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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 15
	:
NOVELION THERAPEUTICS INC.,	: Case No. 21-_____ (____)
	:
Debtor in a Foreign Proceeding.	:
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**PETITIONER'S VERIFIED PETITION UNDER CHAPTER 15
FOR RECOGNITION OF THE CANADIAN PROCEEDING
AND REQUEST FOR RELATED RELIEF**

Alvarez & Marsal Canada Inc., as the duly authorized foreign representative (the "Petitioner"), as defined by section 101(24) of title 11 of the United States Code (the "Bankruptcy Code"), of Novelion Therapeutics Inc. (the "Company"), through its United States counsel, Norton Rose Fulbright US LLP, respectfully submits this verified petition (the "Verified Petition") seeking (i) recognition of the Company's foreign proceeding commenced under the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "BCBCA"), pending before the Supreme Court of British Columbia, Vancouver Registry (the "Canadian Court"), File No. S1913050 (the "Canadian Proceeding"), as a foreign main proceeding and (ii) related relief. In support thereof, the Petitioner respectfully states as follows:

PRELIMINARY STATEMENT

1. The Company formerly operated as a British Columbia biopharmaceutical business dedicated to developing and commercializing treatments and therapies for individuals living with rare diseases. The Company is now in the final stages of a liquidation proceeding under the laws of British Columbia. The claims bar date established in the Canadian Proceeding has passed, and all creditor claims have been agreed and paid in full. All that remains is for the Company to distribute its remaining assets to shareholders in accordance with the governing BCBCA and complete a dissolution of the corporate entity.

2. The Company's remaining principal asset consists of 2,498,050 American Depositary Receipts (the "ADRs") of Amryt Pharma plc ("Amryt")—which are described in greater detail below—for which Citibank N.A., New York Branch ("Citi NY"), acts as depository. A significant majority of those ADRs are, pursuant to an order already entered by the Canadian Court, required to be distributed to the Company's shareholders. To enable Citi NY to act on that order, however, recognition of the Canadian Proceeding, including enforcement of the Canadian Court's distribution order in the United States, is necessary. Accordingly, after discussion with Citi NY, the Petitioner commenced this chapter 15 case and seeks an order substantially in the form of the proposed order annexed hereto as **Exhibit A** (the "Proposed Order") granting recognition to the Canadian Proceeding. By separate motion, the Petitioner, on behalf of the Company, has requested an order from this Court facilitating the transactions contemplated by the Interim Distribution Order (as defined below). The Petitioner understands that Citi NY does not oppose the relief sought herein or in that separate motion.

3. The Petitioner, as the foreign representative of the Company, commenced this chapter 15 case by filing a petition (the "Petition") contemporaneously with, and accompanied

by, all certifications, statements, lists and documents required under chapter 15 of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). As set forth below and in (i) the *Declaration of Kieran Siddall in Support of (A) Petitioner’s Verified Petition Under Chapter 15 for Recognition of the Canadian Proceeding and Request for Related Relief, and (B) Motion for Provisional Relief* and (ii) the *Memorandum of Law in Support of (A) Petitioner’s Verified Petition Under Chapter 15 for Recognition of the Canadian Proceeding and Request for Related Relief, and (B) Motion for Provisional Relief*, each of which was filed contemporaneously herewith:

- (i) the Company duly commenced a foreign proceeding in Canada;
- (ii) the Company’s head office and “nerve center” is located in the City of Vancouver in British Columbia, Canada;
- (iii) the Company is eligible to be a debtor under section 109(a) of the Bankruptcy Code;
- (iv) the Petitioner is duly authorized to serve as the Company’s foreign representative and to petition for relief under chapter 15 of the Bankruptcy Code in connection with the Canadian Proceeding pending in Canada; and
- (v) the Petitioner is entitled to the relief requested herein.

4. On November 18, 2019, the Company commenced the Canadian Proceeding after determining that liquidation was in the best interest of the Company and its stakeholders, and obtaining approval of the liquidation from the requisite majority of its shareholders. Indeed, the Company concluded that liquidation was the only viable strategic option after the Aegerion Recapitalization (as defined and discussed below) given that the Company had no material ongoing business operations or sources of revenue.

5. Upon the Company’s request, the Canadian Court issued an order dated January 9, 2020 (the “Liquidation Order”), among other things, approving the appointment of the Petitioner as the liquidator of the Company. A true and correct copy of the Liquidation Order is

annexed hereto as **Exhibit B**. Pursuant to the Liquidation Order, the Petitioner was entrusted with the liquidation of the Company and granted all of the powers and authorities provided to a liquidator under the BCBCA. Moreover, pursuant to the Liquidation Order, the Canadian Court authorized the Petitioner to apply to any court for the “recognition of [the Liquidation Order] and for assistance in carrying out the terms of this Order.” *See* Liquidation Order ¶ 32. Indeed, the Canadian Court expressly requested this Court’s assistance with respect to the Liquidation Order and “to grant representative status” to the Petitioner. *See* Liquidation Order ¶ 31.

6. As detailed below and in the Proposed Order, the Petitioner requests all relief afforded automatically upon recognition of a foreign main proceeding pursuant to sections 1509 and 1520 of the Bankruptcy Code or, in the alternative, discretionary relief from this Court pursuant to section 1521 of the Bankruptcy Code, including confirming the Petitioner’s authority to administer or realize and cause the distribution of the ADRs.

7. The Petition satisfies all of the requirements set forth in section 1515 of the Bankruptcy Code. In addition, the Company is eligible to be a debtor under section 109(a) of the Bankruptcy Code because the Company has property in the United States in the form of \$25,000 in a non-interest bearing client trust account with Citi Private Bank in New York.

8. For the reasons described herein and in the Memorandum of Law, the Petitioner is entitled to entry of an order granting recognition to the Canadian Proceeding as a foreign main proceeding under chapter 15 of the Bankruptcy Code, as well as related relief under sections 1507, 1509, and 1521 of the Bankruptcy Code. In addition, contemporaneously herewith the Petitioner has filed a Motion for Provisional Relief Pursuant to Section 1519 of the Bankruptcy Code (the “Provisional Relief Motion”).

JURISDICTION AND VENUE

9. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012. The Petitioner and the Company confirm their consent, pursuant to Bankruptcy Rule 7008, to the entry of a final order by the Court in connection with this Verified Petition to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

10. The Petitioner properly commenced this chapter 15 case pursuant to sections 1504 and 1509 of the Bankruptcy Code by filing the Petition under section 1515 of the Bankruptcy Code.

11. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

12. Venue is proper before the Court pursuant to 28 U.S.C. § 1410, as the Company has assets in the form of \$25,000 in a non-interest bearing client trust account with Citi Private Bank in New York.

13. The statutory predicates for the relief requested in this Verified Petition are sections 1502, 1504, 1507, 1515, 1517, 1520, and 1521 of the Bankruptcy Code.

BACKGROUND

I. Company Background and Events Leading to the Filing of the Canadian Proceeding

14. The Company is a corporation formed under the BCBCA. Its registered office is located at Commerce Place, 400 Burrard Street, Suite 1680, Vancouver, British Columbia, Canada V6C 3A6. Until delisting on October 9, 2019, the Company's shares were listed on the NASDAQ Global Select Market under the ticker "NVLN."

15. On November 29, 2016, Aegerion Pharmaceuticals, Inc. (“Aegerion”), became a wholly-owned subsidiary of the Company as a result of a merger transaction. Thereafter, through Aegerion, the Company operated as a biopharmaceutical business dedicated to developing and commercializing treatments and therapies for individuals living with rare diseases.

16. At the time of the merger, Aegerion had a portfolio of therapies, but was also facing \$300 million in funded debt. Consequently, the Company agreed to make certain loans to Aegerion to fund its immediate financial needs. However, the Company’s loans proved to be insufficient to address Aegerion’s continuing financial challenges.

17. The Company conducted a broad and public review of strategic alternatives involving the Company as a whole, including a merger, asset sale, comprehensive restructuring, or other business combination transaction. Despite outreach by the Company’s financial advisors to more than 50 parties, no viable potential buyer or partner emerged or was identified that was interested in such a transaction involving the Company as a whole.

18. On May 20, 2019, Aegerion, Amryt Pharma Plc (“Amryt”) (a third party that also has a biopharmaceutical business), certain other parties, and Novelson entered into a restructuring support agreement, pursuant to which Amryt would acquire 100% of the equity interests in “reorganized” Aegerion (the “Aegerion Recapitalization”). Aside from its indirect interest in the operations of Aegerion, the Company had no material operations of its own at the time of the Aegerion Recapitalization.

19. To facilitate the Aegerion Recapitalization, Aegerion and its U.S. subsidiary Aegerion Pharmaceuticals Holdings, Inc. filed voluntary petitions seeking relief under Chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”) with the United States Bankruptcy Court

for the Southern District of New York (the “Bankruptcy Court”). On September 10, 2019, the Bankruptcy Court issued an order confirming Aegerion’s chapter 11 plan, pursuant to which, among other things, (i) Amryt acquired 100% of the outstanding equity interests in Aegerion, and (ii) the Company received a distribution of approximately 8.9% of the equity in Amryt on a fully diluted basis (the “Amryt Equity”) in the form of American Depositary Receipts, including the ADRs. Each ADR represents five common shares of Amryt. The ADRs are maintained by Citi NY, which is the depositary for Amryt’s ADR program.

20. After the consummation of the Aegerion Recapitalization, the Company remained a publicly traded company, complete with the substantial accounting, legal, and other expenses typical for a public company. However, the Company was left with limited assets and resources, and minimal remaining sources of revenue. Indeed, after the consummation of the Aegerion Recapitalization, the Company’s remaining material assets were limited to the ADRs, certain contingent royalties and revenue streams from previously divested technology and products, and cash on hand. For those reasons, among others, the Company concluded that liquidation was the best option, if not the only one, available to the Company, and in the best interest of the Company’s stakeholders.

II. The Canadian Proceeding

21. On November 18, 2019, the Company commenced the Canadian Proceeding by filing a petition with the Canadian Court pursuant to Section 325 of the BCBCA.

22. On January 9, 2020, the Canadian Court issued the Liquidation Order, pursuant to which the Petitioner was approved as the liquidator of the Company and granted all of the powers and authorities provided to a liquidator under the BCBCA. In addition, the Canadian Court directed that the Company’s liquidation be carried out in accordance with the terms of the

Company's Plan of Liquidation and Distribution (the "Liquidation Plan"), which the Company had developed in consultation with the Petitioner prior to commencing the Canadian Proceeding. A true and correct copy of the Liquidation Plan is attached hereto as **Exhibit C**.

23. Pursuant to the Liquidation Plan, among other things, the Petitioner, on behalf of the Company, was entrusted with oversight of the Company's assets and authorized to cause the Company to make distributions of the Company's assets to creditors, and, after all obligations of the Company and liquidation expenses are paid, to distribute, on behalf of the Company, any remaining assets or cash to shareholders ratably in accordance with their rights and interests in the Company. *See* Liquidation Order ¶ 3. Because the company is solvent, the Liquidation Plan contemplates one or more distributions to the Company's shareholders.

24. The Liquidation Plan further provides that the Petitioner, on behalf of the Company, will file an application for an order approving the wind-up and dissolution of the Company. Following receipt of the Canadian Court's order approving dissolution, the Petitioner, on behalf of the Company, is to file an application for dissolution of the Company with the British Columbia Registrar of Companies. Upon the Company's dissolution, the Petitioner will be discharged as liquidator of the Company.

25. The Liquidation Order also provides a broad moratorium staying all actions against the Company or affecting the business or the property of the Company without the written consent of the Petitioner or leave of the Canadian Court. *See* Liquidation Order ¶ 8.

26. Finally, through the Liquidation Order, the Canadian Court authorized the Petitioner to apply to any court for the "recognition of [the Liquidation Order] and for assistance in carrying out the terms of [the Liquidation] Order." *See* Liquidation Order ¶ 32. Indeed, the Canadian Court expressly requested this Court's assistance with respect to the Liquidation Order

and asked the Court “to grant representative status” to the Petitioner. *See* Liquidation Order ¶ 31.

B. The Claims Process Order

27. Contemporaneously with entering the Liquidation Order and approving the Liquidation Plan, the Canadian Court entered an order (the “Claims Process Order”) pursuant to which it approved a claims adjudication process (the “Claims Process”). A copy of the Claims Process Order is annexed hereto as **Exhibit D**. The Claims Process established certain procedures, including notice to creditors, to solicit, determine, and resolve any claims against the Company and its former directors and officers. In accordance with the Claims Process Order, the Petitioner was entrusted with administering the Claims Process. In that regard, the Petitioner delivered the notices required by the BCBCA, posted a notice of the Claims Process on the Petitioner’s case website, and published a notice of the Claims Process twice in Canadian and United States news publications. The notice sent to known creditors as evidenced by the Company’s books and records included the amount the Petitioner determined was owed by the Company based upon the Company’s books and records. Pursuant to the Claims Process, the deadline for creditors to file proofs of claim or dispute the amount of their claims as determined by the Petitioner, as liquidator, was May 29, 2020. All claims against the Company have been agreed and fully paid. There are no pending objections to claims. Accordingly, it appears that the Claims Process has been duly concluded.

28. The Amryt Equity is the primary remaining material asset of the Company. The Petitioner expects that any value available to shareholders of the Company will consist almost entirely of the Amryt Equity or net proceeds therefrom, net of sales of the Amryt Equity that are

necessary to fund the Company's liabilities and cover its expenses, including expenses related to the liquidation.

29. In addition, as of the date hereof, the Company has property in the United States in the form of an interest in an undrawn retainer with Norton Rose Fulbright US LLP (the "Firm"), the Petitioner's United States counsel. In particular, the Company deposited \$25,000 in a non-interest bearing client trust account with Citi Private Bank, in New York (the "Client Trust Account"). Such funds remain in the Client Trust Account as of the date hereof and are the property of the Company. Pursuant to the Petitioner's arrangements with their counsel, the Firm is only permitted to apply the funds in the Client Trust Account to outstanding invoiced amounts at the Petitioner's direction.

C. The Interim Distribution Order

30. The Liquidation Plan contemplates one or more distributions to the Company's shareholders. Prior to the commencement of the Canadian Proceeding, the Company was aiming to complete an initial distribution to shareholders in the fourth quarter of 2020.

31. A number of administrative steps remain to be completed before the Company can be finally dissolved. Consequently, the Petitioner cannot make a complete and final distribution to the Company's shareholders.

32. On December 9, 2020, the Petitioner requested authority to cause the Company to make an interim distribution of approximately 2.185 million of the ADRs (approximately 84.5% of the ADRs) to shareholders. By order dated December 16, 2020 (the "Interim Distribution Order"), the Canadian Court authorized the Petitioner to cause the Company to make such distribution. A true and correct copy of the Interim Distribution Order is annexed hereto as **Exhibit E**. The Interim Distribution Order, much like the Liquidation Order and the Claims

Process Order, expressly requested this Court's assistance in giving effect to the Interim Distribution Order and asked this Court "to grant representative status" to the Petitioner.¹

33. The Petitioner, on behalf of the Company, has attempted to effectuate the distributions in accordance with the terms of the Interim Distribution Order, which expressly directs all persons, including transfer agents, custodians, and depositary bank,s to take all steps to complete the distribution. However, the Petitioner understands that the distribution cannot be completed until Citi NY, which acts as transfer agent for the ADRs in the United States, has received a United States court order confirming that the Interim Distribution Order is enforceable in the United States. Accordingly, the Petitioner filed this Petition and the Provisional Relief Motion to seek an order enforcing the Interim Distribution Order in the United States to provide Citi NY, and any other relevant party, with confirmation that the Distribution Order is enforceable in the United States.

34. Absent recognition of the Canadian Proceeding and enforcement of the Interim Distribution Order in the United States, the Petitioner will be without a viable path for ensuring that the distributions required by the Interim Distribution Order—and future distributions that are anticipated to be made under the Liquidation Plan—are completed.

