaceutical Agent per kilogram of the weight of the subject;

(~~vii~~) “**Apo Products**” means any product, device, process, substance, composition or service that falls within the ApoA-1 Therapeutic Field and in respect of which the Corporation has an Apo Intellectual Property Right;

(~~viii~~) “**Apo Intellectual Property Right**” means any right, whether under a patent, patent application or invention disclosure or otherwise, to use, or to prevent others from using, any product, device, process, substance, composition or service that falls within an ApoA-1 Therapeutic Field;

(~~ix~~) “**Liquidation Event**” has the meaning attributable to such term in subsection 3(d);

(~~x~~) “**Licensee**” means any Person that has any right to research, develop, make, manufacture, modify, administer, offer to sell, sell or distribute one or more of the Apo Products, including without limitation, a sublicensee of such Person;

(~~xi~~) “**Net Apo Revenue**” means the aggregate of the following amounts:

(A) amounts received by the Corporation or its Affiliates from any Person who is not the Corporation or its Affiliate (a “**third party**”) in consideration for granting a license or other rights to the third party which entitle the third party to research, develop, make, manufacture, modify, administer, offer to sell, sell or distribute one or more of the Apo Products and/or Apo Intellectual Property Rights or amounts received under the terms of such license or other right that are granted to the third party;

(B) the gross consideration received from a third party by the Corporation, any Licensee or their respective Affiliates from the sale of any Apo Product (other than consideration received by the Corporation, any Licensee or their respective Affiliates from a Licensee of such Apo Product or its Affiliate); less (1) credits or allowances, if any, actually granted; (2) discounts actually allowed; (3) freight, postage, and insurance charges and additional special packaging charges; ~~and~~ (4) customs duties, and excise sales taxes, duties or other taxes imposed upon and paid with respect to such sales (excluding what is commonly known as income taxes); (5) rebates and chargebacks or retroactive price reductions made to federal, state or local governments (or their agencies), or any third party payor, administrator or contractor, including managed health organizations; and (6) commissions related to import, distribution or promotion of any Apo Product paid to third parties (specifically excluding any commissions paid to sales personnel, sales representatives and sales agents who are employees or consultants of, or members of a contract sales force

engaged by or on behalf of, the Corporation, any Licensee or their respective Affiliates); and

(C) amounts received from a third party by the Corporation or its Affiliates in consideration for the sale of any Apo Intellectual Property Right;

~~(xii)~~ **“Person”** means any individual, corporation, firm, partnership (including, without limitation, a limited partnership), sole proprietorship, syndicate, joint venture, trustee, trust, any unincorporated organization or association, any government or instrumentality thereof and any tribunal;

~~(xiii)~~ **“Pharmaceutical Agent”** means a compound or composition covered by an Apo Intellectual Property Right;

~~(xiv)~~ **“Royalty Amount”** means the amount computed on each Royalty Dividend Payment Date using the following formula:

$$(A \times B) \div C$$

where

A is the amount of the Net Apo Revenue for the applicable Royalty Dividend Payment Period

and

B is:

(A) 6% of the aggregate Net Apo Revenue for the applicable Royalty Dividend Payment Period that is less than or equal to US\$1 billion;

(B) 8% of the aggregate Net Apo Revenue for the applicable Royalty Dividend Payment Period that is greater than US\$1 billion but less than or equal to US\$2 billion;

(C) 10% of the aggregate Net Apo Revenue for the applicable Royalty Dividend Payment Period that is greater than US\$2 billion but less than or equal to US\$5 billion; and

(D) 12% of the aggregate Net Apo Revenue for the applicable Royalty Dividend Payment Period that is greater than US\$5 billion

and

C is 75,202,620, being the number of Royalty Preferred Shares issued on ~~the date of the Plan of Arrangement;~~ ~~(xiv)~~ **“Royalty Dividend Payment”** means ~~Semi-Annual Royalty Dividend Payment or the Yearly Royalty Dividend Payment, as applicable~~ June 3, 2013;