STATUTORY BASES FOR RECOGNITION OF CANADIAN PROCEEDING

35. Chapter 15 of the Bankruptcy Code was designed to assist foreign representatives, like the Petitioner, in the performance of their duties. Chapter 15's objective is, among other

¹ Contemporaneously with the Petitioners' request for issuance of the Interim Distribution Order, the Petitioner also submitted the *First Report of the Liquidator* to provide the Canadian Court with information related to the conduct of the liquidation to that date. A true and correct copy of the *First Report of the Liquidator*, excluding the appendices thereto, is attached hereto as **Exhibit F**.

things, the “fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the debtor” and the “protection and maximization of the value of the debtor’s assets.” 11 U.S.C. § 1501(a)(3) and (a)(4). This Petition advances both goals by providing the Petitioner, acting as an officer of the Canadian Court, the assistance necessary to administer the Company’s liquidation and to fulfill its obligation to cause the Company to distribute assets to the Company’s stakeholders.

36. As discussed in greater detail in the Memorandum of Law, the Petition satisfies all of the requirements set forth in section 1515 of the Bankruptcy Code. In addition, the Company is eligible to be a debtor under section 109(a) of the Bankruptcy Code because it has property in the United States in the form of \$25,000 in the Client Trust Account in New York. Moreover, the relief requested herein is necessary and is appropriate under chapter 15 of the Bankruptcy Code. Granting recognition to the Canadian Proceeding in the United States is consistent with the goals of international cooperation and assistance to foreign courts that are embodied in Chapter 15 of the Bankruptcy Code.

RELIEF REQUESTED

37. The Petitioner, in its capacity as liquidator of the Company, the duly authorized foreign representative, and an officer of the Canadian Court in the Canadian Proceeding, seeks entry of the Proposed Order granting the following relief:

- (i) recognition of the Canadian Proceeding in respect of the Company as a foreign main proceeding, as defined in section 1502(4) of the Bankruptcy Code or, in the alternative, as a foreign nonmain proceeding as defined in section 1502(5) of the Bankruptcy Code;
- (ii) all relief afforded to foreign representatives and foreign debtors in a foreign main proceeding automatically upon recognition pursuant to section 1520 of the Bankruptcy Code and, as applicable, discretionary relief pursuant to section 1521 of the Bankruptcy Code;

- (iii) enforcing the Interim Distribution Order in the United States, and directing Citi NY and all other entities to take any and all lawful actions necessary to give effect to the Interim Distribution Order and the transactions contemplated thereunder (or, to the extent such relief has already been granted in response to the Provisional Relief Motion, extend such relief pursuant to Bankruptcy Code Section 1521(a)(6));
- (iv) authorizing the Petitioner, as provided in the Interim Distribution Order and any further orders of the Canadian Court issued in furtherance of the Liquidation Order or the Liquidation Plan, to supervise the administration, realization, and distribution of the Company's assets within the territorial jurisdiction of the United States and directing Citi NY and all other entities to take any and all lawful actions necessary to give effect in the United States to such further orders; and
- (v) such other and further relief as this Court may deem just and proper.

38. The Petitioner believes that the Canadian Proceeding, with the assistance of this Court, offers the best means to facilitate the Company's liquidation.

39. The Canadian Court has entrusted the Petitioner with overseeing the realization of the assets of the Company and causing distributions to be made to creditors and other stakeholders on behalf of the Company. Indeed, the Company has assets maintained by entities in the United States in the form of the ADRs, and the distribution to stakeholders in accordance with the Liquidation Plan cannot be completed until Citi NY, which acts as transfer agent for the ADRs in the United States, has received a United States court order confirming that the Interim Distribution Order is enforceable in the United States. As a result, the Petitioner requires this Court's assistance to discharge its duties and responsibilities. Absent this Court's assistance, there is significant risk that the Petitioner will not be able to fully administer the Company's assets, to the detriment of stakeholders.

40. In particular, the value of the ADRs, which are publicly traded, may be subject to potential market price fluctuations that cannot be predicted. Indeed, as of the date of the Liquidation Order, each ADR was trading at \$7.95. As of February 1, 2021, each ADR was

trading at \$13.37. The shareholders who are the parties with the economic interest in the ADRs should be at liberty to trade the ADRs as they wish.

41. Pursuant to the Provisional Relief Motion, the Petitioner has requested an order enforcing the Interim Distribution Order in the United States, and directing Citi NY and all other entities to take any and all lawful actions necessary to give effect to the Interim Distribution Order and the transactions contemplated thereunder. Assuming the Provisional Relief Motion is granted, the Company, at the direction of the Petitioner, will be able to make an interim distribution of the ADRs in accordance with the Interim Distribution Order. However, the Company will still have 312,812 ADRs that it may need to distribute (net of sales to fund liquidation costs) to the stakeholders in the future. Absent the relief requested in the Provisional Relief Motion and this Petition, the Petitioner will be unable to direct the distribution the ADRs to stakeholders who may wish to take steps to deal with their share of the ADRs in the public market.

OTHER PROCEEDINGS INVOLVING THE COMPANY

42. Pursuant to section 1515 of the Bankruptcy Code, a chapter 15 petition must “be accompanied by a statement identifying all foreign proceedings [as defined in the Bankruptcy Code] with respect to the debtor that are known to the foreign representative.” 11 U.S.C. § 1515(c).

43. Other than the Canadian Proceeding, the Petitioner is not aware of any other foreign proceeding involving the Company as a debtor. The Petitioner will promptly inform this Court if the Petitioner becomes aware of any such foreign proceeding, or if the Petitioner commences a foreign proceeding in another jurisdiction to aid in the administration of the Canadian Proceeding or the Company’s liquidation.

NOTICE

44. Pursuant to section 1517(c) of the Bankruptcy Code, a petition for recognition shall be decided at the “earliest possible time.” Accordingly, the Petitioner requests that this Court set the Recognition Hearing for March 1, 2021, or as soon thereafter as possible. In addition, the Petitioner has provided notice of the Petition to: (i) the Office of the United States Trustee; (ii) the Securities and Exchange Commission; (iii) all parties to litigation currently pending in the United States in which the Company is a party; and (iv) all parties required to be given notice under Bankruptcy Rule 2002 of which the Petitioner is aware. In light of the relief requested, the Petitioner submits that no other or further notice is necessary.

CONCLUSION

WHEREFORE, the Petitioner respectfully requests that this Court grant the relief requested herein and such other and further relief as may be just and proper.

[Signature on following page]

Dated: February 8, 2021
New York, New York

/s/ Eric Daucher

Eric Daucher

Francisco Vazquez

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Counsel to the Petitioner

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 15
 :
 NOVELION THERAPEUTICS INC., : Case No. 21-_____ (____)
 :
 Debtor in a Foreign Proceeding. :
----- X

I, Anthony Tillman, Senior Vice President of Alvarez Marsal Canada Inc., in its capacity as the liquidator and as the authorized foreign representative (in such capacity, the "Petitioner") of Novelion Therapeutics Inc. (the "Company"), pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury as follows:

I have the full authority to verify this petition on behalf of the Company.

I have read the foregoing petition, and I am informed and believe that the factual allegations contained therein are true and accurate.

I declare under penalty of perjury under the laws of the United States of America that, to the best of my knowledge, information and belief, the foregoing is true and correct.

Executed this 8th day of February 2021 in
Vancouver, Canada

/s/ Anthony Tillman
Anthony Tillman, Senior Vice President of Alvarez
& Marsal Canada Inc., in its capacity as liquidator
and authorized foreign representative of Novelion
Therapeutics Inc.

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 15
	: :
NOVELION THERAPEUTICS INC.,	: Case No. 21-_____ (____)
	: :
Debtor in a Foreign Proceeding.	: :
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**FINAL ORDER GRANTING RECOGNITION OF FOREIGN MAIN
PROCEEDING AND CERTAIN RELATED RELIEF**

This matter came before the Court upon the *Petitioner's Verified Petition Under Chapter 15 for Recognition of the Canadian Proceeding and Request for Related Relief* [D.I. •] (the "Verified Petition")¹ of Alvarez & Marsal Canada Inc., in its capacity as liquidator and duly authorized foreign representative (the "Petitioner"), as defined by section 101(24) of title 11 of the United States Code (the "Bankruptcy Code"), of Novelion Therapeutics Inc. (the "Company") in a foreign proceeding (the "Canadian Proceeding") commenced under the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "BCBCA"), pending before the Supreme Court of British Columbia, Vancouver Registry (the "Canadian Court"); and the Court having jurisdiction to consider the Verified Petition and the relief requested therein in accordance with section 1334 of title 28 of the United States Code, sections 109 and 1501 of the Bankruptcy Code, and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012 (the "Amended Standing Order"); and consideration of the Verified Petition and the relief requested therein being a core proceeding pursuant to section 157(b) of title 28 of the United States Code; and due and proper notice of the relief sought in the Verified Petition having been provided; and it appearing that no other or

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Verified Petition.

further notice need be provided; and the Court having entered the Provisional Relief Order [D.I. •] on February [•], 2021; and a hearing having been held to consider the relief requested in the Verified Petition (the “Hearing”) on a final basis; and the appearances of all interested parties having been noted in the record of the Hearing; and the Court having considered, among other things, (i) the Verified Petition, the *Memorandum of Law in Support of (A) Petitioner’s Verified Petition Under Chapter 15 for Recognition of the Canadian Proceeding and Request for Related Relief, and (B) Motion for Provisional Relief*, and the *Declaration of Kieran Siddall in Support of (A) Petitioner’s Verified Petition Under Chapter 15 for Recognition of the Canadian Proceeding and Request for Related Relief, and (B) Motion for Provisional Relief* [D.I. •] (collectively, the “Chapter 15 Papers”), (ii) the record of the Hearing, and (iii) all of the proceedings before the Court in this Chapter 15 case; and the Court having found and determined that the relief sought in the Verified Petition is in the best interests of the Company, its creditors, and all parties in interest and that the legal and factual bases set forth in the Chapter 15 Papers and at the Hearing establish just cause for the relief granted herein; and after due deliberation thereon and sufficient cause appearing therefor

THIS COURT HEREBY FINDS AND DETERMINES THAT:

A. The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction to consider this matter pursuant to section 1334 of title 28 of the United States Code and the Amended Standing Order.

C. This is a core proceeding pursuant to section 157(b)(2)(P) of title 28 of the United States Code.

D. Venue for this proceeding is proper before this Court pursuant to section 1410 of title 28 of the United States Code.

E. On February 8, 2021, this Chapter 15 case was commenced by the Petitioner's filing of a voluntary *Chapter 15 Petition for Recognition of a Foreign Proceeding for the Debtor* contemporaneously with the filing of the Verified Petition. Attached to the Verified Petition is an order (the "Liquidation Order") of the Canadian Court entered in the Canadian Proceeding approving the appointment of the Petitioner as the liquidator of the Company and granting additional relief.

F. By order dated December 16, 2020 (the "Interim Distribution Order"), the Canadian Court authorized the Petitioner to cause the Company to make an interim distribution of approximately 2.185 million of the American Depositary Receipts (the "ADRs") of Amryt Pharma plc (approximately 84.5% of the ADRs) to shareholders. The Interim Distribution Order expressly requested this Court's assistance in giving effect to the Interim Distribution Order and asked this Court "to grant representative status" to the Petitioner.

G. The Canadian Proceeding is a "foreign proceeding" as defined by section 101(23) of the Bankruptcy Code.

H. The Petitioner is the duly appointed "foreign representative" of the Company within the meaning of section 101(24) of the Bankruptcy Code.

I. This Chapter 15 case was properly commenced pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code.

J. The Petitioner has satisfied the requirements of section 1515 of the Bankruptcy Code and Bankruptcy Rule 2002(q).

K. The Canadian Proceeding is entitled to recognition by this Court pursuant to section 1517 of the Bankruptcy Code.

L. Canada is the center of main interests of the Debtor, and accordingly, the Canadian Proceeding is a “foreign main proceeding” as defined in section 1502(4) of the Bankruptcy Code, and is entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

M. The Petitioner is entitled to all the relief available pursuant to section 1520 of the Bankruptcy Code, including, without limitation, application of the automatic stay pursuant to section 362 of the Bankruptcy Code.

N. The relief granted herein is necessary and appropriate, in the interests of the public and international comity, consistent with the public policy of the United States, and warranted pursuant to sections 1517, 1520, and 1521 of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Verified Petition is granted as set forth herein.
2. The Canadian Proceeding in respect of the Company is granted recognition as a foreign main proceeding, as defined in section 1502(4) of the Bankruptcy Code.
3. All relief afforded to foreign representatives and foreign debtors in a foreign main proceeding pursuant to section 1520 of the Bankruptcy Code is hereby granted to the Canadian Proceeding, the Company, and the Petitioner, as applicable.
4. The Interim Distribution Order is hereby enforced on a final basis and given full force and effect in the United States. Citi NY and all other entities are directed to take any and

all lawful actions necessary to give effect to the Interim Distribution Order and the transactions contemplated thereunder.

5. As provided in the Interim Distribution Order and any further orders of the Canadian Court issued in furtherance of the Liquidation Order or the Liquidation Plan, the Petitioner's authority to supervise the administration, realization, and distribution of the Company's assets within the territorial jurisdiction of the United States is confirmed. Citi NY and all other entities are directed to take any and all lawful actions necessary to give effect in the United States to such further orders.

6. Subject to sections 1520 and 1521 of the Bankruptcy Code, the Canadian Proceeding, and the Liquidation Order, and the transactions consummated or to be consummated thereunder, shall be granted comity and given full force and effect in the United States to the same extent as in Canada, and each is binding on all creditors of the Company and any of their successors and assigns.

7. Pursuant to section 1521(a)(6) of the Bankruptcy Code, all prior relief granted to the Company or the Petitioner by this Court pursuant to section 1519(a) of the Bankruptcy Code shall be extended and the Provisional Relief Order shall remain in full force and effect, notwithstanding anything to the contrary contained therein.

8. Notwithstanding any applicable Bankruptcy Rules to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

9. The Petitioner is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

10. The Petitioner, the Company, and/or each of their successors, representatives, advisors, or counsel shall be entitled to the protections contained in sections 306 and 1510 of the Bankruptcy Code.

11. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any request for additional relief, any adversary proceeding brought in and through this Chapter 15 case, and any request by an entity for relief from the provisions of this Order that is properly commenced and within the jurisdiction of this Court.

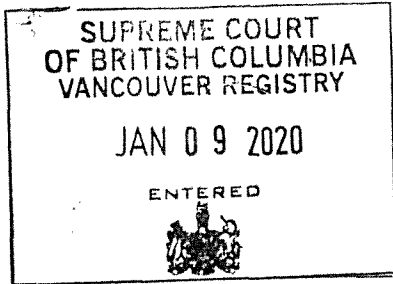
Dated: _____, 2021

New York, New York

Honorable _____
United States Bankruptcy Judge

Exhibit B

Liquidation Order



No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002,
Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
)
MR. JUSTICE WALKER) 09/Jan/2020

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia on January 9, 2020; AND ON HEARING Kieran E. Siddall, counsel for the Petitioner, and those other counsel listed in Schedule "A" hereto; AND UPON READING the material filed including the Affidavit #1 of Michael Price sworn November 14, 2019, the Affidavit #1 of Nadine Abram sworn January 9, 2020, and the Affidavit #1 of Scott Boucher sworn January 9, 2020; AND pursuant to the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "**BCBCA**"), the *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES that:

DEFINED TERMS

1. Capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Plan of Liquidation and Distribution of the Petitioner, dated November 14, 2019 (as amended, modified or restated from time to time, the "**Liquidation Plan**") and approved on the same date at an annual meeting of shareholders of the Petitioner (the "**AGM**").
2. For the purposes of this Order, the "Effective Date" means January 16, 2020.