- (xv) “**Royalty Dividend Payment ~~Date~~**” means ~~the~~ Semi-Annual Royalty Dividend Payment ~~Date~~ or the Yearly Royalty Dividend Payment ~~Date~~, as applicable;
 - (xvi) “**Royalty Dividend Payment ~~Period~~Date**” means the Semi-Annual Royalty Dividend Payment ~~Period~~Date or the Yearly Royalty Dividend Payment ~~Period~~Date, as applicable;
 - (xvii) “**Royalty Dividend Payment ~~Period~~**” means ~~the~~ Semi-Annual Royalty Dividend Payment” ~~has the meaning ascribed to such term in subsection 3(c)(i). Period or the Yearly Royalty Dividend Payment Period, as applicable;~~
 - (xviii) “**Semi-Annual Royalty Dividend Payment ~~Amount~~**” has the meaning ascribed to such term in subsection 3(c)(i)(A);
 - (xix) “**Semi-Annual Royalty Dividend Payment Date**” means the date that is three (3) months after the last day of the Semi-Annual Royalty Dividend Payment Period immediately preceding such date;
 - (xx) “**Semi-Annual Royalty Dividend Payment Period**” means the period from May 1 to October 31 of each fiscal year;
 - (xxi) “**Tax Factor**” means
$$A \div B$$
where
 - A is one; and
 - B is the aggregate of: (A) one; and (B) one multiplied by the rate of tax under Part VI .1 of the *Income Tax Act* (Canada) applicable to a dividend on the Royalty Preferred Shares;
 - (xxii) “**Yearly Royalty Dividend Payment**” has the meaning ascribed to such term in subsection 3(c)(i)(B);
 - (xxiii) “**Yearly Royalty Dividend Payment Date**” means the date that is four (4) months after the last day of the Yearly Royalty Dividend Payment Period immediately preceding such date; and
 - (xxiv) “**Yearly Royalty Dividend Payment Period**” means the period from May 1 to April 30 of each fiscal year.
- (b) Subject to the ABCA, the registered holders of each Royalty Preferred Share shall not be entitled to receive notice of or attend meetings of the shareholders of the Corporation and shall not be entitled to vote at any such meetings other than in respect of separate meetings of the holders of the Royalty Preferred Shares.

- (c) Holders of Royalty Preferred Shares shall be entitled to receive and the Corporation shall pay in cash thereon cumulative preferential dividends as follows:
- (i) For each Royalty Preferred Share held:
- (A) on each Semi-Annual Royalty Dividend Payment Date, an amount equal to: ~~(1) — the Royalty Amount the Tax Factor multiplied by the lesser of the following amounts determined~~ for the Semi-Annual Royalty Dividend Payment Period immediately preceding such date ~~;~~
- (1) ~~the “Semi-Annual Royalty Payment Amount”;~~
~~multiplied by and~~
- (2) the Tax Factor Actual APO Amounts Received,
(the “**Semi-Annual Royalty Dividend Payment**”); and
- (B) on each Yearly Royalty Dividend Payment Date, an amount ~~equal to the Tax Factor multiplied by the difference between~~ by which:
- (1) ~~the Royalty Amount~~ Tax Factor multiplied by the lesser of the following amounts determined for the Yearly Royalty Dividend Payment Period immediately preceding such date ~~;~~
- ~~(a) the Royalty Amount; and~~
- ~~(b) the Actual APO Amounts Received;~~
- exceeds
- (2) the Semi-Annual Royalty Dividend ~~Payment Amount~~ for the Semi-Annual Royalty Dividend Payment Date immediately preceding such date,
(the “**Yearly Royalty Dividend Payment**”).
- (ii) Payment of each Royalty Dividend Payment shall be accompanied by a report summarizing the amount of the Net Apo Revenue and the Actual APO Amounts Received for the applicable Royalty Dividend Payment Period with the supporting calculation.
- (iii) In the event that the Corporation does not declare and pay the Royalty Dividend Payment on the applicable Royalty Dividend Payment Date, holders of Royalty Preferred Shares shall be entitled to receive and the Corporation shall pay in cash thereon, additional cumulative preferential dividends in an amount equal to twenty percent (20%) per annum of the Royalty Dividend Payment payable on such Royalty Dividend Payment

Date, multiplied by the Tax Factor, calculated daily and compounded monthly (the “**Additional Royalty Dividend Payment**”).

- (iv) No dividend or distribution with respect to common shares or any class of shares of the Corporation, other than the ~~Class A Preferred Shares~~, may be paid unless all accrued Royalty Dividend Payment and Additional Royalty Dividend Payments on the Royalty Preferred Shares then issued and outstanding shall have been declared and paid in full in cash.
- (v) In the event that the Corporation:
 - (A) does not have sufficient funds on the applicable Royalty Dividend Payment Date to pay the Royalty Dividend Payment in cash; or
 - (B) is prohibited under the ABCA from paying the Royalty Dividend Payment in cash,

the amount of the Royalty Dividend Payment and applicable Additional Royalty Dividend Payment shall be added to and form part of the amounts payable under subsection 3(d); provided, however, that the Corporation shall have provided to each holder of the Royalty Preferred Shares a certificate of two qualified directors or senior officers of the Corporation certifying that the Corporation does not have sufficient funds or is prohibited under the ABCA from paying the Royalty Dividend Payment in cash on the applicable Royalty Dividend Payment Date.

- (vi) The holders of the Royalty Preferred Shares shall not be entitled to any dividends on the Royalty Preferred Shares other than the Royalty Dividend Payments and Additional Royalty Dividend Payments hereinbefore provided for.
 - (vii) The Corporation is required to, and will, make an election in respect of the Royalty Preferred Shares under subsection 191.2(1) of the *Income Tax Act* (Canada) by filing the prescribed form with the Minister of National Revenue within the required time period.
- (d) In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs (a “**Liquidation Event**”), the holders of the Royalty Preferred Shares shall be entitled to receive in respect of each such share, before any distribution of any part of the assets of the Corporation among the holders of Common Shares or other shares of the Corporation ranking junior to the Royalty Preferred Shares, an amount equal to the greater of: (i) \$1.00 divided by the number of outstanding Royalty Preferred Shares; and (ii) the amount of any accrued, but unpaid Royalty Dividend Payment and Additional Royalty Dividend Payment. For purposes of computing the accrued but unpaid Royalty Dividend Payment due to the holder of the Royalty Preferred Shares pursuant to this subsection 3(d), the date of such Liquidation Event shall be deemed to be a Royalty Dividend Payment Date and the Royalty Amount, the Actual APO Amounts Received and the Royalty Dividend Payment shall be computed on such date, taking into account, for greater certainty,

all amounts received by the Corporation, its Affiliates or any Licensee on the Liquidation Event attributable to Apo Products, in computing the Net Apo Revenue to such date. After payment to the holders of the Royalty Preferred Shares of the amount so payable to such holders as herein provided, the holders of the Royalty Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Corporation.

- (e) The holders of Royalty Preferred Shares shall be entitled to vote separately as a class, and shall be entitled to dissent, upon a proposal to amend the constating documents of the Corporation to:
 - (i) (A) increase or decrease any maximum number of Royalty Preferred Shares in the capital of the Corporation; or (B) issue any Royalty Preferred Shares;
 - (ii) (A) increase any maximum number of authorized shares of a class;
(B) issue any shares of any class; or
(C) create a new class of shares,

having rights or privileges equal or superior to the Royalty Preferred Shares with respect to rights to dividends or distributions or rights in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the Corporation among its shareholders for the purpose of winding up its affairs; or
 - (iii) effect an exchange, reclassification or cancellation of all or part of the Royalty Preferred Shares.