LIQUIDATION

3. The liquidation of the Petitioner shall be carried out in accordance with the terms of the Liquidation Plan, this Order, and any further orders and directions of this Court.
4. Alvarez & Marsal Canada Inc.'s appointment as liquidator of the Petitioner (in such capacity, the "**Liquidator**") at the AGM is hereby affirmed and approved.
5. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Liquidation Plan and this Order, the terms, conditions and provisions of this Order shall govern and be paramount, and the Liquidation Plan shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

POWERS OF LIQUIDATOR

6. The Liquidator has and shall have all of the powers and authorities as provided to it under this Order, the Liquidation Plan, the BCBCA and any further orders of this Court.

TRANSFER OF CERTAIN PATENT RIGHTS

7. The Liquidator is hereby authorized to take such steps and execute such documents as may be necessary or desirable to complete the transfer of any intellectual property rights held by or registered in the name of the Petitioner as may be required in accordance with or in connection with the Termination Agreement (as defined in the Affidavit of Scott Boucher, sworn January 9, 2020).

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

8. Until further order of the Court (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of the Petitioner or the Liquidator, or affecting the business or the property of the Petitioner, shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioner or affecting the business or the property of the Petitioner are hereby stayed and suspended pending further Order of this Court.

9. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Petitioner or the Liquidator, or affecting the business or the property of the Petitioner, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court.

NO INTERFERENCE WITH RIGHTS

10. During the Stay Period, Persons having oral or written agreements with the Petitioner or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Petitioner, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services solely as a result of the commencement of these proceedings or the approval and implementation of the Liquidation Plan.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

11. During the Stay Period, no Proceeding may be commenced or continued against the current or former directors or officers of the Petitioner with respect to any claim against such current or former directors or officers that relates to any obligations of the Petitioner whereby the current or former directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a current or former director or officer of the Petitioner that might otherwise be barred or extinguished by the passage of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

THE LIQUIDATOR

12. In addition to the rights and protections afforded the Liquidator under the BCBCA and the Liquidation Plan or as an officer of this Court, the Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of any Order

of the Court or the Liquidation Plan, save and except for any gross negligence or wilful misconduct on its part.

13. The Liquidator, counsel to the Liquidator, if any, and counsel to the Petitioner shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioner as part of the cost of these proceedings. The Liquidator and its counsel, if any, and counsel to the Petitioner shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on all of the property of the Petitioner, which charge shall not exceed \$200,000 at any particular time, as security for their professional fees and disbursements incurred at the standard rates and charges for the Liquidator and its counsel, if any, and counsel for the Petitioner, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall constitute a first charge on the property of the Petitioner and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
14. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
15. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings; (b) the provisions of any federal or provincial statutes; or (c) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioner, and notwithstanding any provision to the contrary in any Agreement:
 - (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by the Petitioner of any Agreement to which it is a party;

- (b) none of the chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
 - (c) the payments made by the Petitioner pursuant to this Order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
16. The Liquidator shall pass its accounts from time to time, and for this purpose the accounts of the Liquidator and its counsel are hereby referred to a judge of this Court.
17. In the case of information requests submitted to the Liquidator by creditors or shareholders of the Petitioner, if the Liquidator has been advised by the Petitioner or determines in its discretion that the requested information is confidential or otherwise material and non-public, the Liquidator shall not provide such information to creditors or shareholders of the Petitioner unless otherwise directed by this Court or on such terms as the Liquidator may agree. The Liquidator shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE LIQUIDATOR

18. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Petitioner, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person’s possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 16 or in paragraph 17 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

19. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

FINANCIAL REPORTING AND MEETINGS

20. During the pendency of these proceedings, except as may be set forth in any decision rendered by any Canadian securities regulatory authority that is applicable to the Petitioner, the Petitioner and the Liquidator shall not be required to comply with any applicable:
- (a) continuous disclosure, reporting and filing obligations (including with respect to the preparation and mailing of financial statements and reports); or
 - (b) obligations requiring, among other things, the holding of shareholders' meetings,
- in each case, under applicable corporate law governing the Petitioner, the *Securities Act*, R.S.B.C. 1996, c. 418 and the applicable securities laws of each of the other provinces and territories of Canada, the regulations and rules made and forms prescribed thereunder or any applicable published rules, instruments, policy statements and blanket orders and rulings of Canadian securities regulatory authorities and in so doing none of the Petitioner or the Liquidator or any of their respective directors, officers, employees, or agents shall be liable for any such non-compliance. For greater certainty, the Liquidator shall not be required to disclose to any creditor, shareholder or other person interested in these proceedings any information regarding the Petitioner or its business

and affairs that has been identified by the Petitioner as confidential or that the Liquidator believes to be confidential in accordance with applicable law.

21. The Petitioner and the Liquidator are not required to produce or place before the Petitioner's shareholders any further audited financial statements as required under the BCBCA or otherwise and the Petitioner and the Liquidator be and are hereby exempt from any requirements under the BCBCA regarding the appointment and duties of an auditor.
22. The Liquidator is hereby authorized to apply to any courts, tribunals, regulatory and administrative bodies for a declaration that the Petitioner has ceased to be a reporting issuer under applicable securities laws.

TRANSFERS OF SHARES

23. The Transfer Agent shall refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator, following the Effective Date.

SERVICE AND NOTICE

24. The Liquidator shall cause this Order to be posted on the Liquidator's website at www.alvarezandmarsal.com/novelion no later than five (5) days after the Effective Date.
25. The Liquidator shall, no later than fifteen (15) days after the Effective Date, serve this Order on all interested parties who are not shareholders of the Petitioner, including:
 - (a) all of the known creditors of Novelion;
 - (a) all of the known current suppliers of goods and services to Novelion; and
 - (b) all of Novelion's insurers

in each case, as evidenced by its books and records.

26. The Liquidator is at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to interested parties at their respective addresses as last shown on the records of the Petitioner and

that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the fifth business day after mailing.

27. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Liquidator by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Liquidator. The Liquidator shall post and maintain an up to date form of the Service List on its website at: www.alvarezandmarsal.com/novelion.
28. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Liquidator shall post a copy of all materials so served on its website at: www.alvarezandmarsal.com/novelion.
29. Notwithstanding paragraphs 22 and 24 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

30. The Liquidator may from time to time apply to this Court for further orders or directions in the discharge of its powers and duties hereunder.
31. This Court requests the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner and to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Petitioner and the Liquidator and their respective agents in carrying out the terms of this Order.

32. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
33. Any interested party (including the Liquidator) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
34. Leave is hereby granted to hear any application in these proceedings on five (5) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.
35. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioner is hereby dispensed with.
36. This Order and all of its provisions shall be effective as of 5:00 p.m. local Vancouver time on the Effective Date.

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:



Signature of lawyer for the Petitioner

Kieran E. Siddall

By the Court.



Registrar



Schedule "A"

LIST OF COUNSEL

Counsel for the Petitioner	Kieran E. Siddall Norton Rose Fulbright Canada LLP 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3 Tel: 604-641-4868 Email: kieran.siddall@nortonrosefulbright.com
Counsel for the Liquidator	Kibben Jackson Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3 Tel: 604-631-4786 Email: kjackson@fasken.com

No.
Vancouver Registry

In the Supreme Court of British Columbia

**IN THE MATTER OF THE *BUSINESS CORPORATIONS*
*ACT, SBC 2002, Chapter 57***

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

NORTON ROSE FULBRIGHT CANADA LLP

Barristers & Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3
Telephone: (604) 687-6575
Attention: Kieran E. Siddall

Filing Agent: West Coast Title Search

KES/nca

Matter# 1000385619

Exhibit C

Liquidation Plan

Dated November 14, 2019

NOVELION THERAPEUTICS INC.

**PLAN OF LIQUIDATION AND
DISTRIBUTION**

**NOVELION THERAPEUTICS INC.
PLAN OF LIQUIDATION AND DISTRIBUTION**

WHEREAS the board of directors (the **Board**) of Novelion Therapeutics Inc. (**Novelion** or the **Company**) has concluded that it is in the best interests of the Company to be liquidated voluntarily and wound up and dissolved pursuant to the *Business Corporations Act* (British Columbia) in accordance with the terms of this Liquidation Plan (as defined below);

AND WHEREAS the Board has passed a resolution authorizing the Company to seek shareholder approval for the liquidation, winding up and dissolution of the Company and hold a special meeting of shareholders to consider and vote to direct the Company to be liquidated voluntarily, wound up and dissolved and, in connection therewith, approve this Liquidation Plan and the appointment of the Liquidator;

NOW THEREFORE THIS Liquidation Plan is approved by the Board as of the last date set forth below, having the terms and conditions as set out herein.

**Article 1
INTERPRETATION**

1.1 Definitions

In this Liquidation Plan:

Aegerion Parties means Aegerion Pharmaceuticals, Inc. and Aegerion Pharmaceuticals Holdings, Inc.;

Assets means all of the property, assets, undertaking and the proceeds thereof of Novelion;

Board has the meaning given to it in the recitals of this Liquidation Plan;

Business Day means a day, other than a Saturday or Sunday, on which banks are generally open for business in Vancouver, British Columbia;

Calendar Day means any day, including a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

BCBCA means the *Business Corporations Act* (British Columbia);

Claim means

- (a) any right of any Person against Novelion in connection with any indebtedness, liability or obligation of any kind of Novelion and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against Novelion through any affiliate, associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise, in each case, with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future; and
- (b) any existing or future right of any Person against any one or more of the Directors or Officers which arose or arises as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of Novelion whether

such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding;

Claims Bar Date means the date on which a Claim must be filed pursuant to the Claims Process;

Claims Process means the process established by the Liquidator and approved by the Court for the identification, resolution and barring of Claims;

Clearance Certificates means:

- (a) a certificate issued pursuant to subsection 159(2) of the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.) as amended (the **ITA**), and any provincial equivalent thereof, certifying that all amounts for which Novelion is, or can reasonably be expected to become, liable under the ITA and relevant provincial legislation, as applicable, up to and including the date of the first distribution to Shareholders, have been paid, or that security for payment has been accepted;
- (b) a certificate issued pursuant to subsection 23(5) of the *Canada Pension Plan*, R.S.C. 1985, c. C-8 (the **CPP**), or any equivalent thereof, certifying that all amounts for which Novelion is liable under the CPP up to and including the date of the first distribution to Shareholders, have been paid or that security for the payment thereof has been accepted;
- (c) a certificate issued pursuant to subsection 86(3) of the *Employment Insurance Act*, S.C. 1996, c. 23 (the **EIA**), or any equivalent thereof, certifying the payment, or acceptance of security for payment, of all amounts for which Novelion is liable under the EIA up to and including the date of the first distribution to Shareholders;
- (d) a certificate issued pursuant to subsection 81(1) of the *Excise Tax Act*, R.S.C. 1985, c. E-15 (the **ETA**), or any equivalent thereof, certifying that, as of the date of the first distribution to Shareholders, no tax, penalty, interest or other sum under the ETA, chargeable against or payable by the Liquidator or chargeable against or payable in respect of the Assets or the Company, remains unpaid or that security for the payment thereof has, in accordance with section 80.1 of the ETA, been accepted;
- (e) a certificate issued pursuant to subsection 270(3) of the ETA, or any equivalent thereof, certifying that all amounts payable or remittable under Part IX of the ETA by Novelion in respect of the reporting period during which the first distribution to Shareholders is made or any previous reporting period, and all amounts that are, or can reasonably be expected to become, payable or remittable under Part IX of the ETA by the Liquidator or the Company in respect of the reporting period during which the distribution is made or any previous reporting period, has been paid or that security for the payment thereof has been accepted; and
- (f) any other similar certificate as may be required pursuant to any legal requirement.

Common Shares means the common shares in the capital of Novelion;

Company has the meaning given to it in the recitals of this Liquidation Plan;

Court means the Supreme Court of British Columbia;

Creditor means any Person with a Claim;

Directors means all individuals who were, on or at any time before the Effective Date, directors of Novelion, including *de facto* directors, and the term "**Director**" shall mean any one of them;

Dissolution Date means the date on which the winding up of the Company is completed upon its dissolution pursuant to the BCBCA;

Effective Date means the date to be established by a resolution of the Board upon which the implementation of the Liquidation Plan shall commence, which date shall be the date established as the date for commencement of the liquidation and winding up in the statement of intent to liquidate that is filed by the Company pursuant to and in accordance with the BCBCA.

Employees means the employees of Novelion;

Governmental Authority means any nation or government, any province, state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or any Legal Requirement and any corporation or other entity owned or controlled, through capital stock or otherwise by any of the foregoing;

Legal Requirement means any statute, law, treaty, rule, regulation, order, decree, writ, injunction or determination of any arbitrator, court, Governmental Authority or securities exchange and, with respect to any Person, includes all such Legal Requirements applicable or binding upon such Person, its business or the ownership or use of any of its assets;

Liquidation Plan means this plan of liquidation and distribution as it may be amended, supplemented, restated or otherwise modified in accordance with its terms;

Liquidator means the Person appointed from time to time pursuant to Sections 4.1, 4.5, or 4.6 in its capacity as liquidator of Novelion;

Minister means the Minister of National Revenue;

NASDAQ means the NASDAQ Global Select Market;

Novelion has the meaning given to it in the recitals of this Liquidation Plan;

Officers means all individuals who were, on or at any time before the Effective Date, officers of Novelion, including *de facto* officers, and the term "**Officer**" shall mean any one of them;

Person means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government, agency, regulatory body or instrumentality thereof, legal personal representative or litigation guardian, or any other judicial entity howsoever designated or constituted domiciled;

Proven Claim means a Claim finally accepted in accordance with the provisions of the Claims Process;

Resolution means the special resolution of the Shareholders authorizing the voluntary liquidation, winding up and dissolution of Novelion made in accordance with the BCBCA and approving this Liquidation Plan and the ordinary resolution of Shareholders authorizing the appointment of the Liquidator;

Shareholder Approval Date means the date on which the shareholders of the Company pass the Resolution;

Shareholders means all holders of Common Shares shown on the Effective Date in the registers maintained by or on behalf of Novelion by the Transfer Agent in respect of the Common Shares;

Shared Services Agreements means the shared services agreements entered into among Novelion, Novelion Services USA, Inc. and Aegerion Pharmaceuticals, Inc. dated December 1, 2016, as amended May 20 2019;

Tax Return means any report, return or other information required to be supplied to a taxing authority in connection with (a) all taxes, charges, fees, levies and other assessments (whether federal, provincial, local or foreign), including income, gross receipts, excise, property, sales, use, transfer, license, payroll, franchise, withholding, social security and unemployment taxes, and (b) any interest, penalties and additions related to the foregoing; and

Transfer Agent means Computershare Investor Services Inc., as transfer agent for the Common Shares of the Company.

1.2 Certain Rules of Interpretation

In this Liquidation Plan and the Schedules hereto:

- (a) all references to currency are to Canadian Dollars, except as otherwise expressly indicated;
- (b) the division of this Liquidation Plan into articles, sections, subsections and clauses and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Liquidation Plan. The terms "this Liquidation Plan", "hereof", "hereunder", "herein" and similar expressions refer to this Liquidation Plan and not to any particular article, section, subsection or clause and include any plan supplemental hereto. Unless otherwise indicated, any reference in this Liquidation Plan to an article, section, subsection, clause or schedule refers to the specified article, section, subsection, clause or schedule of or to this Liquidation Plan;
- (c) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Liquidation Plan or a schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (d) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes without limitation" and "including without limitation", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (e) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Vancouver, British Columbia and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m., on such Business Day. Unless otherwise specified, the time period within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day. Whenever any payment to be made or action to be taken under this Liquidation Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day;
- (f) unless otherwise specified, where any reference to an event occurring within any number of "days" appears in this Liquidation Plan, such reference means Calendar Days and not Business Days; and

- (g) unless otherwise provided, any reference to a statute, or other enactment of parliament or a legislature includes all regulations made thereunder, all enactments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation.

Article 2 PURPOSE OF THE PLAN

2.1 Purpose

The purpose of this Liquidation Plan is to provide for a plan of liquidation, winding up and distribution of the Assets, payment or settlement of all Claims and dissolution of the Company.

2.2 Commencement of Liquidation, Winding Up and Dissolution

The voluntary liquidation, winding up and dissolution of the Company shall commence on and as of the Effective Date.

2.3 Affected Persons

This Liquidation Plan will be implemented under the BCBCA and, as of the Effective Date will be binding on the Company, the Directors, the Liquidator, the Shareholders, beneficial holders of shares of the Company, and any other holder of a Claim in accordance with its terms. On the Shareholder Approval Date, each Shareholder and beneficial holder of shares of the Company (whether or not such holder voted in respect of the Liquidation Plan), and each holder of a Claim shall be deemed to have consented and agreed to all of the provisions of this Liquidation Plan in its and their entirety.

Article 3 EFFECT OF PLAN

3.1 Share Transfers

The Company will request, in accordance with any Court order directing same, that the Transfer Agent refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator following the Effective Date.

3.2 Company to Cease Business

On and as of the Effective Date, the Company shall cease to carry on its enterprise and undertaking, except in so far as may be required or as beneficial for the liquidation and dissolution thereof in the discretion of the Liquidator. The Company's corporate existence and all its corporate powers, notwithstanding the terms of the Company's articles or by-laws, shall continue under the control of the Liquidator until it is dissolved.

3.3 Resignation of Directors

On and as of the Effective Date, all the powers of the Directors and Officers shall cease and the Directors and Officers shall be deemed to have resigned.

Article 4 THE LIQUIDATOR

4.1 Appointment of Liquidator

On and as of the Effective Date, Alvarez & Marsal Canada Inc. is hereby appointed as the liquidator of the estate and effects of the Company (the **Liquidator**) for the purpose of liquidation and dissolution of its business and affairs and distributing its Assets to the Shareholders, after satisfying all prior ranking Claims, all in accordance with the terms of this Liquidation Plan, and who shall serve until removal and replacement in accordance with this Liquidation Plan. The Liquidator shall have the authority to enter into agreements and execute documents for and on behalf of the Company pursuant to the powers and obligations of the Liquidator as contained in this Liquidation Plan or otherwise under the BCBCA.

4.2 Mandatory Obligations of the Liquidator

The Liquidator is expressly directed, empowered and authorized to, and shall:

- (a) deposit all money that the Liquidator has belonging to the Company in any bank in Canada listed in Schedule I or II to the *Bank Act* (Canada) or in any trust corporation or loan corporation that is registered under the *Financial Institutions Act* (BC), the *Credit Union Incorporation Act* (BC), or in any other depository approved by the Court, which deposit shall not be made in the name of the Liquidator individually, but shall be a separate deposit account in the Liquidator's name as Liquidator of the Company, and such money shall be withdrawn for payment of Claims or fees and expenses incurred in connection with the implementation of the Liquidation Plan and signed in accordance with such signing authorities as may be determined by the Liquidator;
- (b) forthwith after the Shareholder Approval Date, make an application to the Court under Section 325 of the BCBCA to have the liquidation of the Company supervised by the Court, including the application for such specific orders as the Liquidator deems appropriate and as permitted by the BCBCA;
- (c) establish and implement a court-supervised Claims Process;
- (d) pay or otherwise satisfy all Proven Claims ranking ahead of the Shareholders from the Assets in accordance with the Claims Process;
- (e) after satisfying all prior ranking Proven Claims and in accordance with the provisions of the BCBCA and any order of the Court, distribute the remaining Assets rateably among the Shareholders according to their rights and interests in the Company;
- (f) cause to be filed with the appropriate Governmental Authority all Tax Returns required to be filed by Novelion and any trusts for which Novelion continues to have responsibility under applicable Legal Requirements;
- (g) pay or remit all taxes or other amounts required to be paid or remitted by Novelion in accordance with all applicable statutes, all outstanding CPP contributions and EIA premiums, including any associated interest and penalties and obtain the Clearance Certificates;
- (h) cause to be filed with the appropriate Governmental Authority all statements and reports required to be filed by Novelion subject to amendments or exclusions which may be obtained by Court Order during the liquidation proceedings;

- (i) maintain the continuous disclosure requirements applicable to the Company under all applicable securities laws, subject to amendments, exclusions or relief which may be obtained by Court Order or from applicable securities regulatory authorities during the liquidation proceedings;
- (j) prepare such accounts, file such notices and comply with all other applicable requirements and duties as are stipulated by the BCBCA unless otherwise ordered by the Court, including pursuant to Sections 330, 331, 333, 338, 341, 342 and 343 thereof;
- (k) at any time after the affairs of the Company have been fully liquidated but in accordance with Division 7, Part 10 of the BCBCA, make an application to the Court for an order approving the winding up and dissolution of the Company and, thereafter, apply for the dissolution of the Company in accordance with the BCBCA; and
- (l) after the Effective Date, in accordance with any order of the Court directing same, request that the Transfer Agent refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator.

4.3 Discretionary Powers of the Liquidator

The Liquidator is expressly empowered and authorized, but not obligated, to do any of the following:

- (a) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the Company;
- (b) carry on the business of the Company so far as may be required or as beneficial for the liquidation and dissolution of the Company;
- (c) oversee and address any of the Company's remaining rights and obligations under the Shared Services Agreements with any of the Aegerion Parties and other agreements, if any, under which the Company has ongoing obligations;
- (d) engage any former employee of the Company on a "term and task" basis to assist with the Liquidator's administration and implementation of the Liquidation Plan;
- (e) sell any of the Assets by public auction or private sale or, where applicable, through a stock exchange, and receive payment of the purchase price either in cash or otherwise;
- (f) do all acts and execute, in the name and on behalf of the Company, all documents, and for that purpose use the seal of the Company, if any;
- (g) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Company;
- (h) raise upon the security of the Assets any requisite money;
- (i) call meetings of the Shareholders for any purpose the Liquidator thinks fit;
- (j) in accordance with the Claims Process or any further order of the Court, compromise all debts and liabilities capable of resulting in debts, and all Claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the Company and any contributory, alleged contributory or other debtor or person who may be liable to the Company and all questions in any way relating to or affecting the Assets, or the liquidation and dissolution of the Company, upon the receipt

of such sums payable at such times and generally upon such terms as are agreed, and the Liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof;

- (k) in accordance with and subject to the provisions of the BCBCA and any order of the Court, make or cause to be made, from time to time, any interim distributions or distributions in kind of portions of the Assets to the Shareholders rateably among the Shareholders according to their rights and interests in the Company, and while maintaining such reserves as are reasonably necessary to provide for all Claims;
- (l) liquidate or dissolve subsidiaries of the Company; and
- (m) do and execute all such other things as are necessary for the liquidation and dissolution of the business and affairs of the Company and distributing the Assets.

4.4 Reporting Obligations

The Liquidator shall, subject to the requirements of the BCBCA, report to the Shareholders at such times and intervals as the Liquidator may deem appropriate with respect to matters relating to the Assets, Novelion and such other matters as may be relevant to this Liquidation Plan.

4.5 Removal of the Liquidator

The Liquidator may be removed by order of the Court pursuant to a motion brought following either:

- (a) a determination by the Liquidator, in its discretion, to be discharged by the Court; or
- (b) special resolution of the Shareholders at a meeting called for the purpose of removing the Liquidator, notice of which meeting has been sent to the Liquidator and to each creditor which has an unpaid Claim that exceeds US\$1,000,

but only if such order of the Court appoints another liquidator in the Liquidator's stead which successor liquidator shall become the Liquidator under this Liquidation Plan.

4.6 Resignation of the Liquidator and Filling Vacancy

If the Liquidator resigns or is discharged by order of the Court, then a successor liquidator shall be appointed by ordinary resolution of the Shareholders at a meeting called for the purpose of appointing a successor liquidator or by order of the Court, and such successor liquidator shall become the Liquidator under this Liquidation Plan.

4.7 Fees of the Liquidator and its counsel

The Liquidator shall be paid its reasonable fees and disbursements at its standard rates and charges, from the Assets as and when the Liquidator renders an account to the Company. Pursuant to Section 325(3) of the BCBCA, the costs, charges and expenses of the liquidation and dissolution, including the remuneration of the Liquidator, are payable out of the Assets in priority to all other Claims.

4.8 Indemnity

The Company hereby releases, holds harmless, and indemnifies the Liquidator from and against all liabilities, claims and costs of any nature arising from the Liquidator's execution of this Liquidation Plan, save and except any such liabilities, claims or costs arising as a result of the Liquidator's fraud, gross negligence or wilful misconduct.

Article 5 TERMINATION OF EMPLOYEES

5.1 Termination of Employment

Those Employees who are requested by the Liquidator to remain in service and assist in the implementation of this Liquidation Plan and agree to do so shall remain Employees of the Company. Any other Employees shall be terminated on the Effective Date.

5.2 Employment Agreements

In connection with the termination of any Employees, Novelion will comply with all existing agreements with such Employees, if any.

Article 6 INSPECTORS

6.1 Appointment of Inspectors

The Company or the Liquidator, as applicable, may (but shall not be required to) apply to the Court for an Order appointing any inspectors having any responsibilities as the Company or the Liquidator, as applicable, deem appropriate pursuant to Section 325(3) of the BCBCA.

Article 7 DISTRIBUTIONS

7.1 Delivery of Distribution to Shareholders

Unless otherwise directed, distributions to Shareholders shall be made by the Liquidator at the addresses set forth in the registers maintained by the Transfer Agent in respect of the Common Shares as at the Effective Date. Beneficial holders of Common Shares shall be entitled to receive distributions only through the applicable Shareholder on the registers maintained by the Transfer Agent in respect of the Common Shares as at the Effective Date.

7.2 Undeliverable Distributions to Shareholders

Where the Liquidator is unable to distribute rateably the Assets among the Shareholders because a Shareholder is unknown or a Shareholder's whereabouts is unknown, the share of the Assets of such Shareholder shall be dealt with in accordance with Section 337 of the BCBCA, or as otherwise ordered by the Court.

7.3 Form of Distributions

Any distributions to Shareholders shall be made as a distribution of stated capital to the extent of the "paid-up" capital for purposes of the ITA of the Common Shares and, thereafter, as a dividend, in each case subject to satisfying the applicable solvency tests in the BCBCA and the *Bankruptcy and Insolvency Act* (Canada).

Article 8 COMPLETION OF THE LIQUIDATION PLAN

8.1 Discharge of Liquidator

At the Dissolution Date, the Liquidator shall be discharged and shall have no further obligations or responsibilities, except only with respect to any remaining duties or power required to implement and give effect to the terms of this Liquidation Plan.

Article 9 GENERAL PROVISIONS

9.1 Liquidation Plan Amendment

- (a) The Liquidator may, at any time prior to the Dissolution Date, amend, modify and/or supplement this Liquidation Plan without the approval of the Shareholders or the Court, (i) in order to correct any clerical or typographical error, (ii) as required to maintain the validity or effectiveness of this Liquidation Plan as a result of any change in any Legal Requirement, or (iii) in order to make any change that in the opinion of the Liquidator is administrative in nature and does not materially change the terms of this Liquidation Plan.
- (b) Subject to the ability of the Liquidator to amend, modify and/or supplement or amend this Liquidation Plan without the approval of the Shareholders or the Court as provided in Section (a), the Liquidator reserves the right, at any time prior to the Dissolution Date, to amend, modify and/or supplement this Liquidation Plan, provided that any such amendment, modification or supplement shall not be effective until approved by either: (i) a special resolution of the Shareholders at a meeting of Shareholders called for the purposes of approving such amendment, modification or supplement; or (ii) order of the Court.

9.2 Severability

In the event that any provision in this Liquidation Plan is held by the Court to be invalid, void or unenforceable, the Court shall have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered and interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Liquidation Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

9.3 Paramountcy

From and after the Effective Date, any conflict between: (A) this Liquidation Plan; and (B) any information summary in respect of this Liquidation Plan, or the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, document or agreement, written or oral, and any and all amendments and supplements thereto existing between the Company and any of the Shareholders, Directors, Officers or the Liquidator, as at the Effective Date, will be deemed to be governed by the terms, conditions and provisions of this Liquidation Plan, which shall take precedence and priority.

9.4 Responsibilities of the Liquidator

The Liquidator will have only those powers granted to it by this Liquidation Plan, by the BCBCA and by any order of the Court.

9.5 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Liquidation Plan and may, subject as hereinafter provided, be made or given by personal delivery, by fax, courier or e-mail addressed to the respective parties as follows:

- (i) if to a Shareholder:

at the addresses set forth in the securities register kept at the Transfer Agent as at the Effective Date;

- (ii) if to a Creditor:

at the addresses set forth in the books and records of the Company or the proofs of claim filed by such Creditor in accordance with the Claims Process

- (iii) if to the Company:

Novelion Therapeutics Inc.

c/o Norton Rose Fulbright Canada LLP
510 W Georgia St. Suite 1800
Vancouver, BC M5X 1B8

Attention: Ben Harshbarger and Michael Price
E-mail: investors@novelion.com

with a copy to (which shall not constitute notice):

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7

Attention: Evan Cobb
E-mail: evan.cobb@nortonrosefulbright.com/

- (iv) if to the Liquidator:

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Anthony Tillman
Email: atillman@alvarezandmarsal.com

or to such other address as any party may from time to time notify the others in accordance with this Section 9.5. All such notices and communications which are delivered shall be deemed to have been received on the date of delivery. Any such notices and communications which are faxed shall be deemed to be received on the date faxed if sent before 5:00 p.m. in Vancouver, British Columbia, on a Business Day and otherwise shall be deemed to be received on the Business Day next following the day upon which such fax was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure by the Liquidator to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Liquidation Plan.

9.6 Governing Law

This Liquidation Plan 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 without regard to conflict of laws. All questions as to the interpretation or application of this Liquidation Plan and all proceedings taken in connection with this Liquidation Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

The foregoing Liquidation Plan being adopted by the Board as of this 14th day of November, 2019.

BY ORDER OF THE BOARD

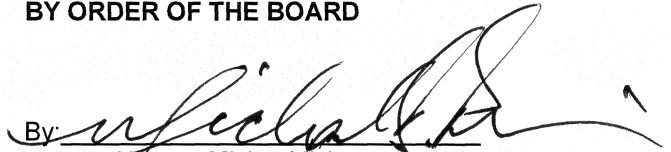
By: 
Name: Michael Price
Title: Director

Exhibit D

Claims Process Order



No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002,
Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(CLAIMS PROCESS ORDER)

BEFORE THE HONOURABLE)	
)	09/Jan/2020
MR. JUSTICE WALKER)	

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia on January 9, 2020; AND ON HEARING Kieran E. Siddall, counsel for the Petitioner, and those other counsel listed in Schedule "A" hereto; AND UPON READING the materials filed;

THIS COURT ORDERS AND DECLARES that:

DEFINITIONS AND INTERPRETATION

1. For purposes of this Order, the following terms shall have the following meanings:
 - (a) **"Affected Respondent"** means a Director or Officer in respect of whom a D&O Claim has been made in any Proof of Claim delivered in accordance with paragraph 12 of this Order;
 - (b) **"Business Day"** means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Vancouver, British Columbia;
 - (c) **"BCBCA"** means the *Business Corporations Act*, S.B.C. 2002, c. 57;

- (d) **"Claim"** means a Company Claim or a D&O Claim or both;
- (e) **"Claim Bar Date"** means 5:00 p.m. (Vancouver time) on May 29, 2020 or such later date as may be ordered by this Court;
- (f) **"Claim Process"** means the process for the solicitation and determination of Claims as set out herein;
- (g) **"Claim Process Notice"** means the notice of this Order to be published in accordance with paragraph 9 of this Order, substantially in the form attached hereto as Schedule "B";
- (h) **"Claimant"** means a Person who has asserted a Claim or could have asserted a Claim but failed to do so prior to the Claim Bar Date;
- (i) **"Company Claim"** means any right or claim of any Person that may be asserted or made in whole or in part against Novelion, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of Novelion, including on account of Wages and Benefits, and any accrued interest thereon and costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future;
- (j) **"Court"** means the Supreme Court of British Columbia;
- (k) **"D&O Claim"** means any existing or future right or claim of any Person that may be asserted or made in whole or in part against a Director or Officer, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal,

statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future;

- (l) **"Director"** means anyone who is or was or may be deemed to be or to have been, at any time prior to or from and including the Effective Date, a director of Novelion;
- (m) **"Effective Date"** means January 16, 2020;
- (n) **"Liquidation Order"** means the Order of this Court made in these proceedings on January 9, 2020 approving, among other things, the appointment of the Liquidator;
- (o) **"Liquidation Plan"** means the Plan of Liquidation and Distribution of Novelion as approved by the shareholders of Novelion and pursuant to the Liquidation Order, as may be amended, modified or restated from time to time;
- (p) **"Liquidator"** means Alvarez & Marsal Canada Inc., in its capacity as the liquidator of Novelion pursuant to the Liquidation Plan and the Liquidation Order;
- (q) **"Notice of Determination of Claim"** means the notice provided by the Liquidator pursuant to paragraph 20 or 31 of this Order;
- (r) **"Notice of Claim"** means a notice to be delivered to known creditors in accordance with paragraph 36 hereof, substantially in the form of Schedule "D" hereto.

- (s) **"Notice of Objection"** means the notice provided pursuant to paragraph 21, 32 or 36 of this Order;
- (t) **"Novelion"** means Novelion Therapeutics Inc.;
- (u) **"Officer"** means anyone who is or was or may be deemed to be or to have been, at any time prior to or from and including the Effective Date, an officer of Novelion;
- (v) **"Person"** means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency, officer or instrumentality thereof or any other entity;
- (w) **"Proof of Claim"** means the proof of claim referred to herein to be filed by Claimants in connection with any Claim, substantially in the form attached as Schedule "C", which shall include all supporting documentation in respect of such Claim;
- (x) **"Proven Claim"** means a Company Claim to the extent that it has been finally determined to be a valid claim in accordance with the terms of this Order;
- (y) **"Proven D&O Claim"** means a D&O Claim to the extent that it has been finally determined to be a valid claim in accordance with the terms of this Order; and
- (z) **"Wages and Benefits"** means all outstanding wages, salaries and employee benefits (including, but not limited to, employee medical, dental, disability, life insurance and similar benefit plans or arrangements, bonus plans, incentive plans, share compensation plans, share allocation plans and employee assistance programs and employee or employer contributions in respect of pension and other benefits), vacation pay, commissions, bonuses and other incentive payments, and employee and director expenses and reimbursements.

2. All references as to time herein shall mean local time in Vancouver, British Columbia, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Vancouver time) on such Business Day unless otherwise indicated herein.

3. All references to the word "including" shall mean "including without limitation", and all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.
4. For the purposes of this Order, any Claim denominated in any currency other than Canadian dollars shall be converted to and constitute obligations in Canadian dollars, such calculation to be effected by the Liquidator using the Bank of Canada noon spot rate on the Effective Date.
5. The Liquidator's compliance with the provisions of this Order shall be deemed to satisfy the requirements of Sections 331 and 332 of the BCBCA.

LIQUIDATOR'S ROLE

6. The Liquidator, in addition to its prescribed rights, responsibilities and obligations under the BCBCA, the Liquidation Plan and the Liquidation Order, shall administer the Claim Process, including the determination of Claims, and is hereby directed and empowered to take such actions and fulfill such other roles as are contemplated by this Order.

SOLICITATION OF CLAIMS

Notice to Claimants

7. The Claim Process Notice is hereby approved.
8. The Liquidator shall cause the Claim Process Notice and Proof of Claim to be posted on the Liquidator's website at *www.alvarezandmarsal.com/novelion* no later than five (5) days after the Effective Date.
9. The Liquidator shall take all reasonable steps to cause the Claim Process Notice to be published in the Gazette and twice in The Globe and Mail (National Edition) and in a US publication to be determined by the Liquidator no later than ten (10) days after the Effective Date.
10. The Liquidator shall, no later than fifteen (15) days after the Effective Date, send the Claim Process Notice and Proof of Claim by ordinary mail, electronic mail, facsimile transmission or courier to:
 - (a) Each party that appears on the service list in these proceedings;

- (b) All of the known creditors of Novelion as evidenced by its books and records; and
 - (c) All Person who have notified the Liquidator or Novelion of a potential Claim.
11. The sending of the Claim Process Notice and the publication of the Claim Process Notice, in accordance with this Order, shall constitute good and sufficient service and delivery of notice of this Order and the Claim Bar Date on all Persons and no other notice or service need be given or made.

Deadline for Filing a Proof of Claim

12. Any Person that intends to assert a Claim shall deliver a Proof of Claim, together with all relevant supporting documentation in respect of the Claim, to the Liquidator on or before the Claim Bar Date.
13. The Claims of all Claimants who do not deliver a Proof of Claim to the Liquidator by the Claim Bar Date shall be forever extinguished and barred and all such Claimants shall be deemed to have fully and finally released and discharged all such Claims (including as against any Director or Officer) without any further act or notification.
14. With respect to any Claims which are deemed to have been released and discharged in accordance with paragraph 13 of this Order, Novelion and the Directors and Officers shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, executions, charges and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Claimant may have been entitled to assert, including, without limitation, any and all claims in respect of potential statutory liabilities, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, and that no Director, Officer or any other Person shall be entitled to assert a claim for indemnification against Novelion with respect to any such D&O Claims which have been released and discharged.
-
15. The Liquidator shall maintain a list of all Proofs of Claim received by it, including the name of the Claimant, the party or parties claimed against, the amount claimed, the nature of the Claim and the status of the Claim.

16. The Liquidator is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Proofs of Claim are completed and executed and the time in which they are submitted and may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to the completion and execution of Proofs of Claim and to request any further documentation from a Claimant that the Liquidator may require in order to enable it to determine the validity of a Claim.

DETERMINATION OF COMPANY CLAIMS

17. Following the Claim Bar Date, the Liquidator shall review the Proofs of Claim filed on or before the Claim Bar Date and, with respect to all Company Claims, the Liquidator shall determine to either allow, partially allow, partially disallow or disallow the Company Claims.
18. The Liquidator may attempt to consensually resolve the amount of any asserted Company Claim with the Claimant prior to allowing, partially allowing, partially disallowing or disallowing such Company Claim.
19. For any Company Claim commenced prior to the Effective Date by the issuance of an originating process in a court having jurisdiction over such Company Claim, the Liquidator may choose to have such Company Claim determined in the context of the proceedings commenced by such originating process and, in such case, the Liquidator shall notify such Claimant of such a decision rather than provide a Notice of Determination (as defined below). The value and status of such Claimant's Company Claim shall be as finally determined in such proceedings and shall be deemed to constitute such Claimant's Proven Claim as so finally determined.
20. Where a Company Claim is to be allowed, partially allowed, partially disallowed or disallowed pursuant to the process contained in this Order, the Liquidator shall deliver to the Claimant a written notice of such determination setting out therein the reasons for the determination (a "**Notice of Determination**") as soon as reasonably practicable.
21. In the event that a Claimant objects to the Liquidator's determination of a Company Claim and intends to contest the Notice of Determination, such Claimant shall deliver written notice of such party's objection and a brief description of the grounds for such objection (a "**Notice of Objection**") so that such Notice of Objection is received by the

Liquidator by no later than 5:00 p.m. (Vancouver time) on the day which is fourteen (14) days after the date the Notice of Determination is deemed to be received by the Claimant.

22. Any Claimant that does not provide the Liquidator with a Notice of Objection within the deadline set forth in paragraph 21 shall be deemed to have agreed with the Notice of Determination pertaining to that Claimant's Company Claim. Any Company Claim, or any portion thereof, that is disallowed pursuant to a Notice of Determination and in respect of which no Notice of Objection is received by the Liquidator by the deadline set forth in paragraph 21 hereof, shall be forever extinguished, barred, discharged and released without any further act or notification.
23. The Liquidator shall attempt to resolve and settle any dispute with respect to the determination of a Company Claim and, in the event that a settlement is not achieved within a reasonable time, the Liquidator shall direct the dispute to a claims officer (as may be appointed by the Court on application of the Liquidator) or the Liquidator shall seek directions from the Court concerning an appropriate process for resolving the disputed Company Claim.
24. Where a Claimant who receives a Notice of Determination of Claim agrees to same or otherwise settles with the Liquidator pursuant to paragraph 23 of this Order, or where the Company Claim is finally determined by order of the Court or a claims officer, the value and status of such Claimant's Company Claim shall be deemed to be as set out in the Notice of Determination, settlement or final order of the Court or claims officer, as the case may be, and such value and status, if any, shall constitute such Claimant's Proven Claim.
25. The Claim Process and form of Proof of Claim are herein approved. Notwithstanding the foregoing, the Liquidator may from time to time, make minor non-substantive changes to those forms and the Claim Process Notice as may be necessary or desirable.

DETERMINATION OF D&O CLAIMS

26. Following the Claim Bar Date, the Liquidator shall review the Proofs of Claim filed on or before the Claim Bar Date with respect to all D&O Claims. The Liquidator shall provide a copy of each of the D&O Claims to the relevant Affected Respondents and shall work with the Affected Respondents to determine as promptly as possible the extent to which

the D&O Claims are covered under any directors' and officers' insurance policy and, if covered, the extent, if any, that such coverage is insufficient to pay amounts set out in the relevant D&O Claims. The Petitioner shall maintain directors' and officers' insurance policies for a tail period of not less than six years following the Effective Date in an amount and on terms consistent with the directors' and officers' insurance policies in place as of the Effective Date.

27. Where: (a) a D&O Claim is covered under any directors' and officers' insurance policy; and (b) such insurer has admitted or confirmed such coverage in writing (or a final order of a court, where no further rights of appeal exist, has issued determining that the relevant Director or Officer is entitled to coverage under any directors' and officers' insurance policy); and (c) such coverage is sufficient to pay the amounts set out in the relevant D&O Claim; then (d) such D&O Claim shall no longer constitute a Claim under this Order and the relevant Claimant and Director or Officer shall not be entitled to any recovery from Novelion in respect of such D&O Claim.
28. Where: (a) a D&O Claim is covered under any directors' and officers' insurance policy; and (b) such insurer has admitted or confirmed in writing such coverage (or a final order of a court, where no further rights of appeal exist, has issued determining that the relevant Director or Officer is entitled to coverage under any directors' and officers' insurance policy); but (c) such coverage is insufficient to pay the amounts set out in the relevant D&O Claim; then (d) only the amount of such deficiency in respect of the covered D&O Claim shall continue to constitute a Claim under this Order.
29. A D&O Claim which is not covered under any directors' and officers' insurance policy shall continue to constitute a Claim under this Order.
30. After a determination of coverage (or absence of coverage) under any directors' and officers' insurance policy and the extent thereof in connection with the D&O Claims, the Liquidator shall, with the consent of the relevant Affected Respondents determine to either allow, partially allow, partially disallow or disallow the remaining D&O Claims.
31. Where a D&O Claim is to be allowed, partially allowed, partially disallowed or disallowed, the Liquidator shall deliver to the Claimant a Notice of Determination as soon as reasonably practicable.

32. In the event that a Claimant objects to the Liquidator's determination of a D&O Claim and intends to contest the Notice of Determination, such Claimant shall deliver a Notice of Objection so that such Notice of Objection is received by the Liquidator by no later than 5:00 p.m. (Vancouver time) on the day which is fourteen (14) days after the date the Notice of Determination is deemed to be received.
33. Any Claimant that does not provide the Liquidator with a Notice of Objection within the deadline set forth in paragraph 32 shall be deemed to have agreed with the Notice of Determination pertaining to that Claimant's D&O Claim. Any D&O Claim, or any portion thereof, that is disallowed pursuant to a Notice of Determination and in respect of which no Notice of Objection is received by the Liquidator by the deadline set forth in paragraph 32 hereof, shall be forever extinguished, barred, discharged and released without any further act or notification.
34. The Liquidator, in consultation with the Affected Respondent, shall attempt to resolve and settle any dispute with respect to a D&O Claim and, in the event that a settlement is not achieved within a reasonable time, the Liquidator shall, in consultation with the Affected Respondent, either: (i) direct the dispute to a claims officer (as may be appointed by the Court on application of the Liquidator) or (ii) seek directions from the Court concerning an appropriate process for resolving the disputed D&O Claim. For greater certainty, no D&O Claim shall be settled or allowed, in whole or in part, by the Liquidator without the consent of the Affected Respondent.
35. Where a Claimant who receives a Notice of Determination pertaining to that Claimant's D&O Claim agrees to same or otherwise settles that D&O Claim with the Liquidator pursuant to paragraph 34 of this Order, or where the D&O Claim is finally determined by order of the Court, the value and status of such Claimant's D&O Claim shall be deemed to be as set out in the Notice of Determination, settlement or final order of the Court, as the case may be, and such value and status, if any, shall constitute such Claimant's Proven D&O Claim.

PROCEDURE FOR LISTED CREDITORS

36. Notwithstanding any other provisions of this Order:

- (a) the Liquidator shall send, together with the Claim Process Notice, to each known creditor of Novelion as evidenced by its books and records, a Notice of Claim specifying the amount of such creditor's Company Claim based on a review by the Liquidator of Novelion's books and records;
- (b) if a recipient of a Notice of Claim wishes to dispute the amount of its Company Claim as set out in the Notice of Claim, such creditor shall deliver to the Liquidator a Notice of Objection so that it is received by the Liquidator on or before the Claim Bar Date.
- (c) If a recipient of a Notice of Claim does not deliver to the Liquidator a completed Notice of Objection such that it is received by the Liquidator on or before the Claim Bar Date, then such creditor shall be deemed to have accepted the determination of the Company Claim as set out in the Notice of Claim and any such creditor's rights to dispute such determination of its Company Claim or otherwise assert or pursue such Company Claim other than as so determined in the Notice of Claim shall be forever extinguished, barred, discharged and released without any further act or notification.
- (d) If a recipient of a Notice of Claim does deliver to the Liquidator a completed Notice of Objection such that it is received by the Liquidator on or before the Claim Bar Date, then such creditor's claim shall be determined in accordance with the procedures set out in paragraphs 23 through 25.

INDEMNITY CLAIMS OF DIRECTORS AND OFFICERS

37. Upon all Proven D&O Claims being determined, the Liquidator, in consultation with the relevant Affected Respondents, shall determine whether or not any Proven D&O Claim is subject to indemnification by Novelion. In the event that the Liquidator and the relevant Affected Respondents do not agree whether certain of the Proven D&O Claims are subject to indemnification by Novelion, then the Liquidator shall serve and file a Notice of Application with this Court for an order for directions as to Novelion's obligation to indemnify the applicable Directors or Officers in relation to the Proven D&O Claims in question.

PAYMENT OF CLAIMS

38. The payment of Proven Claims (which shall include any indemnification claims determined to be valid claims against Novelion in accordance with Paragraph 37) shall be governed by the Liquidation Plan. For greater certainty, all amounts payable to Employees (as defined in the Liquidation Plan), including any payments related to the termination of such Employees' employment, shall be paid at the times and in the amounts set out in the existing agreements between the Petitioner and such Employees.

NOTICES AND COMMUNICATIONS

39. Except as set out in this Order, any notice or communication (including Notices of Determination) to be given under this Order by the Liquidator to a Claimant shall be in writing and may be delivered by prepaid ordinary mail, by courier, by delivery, by facsimile transmission or electronic mail to the Claimant to such address, facsimile number or e-mail address, as applicable, for such Claimant as shown on the books of Novelion or as set out in such Claimant's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the fifth Business Day after mailing within British Columbia, the seventh Business Day after mailing within Canada or the United States (other than within British Columbia), and the tenth Business Day after mailing in any other circumstance; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 5:00 p.m. (Vancouver time) on a Business Day, on such Business Day and if delivered after 5:00 p.m. (Vancouver time) or other than on a Business Day, on the following Business Day.
40. Any document, notice or other communication (including, without limitation, Proofs of Claim) required to be delivered to the Liquidator under this Order shall be in writing and, where applicable, substantially in the form provided for in this Order and will be sufficiently delivered only if delivered to:

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

41. In the event that the day on which any notice or communication required to be delivered pursuant to the Claims Process is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
42. The Liquidator is authorized to enter into settlement negotiations with a Claimant at any stage of the Claims Process and is further authorized to enter into agreements with such Claimant resolving the value of their Claim, subject to any required consultation or consent of Affected Respondents in the case of D&O Claims.
43. If, during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications then not received or deemed received shall not, absent further Order of this Court, be effective. Notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, delivery, facsimile transmission or electronic mail in accordance with this Order.
44. Novelion shall provide a list setting out the name and last known address of each Director and Officer to the Liquidator and that any obligation upon the Liquidator hereunder to provide notice or information to any Director or Officer shall be satisfied by delivery of such notice or information to the last known address of the Director or Officer as set out in the list provided by Novelion.
45. Nothing in this Order shall prevent or bar any Person from seeking recourse against or payment from any directors' and/or officers' liability insurance policy or policies that may exist to protect or indemnify the Directors or Officers, whether such recourse or payment is sought directly by the Claimant from the insurer or derivatively through Novelion. However, nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter

any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

GENERAL PROVISIONS

46. The Liquidator may from time to time apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order.
47. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Liquidation Plan and this Order, the terms, conditions and provisions of this Order shall govern and be paramount, and the Liquidation Plan shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.
48. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Liquidator and its respective 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Liquidator and its respective agents in carrying out the terms of this Order.
49. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
50. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioner is hereby dispensed with.

51. This Order and all of its provisions shall be effective as of 5:00 p.m. local Vancouver time on the Effective Date.

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:

K E Siddall

Signature of lawyer for the Petitioner

Kieran E. Siddall

By the Court.

Allen J

Registrar



Schedule "A"

LIST OF COUNSEL

Counsel for the Petitioner	Kieran E. Siddall Norton Rose Fulbright Canada LLP 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3 Tel: 604-641-4868 Email: kieran.siddall@nortonrosefulbright.com
Counsel for the Liquidator	Kibben Jackson Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3 Tel: 604-631-4786 Email: kjackson@fasken.com

Schedule "B"

NOTICE OF CLAIMS BAR DATE

**IN RESPECT OF CLAIMS AGAINST NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
SBC 2002, CHAPTER 57**

PLEASE TAKE NOTICE that Novelion Therapeutics Inc. ("Novelion") has commenced a liquidation under the *Business Corporations Act* (British Columbia).

This notice is being published pursuant to an order of the Supreme Court of British Columbia dated January 9, 2020 (the "Claims Process Order"). All capitalized terms in this Notice are defined in the Claims Process Order, a copy of which can be found on the website of the Liquidator, Alvarez & Marsal Canada Inc., at www.alvarezandmarsal.com/novelion.

Any Person who believes that it has a Claim against Novelion or a former director or officer of Novelion should send a Proof of Claim to the Liquidator to be received **by the Liquidator by 5:00 p.m. local Vancouver time on ●, 2020 or such other date as ordered by the Court (the "Claims Bar Date")**.

Any Person having custody or control of any property, rights or interests of Novelion shall notify the Liquidator of that custody or control at the address set out below forthwith, and must deliver such property, rights or interests to the Liquidator, or provide control over such property, rights or interests, to the Liquidator, in the manner to be specified by the Liquidator or by order of the Court.

The liquidator will, on request and without charge, send to the person to whom the notice is sent, a list of all of Novelion's known creditors.

This notice will be published in the Gazette on ●, 2020.

CLAIMS WHICH ARE NOT RECEIVED OR DEEMED RECEIVED BY THE CLAIMS BAR DATE WILL BE FOREVER BARRED AND EXTINGUISHED.

Claimants who require a Proof of Claim form may access the form at the Liquidator's website at www.alvarezandmarsal.com/novelion or they may contact the Liquidator (Attention: Nishant Virmani, email: nvirmani@alvarezandmarsal.com) to obtain a hard copy of the Proof of Claim and/or the Claims Process Order.

Claimants should file their Proof of Claim with the Liquidator by mail, facsimile, email, courier or hand delivery, so that the Proof of Claim is actually received by the Liquidator by the Claims Bar Date at the address below:

Address of the Liquidator

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

Schedule "C"

PROOF OF CLAIM

**IN RESPECT NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS**

Capitalized terms used herein and not otherwise defined have the meanings given to them in the Claims Process Order granted by the Supreme Court of British Columbia on January 9, 2019, a copy of which can be found at: www.alvarezandmarsal.com/novelion.

1 PARTICULARS OF CLAIMANT

Full Legal Name of Claimant: _____ (the "Claimant")
(Full legal or corporate name should be the name of the original Claimant.)

Full Mailing Address of the Claimant:

Telephone Number of Claimant: _____ *

Facsimile Number of Claimant: _____ *

Attention (Contact Person): _____ *

Email Address: _____ *

Has the Claim been sold or assigned by Claimant to another party?

Yes__ No__ (If yes please complete section D)

2 PROOF OF CLAIM:

I, _____ [Name of Claimant or Representative of the Claimant] do
hereby certify:

that I am (please check one):

_____ the Claimant; or

_____ hold the following position of _____ the Claimant

and have personal knowledge of all the circumstances connected with the Claim described herein.

3 **PARTICULARS OF CLAIM:**

Name of the specific party or parties against whom the Claim is being made and the amount of the Claim:

Amount	Currency
\$	
\$	
\$	
\$	

Description of transaction, agreement or event giving rise or relating to the Claim:

If the Claim is contingent or unliquidated, state the basis and provide evidence upon which the Claim has been valued:

IF CLAIMANTS REQUIRE ADDITIONAL SPACE, PLEASE ATTACH A SCHEDULE HERETO. CLAIMANTS SHOULD PROVIDE PARTICULARS OF THE CLAIM AND COPIES OF ALL SUPPORTING DOCUMENTATION, INCLUDING AMOUNT AND DESCRIPTION OF TRANSACTION(S), AGREEMENT(S) OR LEGAL BREACH(ES) GIVING RISE TO THE CLAIM.

4 PARTICULARS OF ASSIGNEE(S) (IF ANY):

Full Legal Name of Assignee(s) of the Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach separate sheets with the following information:

(the "Assignee(s)")

Amount of Total Claim Assigned	\$
Amount of Total Claim Not Assigned	\$
Total Amount of Claim (should equal "Total Claim" as entered in Section B)	\$ _____

Full Mailing Address of Assignee(s):

Telephone Number of Assignee(s): _____

Facsimile Number of Assignee(s): _____

Email Address of Assignee(s): _____

Attention (Contact Person): _____

FILING OF CLAIMS:

The duly completed Proof of Claim together with supporting documentation must be returned and received by the Liquidator, no later than 5:00 pm local Vancouver time on ●, 2020, to the email address or address listed below.

Failure to file your Proof of Claim by such date will result in your claim **being forever extinguished and barred** and you will be prohibited from making or enforcing a Claim against Novellion or the Directors or Officers.

This Proof of Claim must be delivered by email, facsimile, personal delivery, courier or prepaid mail at the following address:

Address of the Liquidator:

Alvarez & Marsal Canada Inc., as Liquidator of Novelon Therapeutics Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

DATED at _____ this _____ day of _____, 2019.

(Signature of Witness)

(Signature of individual completing this form)

(Please print name)

(Please print name)

Schedule "D"

NOTICE OF CLAIM

**IN RESPECT OF CLAIMS AGAINST NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
SBC 2002, CHAPTER 57**

PLEASE TAKE NOTICE that Novelion Therapeutics Inc. ("Novelion") has commenced a liquidation under the *Business Corporations Act* (British Columbia).

This notice is being provided to you pursuant to an order of the Supreme Court of British Columbia dated January 9, 2020 (the "Claims Process Order"). All capitalized terms in this Notice are defined in the Claims Process Order, a copy of which can be found on the website of the Liquidator, Alvarez & Marsal Canada Inc., at www.alvarezandmarsal.com/novelion.

According to the books, records and other relevant information in the possession of Novelion, your total Company Claim is as follows:

Description	Amount (\$CDN)*	Currency
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	

* Pursuant to the Claims Process Order, any Claim denominated in any currency other than Canadian dollars shall be converted to and constitute obligations in Canadian dollars, such calculation to be effected by the Liquidator using the Bank of Canada noon spot rate on the Effective Date.

If you **AGREE** that the foregoing determination accurately reflects your Company Claim, **you are not required to respond to this Notice of Claim.**

If you **DISAGREE** with the determination of your Company Claim as set out herein, you must deliver a Notice of Objection so that it is received by the Liquidator **no later than 5:00 pm local Vancouver time on ●, 2020, to the email address or address listed below.**

Failure to file your Notice of Objection by such date will result in your Company Claim being deemed accepted as set out above in this Notice of Claim.

Notices of Objection must be delivered by email, facsimile, personal delivery, courier or prepaid mail at the following address:

Address of the Liquidator:

Alvarez & Marsal Canada Inc., as Liquidator of Novelion Therapeutics Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

**IN THE MATTER OF THE *BUSINESS CORPORATIONS*
ACT, SBC 2002, Chapter 57**

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

NORTON ROSE FULBRIGHT CANADA LLP

Barristers & Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3
Telephone: (604) 687-6575
Attention: Kieran E. Siddall

Filing Agent: West Coast Title Search

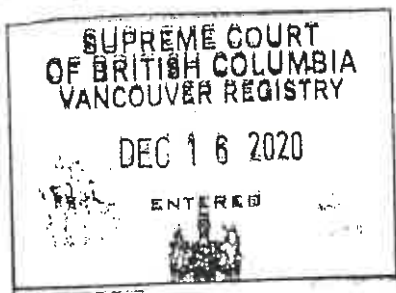
KES/nca

Matter# 1000385619

CAN_DMS: \130344738\6

Exhibit E

Interim Distribution Order



No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002,
Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE

)
)
)

THE HONOURABLE JUSTICE

16/Dec/2020

BRUNDETT

THE APPLICATION of Alvarez & Marsal Canada Inc., as court-appointed liquidator of the Petitioner (the "**Liquidator**"), coming on for hearing at Vancouver, British Columbia on December 16, 2020; AND ON HEARING Scott M. Boucher, counsel for the Liquidator, and those other counsel listed in Schedule "A" hereto; AND UPON READING the material filed including the First Report of the Liquidator dated December 9, 2020 (the "**First Report**"); AND pursuant to the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "**BCBCA**"), the *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES that:

SERVICE

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today and hereby dispenses with further service thereof.

INTERIM DISTRIBUTIONS

2. The Liquidator is hereby authorized to forthwith cause the Petitioner to distribute the Interim Distribution ADRs (as defined in the First Report) to the holders of common shares in the capital of the Petitioner shown in the registers maintained by or on behalf of the Petitioner as of January 16, 2020 (each a "**Registered Holder**") based upon a



ratio of one (1) Interim Distribution ADR for each nine (9) common shares held (the "**Interim Distribution**"), subject to paragraphs 3 and 4 below. For this purpose, any authorized representative of Alvarez & Marsal Canada Inc. is hereby authorized to execute and deliver, on behalf of the Petitioner, any documentation in connection with the sale, assignment, transfer and/or delivery of stock, bonds or other securities on behalf of the Petitioner, and any authorized representative of Alvarez & Marsal Canada Inc. is hereby authorized to delegate (by power of attorney or otherwise) the foregoing authority on behalf of the Petitioner to any individual, whether or not such individual is an officer or employee of Alvarez & Marsal Canada Inc. Further, the Liquidator is authorized to distribute any notices deemed appropriate by the Liquidator to the Registered Holders in connection with the Interim Distribution.

- 3 The Interim Distribution will not include any portions or fractions of Interim Distribution ADRs, or cash in lieu thereof, and Novelion shall retain the aggregate of all Interim Distribution ADRs attributable to such portions or fractions not distributed on the Interim Distribution (collectively, the "**Withheld Distributions**").
- 4 Any Registered Holder who would otherwise be entitled to receive any of the Withheld Distributions, if such distribution was permitted by this Order, shall receive at a future distribution date, in addition to any other distributions to be made at that time, cash in an amount equal to the Market Value (as defined in the First Report) of the Withheld Distributions such holder would have been entitled to receive on the date of the Interim Distribution.
- 5 The Interim Distribution shall be distributed as a reduction of stated capital to the extent of the 'paid-up' capital of the common shares of the Petitioner for the purposes of the *Income Tax Act* (Canada) as contemplated in section 7.3 of the Plan of Liquidation and Distribution of the Petitioner, dated November 14, 2019 (the "**Liquidation Plan**").
6. The Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order and the Interim Distribution, save and except for any gross negligence or wilful misconduct on its part.
7. The distributions, payments and disbursements delivered hereunder and pursuant to the Liquidation Plan are not delivered by the Liquidator in its personal or corporate capacity and shall be without personal or corporate liability of the Liquidator, and, without limiting

the foregoing, the Liquidator shall have no, and is released from any, obligation or liability in connection with any taxes owing by the Petitioner, or any withholdings or deductions that any person may assert should or should not have been paid or made in connection with such distributions, disbursements or payments.

- 8 All persons, including transfer agents, custodians and depositary banks, required to make any distributions, deliveries or allocations or take any steps or actions related thereto to complete the Interim Distribution are hereby authorized and directed to complete such distributions, deliveries, allocations, steps or actions, as the case may be, and such distributions, deliveries, allocations, steps and actions are hereby approved.

RECORDS DESTRUCTION


9. The Records Destruction Protocol (as defined in the First Report) is hereby approved and the Liquidator is hereby authorized to take all steps necessary to implement the Records Destruction Protocol.

GENERAL


10. The First Report of the Liquidator is hereby approved and the activities and conduct of the Liquidator as described therein are also hereby approved and ratified in all respects.
- 11 The Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 12 This Court requests the aid and recognition of other Canadian and foreign Courts, tribunals, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner and to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Petitioner and the Liquidator and their respective agents in carrying out the terms of this Order.

13. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
14. Endorsement of this Order by counsel appearing on this application other than counsel for the Liquidator 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:



Signature of lawyer for the Petitioner
Scott M. Boucher

By the Court. 

Registrar

Certified a true copy according to
the records of the Supreme Court
at Vancouver, B.C.

DATED: DEC 16 2020



Authorized Signing Officer

CHRIS GILMOUR
Deputy District Registrar



Schedule "A"

LIST OF COUNSEL

Exhibit F

First Report of the Liquidator



No. S1913050
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, SBC 2002, Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

FIRST REPORT OF THE LIQUIDATOR
ALVAREZ & MARSAL CANADA INC.
DECEMBER 9, 2020

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APPENDIX

Appendix A – Corporate Organization Chart as at May 29, 2018

Appendix B – Liquidation Plan

Appendix C – Liquidation Order

Appendix D – Claims Process Order

Appendix E – Mati’s offer for the PPDS Stream

Appendix F – Interim R&D

1.0 INTRODUCTION

- 1.1 On January 9, 2020, the Supreme Court of British Columbia (the “**Court**”) granted an order (the “**Liquidation Order**”) approving the plan of liquidation and distribution (the “**Liquidation Plan**”) of Novelion Therapeutics Inc. (formerly QLT, Inc., “**Novelion**” or the “**Company**”) and appointing Alvarez & Marsal Canada Inc. (“**A&M**”) as liquidator (the “**Liquidator**”) of Novelion with an effective date on January 16, 2020 (the “**Effective Date**”).
- 1.2 On the same day, this Honourable Court also granted an order (the “**Claims Process Order**”) approving the claims process (the “**Claims Process**”) of Novelion.
- 1.3 Novelion filed a Statement of Intent to Liquidate in accordance with the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) setting the commencement of the liquidation (the “**Liquidation Proceedings**”) on the Effective Date.
- 1.4 The Liquidation Order, the Claims Process Order, along with select application materials and other documents filed under the Liquidation Proceedings are posted on the Liquidator’s website at www.alvarezandmarsal.com/novelion (the “**Liquidator’s Website**”).

2.0 PURPOSE OF REPORT

- 2.1 This is the first report of the Liquidator (the “**First Report**”) and has been prepared to provide this Honourable Court with information regarding the following:
 - a) Background information on Novelion and the Liquidation;
 - b) Summary of Novelion’s Liquidation Proceedings to date;
 - c) Summary of the Claims Process;
 - d) Novelion’s sales process to market certain royalty and revenue streams (the “**Sales Process**”)
 - e) The proposed interim distribution to shareholders pursuant to s.336 of the BCBCA;
 - f) The interim statement of receipts and disbursements for the period January 16 to October 31, 2020 (the “**Interim R&D**”) of the Liquidator;
 - g) Other outstanding matters; and
 - h) The recommendations of the Liquidator.
- 2.2 The First Report should be read in conjunction with the Liquidator’s application materials and other materials filed in the Liquidation Proceedings (collectively, the “**Filed Materials**”), as background information contained in the Filed Materials has not been included herein to avoid unnecessary duplication. Capitalized terms which are not defined herein have meaning given to them in the Filed Materials.

3.0 TERMS OF REFERENCE

3.1 In preparing this report, A&M has necessarily relied upon unaudited financial and other information supplied, and representations made to it, by certain former senior management of Novelion (“**Management**”) and Novelion’s books and records. Although this information has been subject to review, A&M has not conducted an audit nor otherwise attempted to verify the accuracy or completeness of any of the information prepared by Management or otherwise provided by the Company. Accordingly, A&M expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this report, or otherwise used to prepare this report.

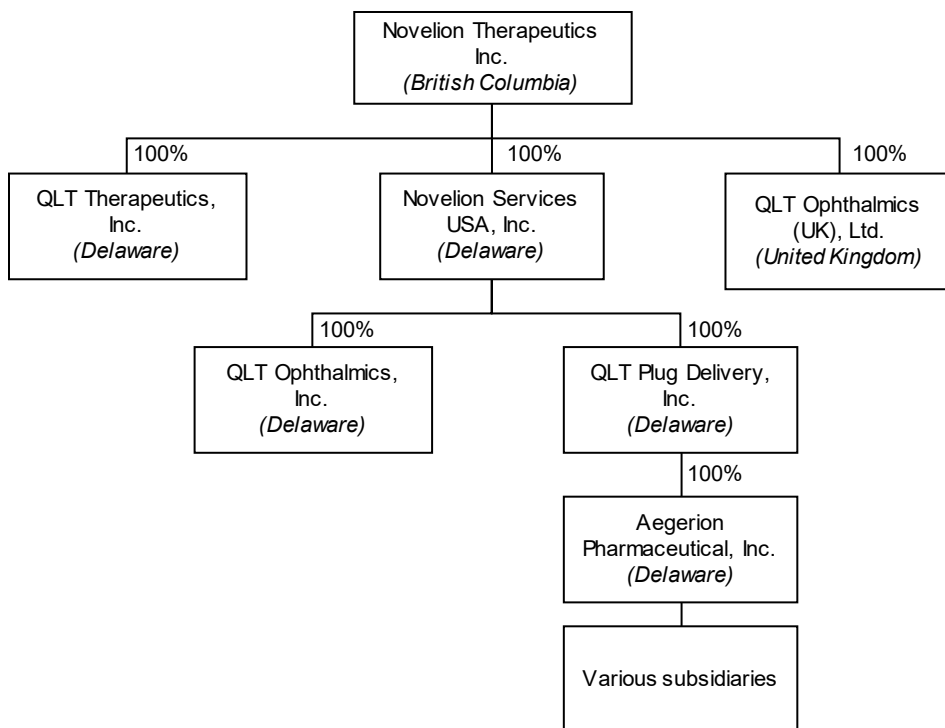
3.2 Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

4.0 BACKGROUND AND THE LIQUIDATION PLAN

4.1 Novelion Therapeutics Inc. was a biopharmaceutical company headquartered in Vancouver, British Columbia that, through its subsidiary Aegerion Pharmaceuticals, Inc. (“**Aegerion**”), developed therapies for individuals living with rare diseases. The company was formerly known as QLT Inc. and changed its name to Novelion Therapeutics Inc. in November 2016.

4.2 The Company was previously publicly traded on the Toronto Stock Exchange (“**TSX**”) and NASDAQ Global Select Market (“**NASDAQ**”) under the ticker “NLVN”. On May 3, 2017, it voluntarily delisted its common shares on the TSX. On October 9, 2019, Novelion was delisted from NASDAQ. Novelion’s shares were subsequently traded on an over-the-counter stock market under the ticker “NLVNF”.

4.3 A summary of the corporate organization chart as at May 29, 2018 is presented below. A copy of the detailed corporate organization chart is attached as Appendix A:



- 4.4 On May 20, 2019, the Company, Aegerion, Amryt Pharma Plc (“**Amryt**”) and certain other parties entered into a restructuring support agreement, and Aegerion and Amryt entered into a plan funding agreement, which, among other things, set forth the terms and conditions of Amryt’s acquisition of 100% of the outstanding equity interests of reorganized Aegerion, pursuant to which Aegerion would become a wholly-owned subsidiary of Amryt (the “**Aegerion Recapitalization**”).
- 4.5 To facilitate the Aegerion Recapitalization, Aegerion and its U.S. subsidiary Aegerion Pharmaceuticals Holdings, Inc. filed voluntary petitions under Chapter 11 of Title 11 of the United States Code (the “**Chapter 11 Proceedings**”) in the United States Bankruptcy Court for the Southern District of New York (the “**US Bankruptcy Court**”) to commence the restructuring of Aegerion.
- 4.6 Under the Chapter 11 plan (the “**Plan**”), Novelson’s existing intercompany secured loan to Aegerion (approximately \$36 million) was proposed to be allowed in full as a claim in the Chapter 11 Proceedings. In satisfaction of this claim, the Plan provided a distribution of Amryt equity to Novelson under the Aegerion Recapitalization, which was projected to represent approximately 8.1% equity ownership of Amryt on a pro forma basis, prior to any further equity dilution following the Aegerion Recapitalization (the “**Amryt Equity**”). The Plan was confirmed by the US Bankruptcy Court on September 10, 2019.

- 4.7 The Aegerion Recapitalization was completed on September 24, 2019 and Novelion received the Amryt Equity in the form of 2,807,975 Amryt American Depositary Receipts (“**ADR**”) where one (1) ADR represents five (5) common shares of Amryt. The ADRs were maintained by Citi, acting through Citibank N.A. (“**Citi**”), which is the depositary bank for Amryt’s ADR program.
- 4.8 Amryt’s ADRs currently trade on the NASDAQ under the symbol “AMYT”, while the underlying ordinary shares of Amryt are listed and trade on AIM, a market operated by the London Stock Exchange, under the symbol “AMYT”, and on Euronext Growth, a market regulated by Euronext Growth Market Dublin, under the symbol “AYP.”
- 4.9 After the conclusion of the Aegerion Recapitalization, Novelion’s remaining assets included the Amryt ADRs, certain royalties and revenue streams from previously divested technology and products, and cash at bank.
- 4.10 On October 3, 2019, Novelion announced that it developed a plan for its liquidation and that the Liquidation Plan (attached as Appendix B), among other things, was to be voted on at the Company’s Annual General Meeting held on November 5, 2019.
- 4.11 The summary of the Liquidator’s obligations under the Liquidation Plan is as follows:
- a) Deposit all money belonging to the Company into a bank account in the name of the Liquidator (in its capacity as such);
 - b) Establish and implement the Claims Process;
 - c) Cause to be filed all the statutory returns, including but not limited to tax returns and remit any statutory amounts owing;
 - d) Maintain continuous disclosure requirements applicable to the Company under all applicable securities laws, as required, subject to amendments or exclusions obtained by court order or from applicable securities regulatory authorities;
 - e) Distribute the assets of Novelion (after all the claims ranking ahead of the shareholders are satisfied) rateably among Novelion’s shareholders; and
 - f) Wind-up and dissolve Novelion and its subsidiaries.
- 4.12 The Liquidation Plan and the appointment of A&M as Novelion’s liquidator were both approved by the shareholders of Novelion at the Annual General Meeting.
- 4.13 On November 18, 2019, the Company filed materials with this Honourable Court to seek approval of the Liquidation Order and the Claims Process Order.

- 4.14 On January 9, 2020, this Honourable Court granted the Liquidation Order and the Claims Process Order.
- 4.15 The Liquidation Order (attached as Appendix C), among other things:
- a) Approved the Liquidation Plan;
 - b) Affirmed the Liquidator's appointment;
 - c) Approved a stay of proceedings in respect of the Company;
 - d) Dispensed with requirements under applicable corporate law or securities laws, rules or regulations, to prepare and present any further audited financial statements, comply with continuous disclosure obligations, and fulfill any obligations of Novelion including the holding of shareholders' meetings; and
 - e) Granted a charge in the amount of \$200,000 in favour of the Liquidator, the counsel to the Liquidator and the counsel to the Company, as security for professional fees and disbursements incurred both before and after the making of the Liquidation Order in respect of the Liquidation Proceedings (the "**Administration Charge**").
- 4.16 The Claims Process Order approved and established the Claims Process to solicit, determine and resolve any claims against Novelion and its former directors and officers. The Claims Process Order is attached as Appendix D to this report.
- 4.17 Novelion filed the Statement of Intent to Liquidate on January 16, 2020 (i.e. the Effective Date) to commence its liquidation.

5.0 LIQUIDATION PROCEEDINGS TO DATE

- 5.1 Since the Effective Date and up to and including the date of this First Report, the Liquidator's activities have included the following:
- a) Pursuant to the Liquidation Order, on January 24, 2020, caused a copy of the Liquidation Order be mailed to all 285 interested parties of Novelion (who are not Novelion shareholders) in accordance with Novelion's books and records;
 - b) Retained certain former employees of Novelion as independent contractors to assist with the Liquidation Proceedings;
 - c) Communicated with and attended to various inquiries from trade creditors and shareholders;
 - d) Took steps to identify and, if necessary, preserve Novelion's assets, including the Amryt ADRs and cash at various banks;
 - e) Terminated ongoing service contracts on behalf of Novelion;

- f) Attended to the tax filings of Novelion, which lead to the issuance of a preliminary Clearance Certificate by the Canada Revenue Agency on September 21, 2020;
- g) Attended to the tax filings of Novelion's subsidiaries in the US, and the orderly dissolution of Novelion's subsidiaries in the US and in the UK;
- h) Reviewed the Company's books and records, including clinical trial results that were in storage, and discussed same with former Management and employees and coordinated the retention or destruction of such records in accordance with statutory requirements;
- i) Migrated Novelion's electronic data to a less costly cloud computing system, and arranged to store a copy of the electronic data offline;
- j) Administered the Claims Process in accordance with the Claims Process Order (subsequently discussed);
- k) Commenced a sales process for certain royalties and potential revenue streams held by Novelion and negotiated a stalking horse bid for one of the royalties and revenue streams (subsequently discussed);
- l) Engaged in extended discussions with various parties, including Novelion's Canadian transfer agent, Citi and Novelion's counsel, to determine the quantum and the details of the proposed interim distribution to Novelion's shareholders;
- m) Corresponded with the Canadian and US securities regulators regarding the Liquidation and took steps to cease to be a reporting issuer in Canada; and
- n) Provided periodic updates to shareholders by issuing press releases and updating the Liquidator's Website.

6.0 CLAIMS PROCESS

- 6.1 Pursuant to the Claims Process Order granted by this Honourable Court on January 9, 2020, the Liquidator commenced the Claims Process on the Effective Date.
- 6.2 According to the Claims Process Order, creditors with a claim as evidenced by the books and records of Novelion as of the Effective Date (the "**Listed Creditors**") would receive a Claims Package, including a Notice of Claim listing their claims against Novelion, from the Liquidator. Any Listed Creditor who did not wish to dispute its claim as set forth in the Notice of Claim was not required to file a Proof of Claim with the Liquidator by the Claims Bar Date on May 29, 2020, and such claim would become a Proven Claim for settlement purposes after the Claims Bar Date.
- 6.3 The timeline of the Claims Process, in accordance with the Claims Process Order, is as follows:

Timeline of the Claims Process	
Activity	Deadline
Court approval of the Claims Process	January 9, 2020
Liquidator to post the Claims Process Notice and Proof of Claim form on the Liquidator's Website	Within five days after the Effective Date
Liquidator to publish the Claims Process Notice in the Globe and Mail (National Edition) and in a US publication twice	Within 10 days after the Effective Date
Liquidator to publish the Claims Process Notice in the Gazette	Within 10 days after the Effective Date
Liquidator to send the Claims Process Notice, Notice of Claim (where applicable) and Proof of Claim to: <ul style="list-style-type: none"> - each party appearing on the service list in the Liquidation Proceeding; - the Listed Creditors; and - all known potential creditors to the Liquidator. 	Within 15 days after the Effective Date
Deadline for Listed Creditors to dispute their Notices of Claim	May 29, 2020
Claims Bar Date	May 29, 2020
Liquidator to issue Notice of Determination for Proof of Claim forms received	As soon as reasonably practicable
If the claimants who received Notices of Determination wish to object to the determination, the claimants should file a Notice of Objection with the Liquidator	Within 14 days after the date the Notice of Determination is deemed to be received by the claimant
If a Notice of Objection is not resolved between the claimant and the Liquidator, the Liquidator shall direct the dispute to a claims officer or seek directions from the Court concerning an appropriate process for resolving the disputed claim	Not applicable

6.4 In accordance with the provisions of the Claims Process Order, the Liquidator has undertaken the following steps in the Claims Process:

- a) On January 20, 2020, posted a copy of the Claims Process Notice and a blank Proof of Claim form on the Liquidator's Website;
- b) Arranged for the Claims Process Notice to be published for two consecutive weeks in the Globe and Mail (January 21 and 28, 2020) and the Wall Street Journal (January 23 and 30, 2020);

- c) Arranged for the Claims Process Notice to be published in the British Columbia Gazette on January 24, 2020;
 - d) On January 24, 2020, caused a copy of the Claims Process Notice, Notice of Claim and Proof of Claim to be mailed to four Listed Creditors; and
 - e) On January 24, 2020, caused a copy of the Claims Process Notice and Proof of Claim to be mailed to 281 parties who were listed as suppliers and are not Listed Creditors per Novelion's books and records.
- 6.5 As of the Claims Bar Date (i.e. May 29, 2020), the Liquidator received 12 Proof of Claim forms (two from the same party).
- 6.6 Upon its review, the Liquidator issued seven Notices of Determination to either reject or revise the claim amounts as filed with the Liquidator. The Liquidator received two Notices of Objection which were both subsequently resolved, with one claim being ultimately accepted by the Liquidator and the other claim being withdrawn.
- 6.7 Tabled below is a summary of claims against Novelion arising from the Claims Process (excluding duplicative claims):

Novelion Therapeutics Inc. - In Liquidation Claims Process Summary		
CAD or CAD equivalent	# of Claims	Value of Claims
Notice of Claim issued	4	\$ 63,123.81
Proof of Claim received		
Claims initially allowed	4	\$ 427,316.14
Claims initially rejected	7	521,406.00
Total Claims Received as of Claims Bar Date	11	\$ 948,722.14
Notices of Objection Received	2	\$ 9,291.00
- Resolved with Allowance of Claim	1	3,969.00
- Resolved with Withdrawal of Objection	1	5,322.00
Total Resolved Notices of Objection	2	\$ 9,291.00
Total Claims Allowed and Settled in Claims Process	9	\$ 494,408.95

- 6.8 As of the date of this report, all the claims against Novelion that were filed with the Liquidator by the Claims Bar Date were settled by the Liquidator and there are no pending Notices of Objection. Accordingly, the Liquidator believes that the Claims Process has been duly concluded. The Liquidator notes that no claims were filed after the Claims Bar Date.

7.0 SALES PROCESS

7.1 As previously noted, the Company's assets as of the Effective Date included cash, the Amryt ADRs and certain royalties and potential revenue streams.

7.2 These royalties and potential revenue streams are related to the following technology and products that were previously developed by Novelion and sold to third parties prior to the liquidation (collectively, the "**Streams**"):

- a) A non-invasive punctal plug drug delivery system (the "**PPDS**") that is intended to be compatible with various types of drugs to treat ocular diseases (the "**PPDS Stream**");
- b) Zuretinol: products that are used to develop treatments for Inherited Retinal Disease; and
- c) Visudyne: a light-activated drug used in photodynamic therapy.

7.3 Since the commencement of the Liquidation Proceedings, the Liquidator has explored the possibility of monetizing the Streams, and has had multiple discussions with Novelion's former management and the Company's counsel to obtain information about the Streams, and continued discussions with Mati Therapeutics Inc. ("**Mati**"), the company that currently owns the PPDS and expressed interest to purchase the PPDS Stream from Novelion.

7.4 Discussions with Mati commenced in March 2020 when Mati expressed interest to submit an offer to purchase the PPDS Stream, but the process was delayed due to the COVID-19 pandemic. Negotiations between Mati and the Liquidator continued throughout the second and third quarters of 2020, and in October 2020 the two parties agreed on a transaction for the PPDS Stream in the form of a stalking horse bid (the "**SHB**"), which is subject to the approval of this Honourable Court, by Mati. A copy of Mati's offer is attached as Appendix E:

7.5 The terms of the SHB are as follow:

- a) Mati offers US\$250,000 for the PPDS Stream and paid a deposit of US\$38,000 to the Liquidator;
- b) The Liquidator will undertake a process in form and substance acceptable to the Liquidator to solicit offers for Novelion's interest in the PPDS Stream;
- c) In the event the Liquidator receives one or more offers that is determined to be more favourable to Novelion (the "**Superior Offer**"), the Liquidator shall conduct an auction amongst Mati and the offerors of the Superior Offers. In the event the auction results in the Liquidator completing a transaction for these rights with a party other than Mati, Novelion shall pay to Mati an amount of US\$25,000 as a reimbursement of the expenses incurred by Mati in connection with the SHB;

- d) Completion of the transaction is subject to the approval by this Honourable Court (the “**Court Approval Condition**”); and
 - e) The SHB is terminated, among other things, automatically if the Court Approval Condition is not satisfied or waived on or before February 15, 2021.
- 7.6 On November 6, 2020, the Liquidator commenced the sales process (the “**Sales Process**”) to market the Streams, including the PPDS Stream, with the deadline to submit offers of 5pm (Pacific Time) on December 15, 2020.
- 7.7 The following was undertaken by the Liquidator to commence the Sales Process:
- a) Circulated the invitation for offers in the form of emails to 92 parties;
 - b) Arranged for the invitation for offers to be published for in the Globe and Mail and the Wall Street Journal on November 10, 2020;
 - c) Uploaded the invitation for offers to the Liquidator’s Website; and
 - d) Setup a dataroom for the Sales Process.
- 7.8 Further updates will be provided to this Honourable Court after the Sales Process is concluded.
- 8.0 PROPOSED INTERIM DISTRIBUTION**
- 8.1 The Liquidation Plan contemplated one or more distributions to Novelion’s shareholders. Prior to the commencement of the Liquidation Proceedings, the Company advised its shareholders that it believed shareholders’ distribution would be completed by the Liquidator by the fourth quarter of 2020.
- 8.2 While the Liquidator has concluded the Claims Process and paid all claims allowed under the Claims Process, and received the preliminary Clearance Certificate from the CRA, the Sales Process is still currently ongoing and tax filings in the U.S. are still being concluded. Accordingly, the Liquidation Proceedings will have to be extended to complete the above-noted matters.
- 8.3 Although the Liquidator is not in the position to initiate a complete and final distribution to Novelion’s shareholders, it is prepared to make an interim distribution that would substantially distribute the Amryt ADRs on hand to Novelion’s shareholders during the fourth quarter of 2020.
- 8.4 Records available to the Liquidator indicate that Novelion has 19,633,534 registered outstanding common shares and 1,086 registered holders (the “**Registered Holders**”) as of the Effective Date.

As noted previously, Novelion currently is in possession of 2,498,050 Amryt ADRs¹ from the Aegerion Recapitalization.

- 8.5 Based on the Liquidator's review and after taking into account any potential liquidity needs of the Company in concluding the Liquidation Proceedings, it believes the Company is in a position to make an interim distribution based on a ratio of one (1) Amryt ADRs to nine (9) Novelion common shares (the "**Interim Distribution**"), representing a distribution of approximately 2.185 million or 84.5% of the Amryt ADRs (the "**Interim Distribution ADRs**").
- 8.6 Registered shareholders holding less than nine shares of Novelion are proposed to receive the cash value of their entitlement during the final distribution (the "**Cash Shareholders**", subsequently discussed). Under the proposed Interim Distribution, 488 out of the 1,086 registered shareholders are expected to receive one or more Interim Distribution ADRs.
- 8.7 Shareholders holding more than nine common shares which are not in multiples of nine would be entitled to a fraction of an ADR (the "**Fractional ADRs**") from the Interim Distribution, which cannot be distributed in the form of an ADR. The Liquidator estimated that a total of 212.22 Fractional ADRs, distributed among 466 Registered Holders, would occur under the Interim Distribution, representing a market value of approximately US\$2,800 based on the Amryt ADR's market price (US\$13.36 per ADR) as of December 8, 2020.
- 8.8 While the Liquidator considered liquidating and distributing the Fractional ADRs to the Registered Holders in the form of cash during the Interim Distribution, the cost of selling a small number of ADRs and making a cash distribution at the Interim Distribution, where each payment is less than US\$13.85 per ADR, would be inefficient and costly to Novelion.
- 8.9 Accordingly, in the Liquidator's view it would be more cost-effective to withhold the Fractional ADRs entitlement and the amounts distributable to Cash Shareholders by setting aside an amount equivalent to the market value of the Fractional ADRs and amounts otherwise distributable to Cash Shareholders as of NASDAQ market close on the date of the Interim Distribution (the "**Market Value**") in a separate trust account (the "**Withheld Distributions**"), and make one cash distribution at the final distribution, which would include the following:
- a) The Withheld Distributions;
 - b) Any further cash distributions required from the final distribution of the remaining Amryt ADRs; and

¹ Prior to the commencement of the Liquidation Proceedings, Management of Novelion liquidated 309,925 Amryt ADRs in order to cover the cost of the Liquidation Proceedings.

c) Any residual cash held by the Liquidator.

8.10 The Interim Distribution will be made in the form of a reduction to Novelson's common share capital of US\$553 million and its additional paid-in capital, which totals approximately US\$79 million. As the Market Value of the Interim Distribution ADRs is expected to be approximately US\$29.2 million, based on the Company's books and records, it does not appear that the value of the Interim Distribution will exceed the paid up capital of the Company's shares based upon the Company's books and records. Accordingly, the Liquidator does not intend to make any withholdings from such distributions for tax purposes.

9.0 INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

9.1 Tabled below is the summary of the interim statement of receipts and disbursements for the period January 16 to October 31, 2020. The detailed Interim R&D is attached as Appendix F.

In the matter of the Liquidation of Novelson Therapeutics Inc. Interim Statement of Receipts and Disbursements For the period January 16 to October 31, 2020			
USD\$'000/CAD\$'000 USD1:CAD1.32	Actual USD	Actual CAD	Total CAD equivalent
Receipts			
Cash at Bank	\$ 990	\$ 108	\$ 1,415
US tax refunds	245	-	323
Sales process deposit	38	-	50
Other receipts	2	23	27
Transfer from USD	-	330	-
	1,276	462	1,816
Disbursements			
Claims Process	362	16	494
Liquidator's fees	-	260	260
Company's counsel	75	39	138
Storage	67	56	144
Listing related	100	10	141
Consultants	78	-	103
Other disbursements	54	44	115
Transfer to CAD	250	-	-
	986	424	1,396
Funds available as of October 31, 2020	\$ 289	\$ 38	\$ 420

9.2 Assuming the Sales Process for the PPDS Stream is concluded and (potentially) other Streams are liquidated, the Liquidator does not currently expect that there will be a need to monetize Amryt ADRs to cover the cost of the liquidation.

10.0 OTHER MATTERS

- 10.1 Novelion currently has over 5,800 boxes of books and records stored in an off-site storage facility (the “**Records**”). The Liquidator, with the assistance of a former employee, reviewed the list of the Records and notes that:
- a) The majority of the Records were related to the QLT-period (i.e. up to November 2016);
 - b) Over 3,800 boxes of the Records were related to the period prior to the year 2000;
 - c) The majority of the Records are no longer statutorily required to be retained; and
 - d) Apart from the Records, the Liquidator has also taken possession of Novelion’s (and QLT’s) electronic files that were stored on a cloud computing system, and is in possession of a copy of the cloud data in an external hard drive.
- 10.2 Accordingly, the Liquidator determined that there are 5,300 boxes that can be readily destroyed, and further investigation will be required on the remaining boxes. It is the Liquidator’s intention to only retain the required physical books and records of Novelion in accordance with any statutory requirements, including but not limited to the BCBCA and the *Income Tax Act*. For Records that need to be retained until after the dissolution of the Company, the Liquidator will work with the storage facility to arrange for the destruction or a lump-sum payment to store and destroy the records at a later date after the Liquidation Proceedings are concluded. The foregoing process is the “**Records Destruction Protocol**”.

11.0 LIQUIDATOR’S RECOMMENDATIONS

- 11.1 The Liquidator respectfully requests that this Honourable Court approves the Liquidator’s activities to date and recommends that this Honourable Court approve the Interim Distribution and the destruction of the Records in accordance with the Records Destruction Protocol.

All of which is respectfully submitted to this Honourable Court this 9th day of December, 2020.

Alvarez & Marsal Canada Inc.,
in its capacity as Liquidator of
Novelion Therapeutics Inc.



Per: Anthony Tillman
Senior Vice President

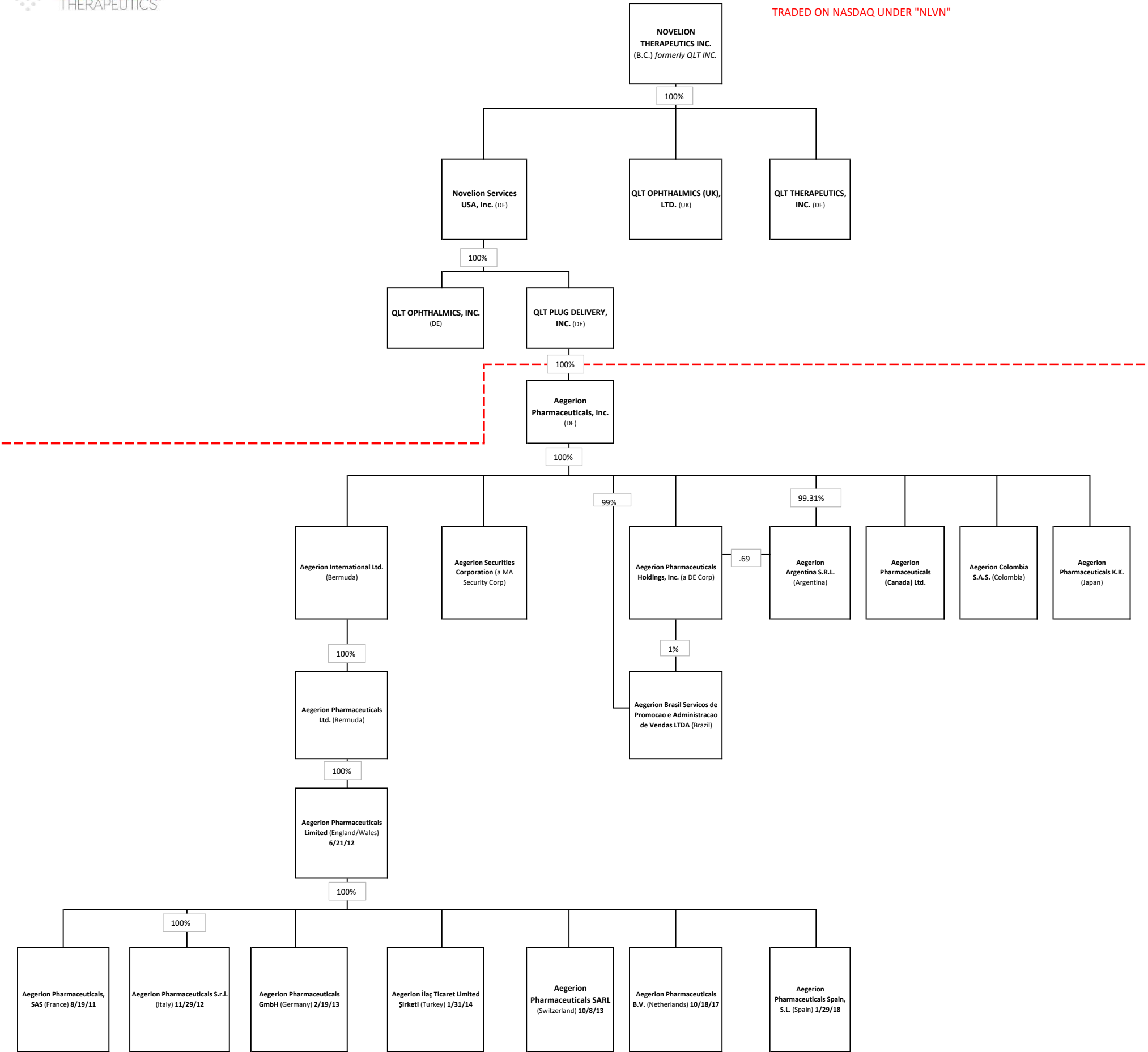


Per: Pinky Law
Vice President

APPENDIX A – CORPORATE ORGANIZATION CHART AS AT MAY 29, 2018



TRADED ON NASDAQ UNDER "NLVN"



APPENDIX B –LIQUIDATION PLAN

Dated November 14, 2019

NOVELION THERAPEUTICS INC.

**PLAN OF LIQUIDATION AND
DISTRIBUTION**

**NOVELION THERAPEUTICS INC.
PLAN OF LIQUIDATION AND DISTRIBUTION**

WHEREAS the board of directors (the **Board**) of Novelion Therapeutics Inc. (**Novelion** or the **Company**) has concluded that it is in the best interests of the Company to be liquidated voluntarily and wound up and dissolved pursuant to the *Business Corporations Act* (British Columbia) in accordance with the terms of this Liquidation Plan (as defined below);

AND WHEREAS the Board has passed a resolution authorizing the Company to seek shareholder approval for the liquidation, winding up and dissolution of the Company and hold a special meeting of shareholders to consider and vote to direct the Company to be liquidated voluntarily, wound up and dissolved and, in connection therewith, approve this Liquidation Plan and the appointment of the Liquidator;

NOW THEREFORE THIS Liquidation Plan is approved by the Board as of the last date set forth below, having the terms and conditions as set out herein.

**Article 1
INTERPRETATION**

1.1 Definitions

In this Liquidation Plan:

Aegerion Parties means Aegerion Pharmaceuticals, Inc. and Aegerion Pharmaceuticals Holdings, Inc.;

Assets means all of the property, assets, undertaking and the proceeds thereof of Novelion;

Board has the meaning given to it in the recitals of this Liquidation Plan;

Business Day means a day, other than a Saturday or Sunday, on which banks are generally open for business in Vancouver, British Columbia;

Calendar Day means any day, including a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

BCBCA means the *Business Corporations Act* (British Columbia);

Claim means

- (a) any right of any Person against Novelion in connection with any indebtedness, liability or obligation of any kind of Novelion and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim made or asserted against Novelion through any affiliate, associate or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise, in each case, with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future; and
- (b) any existing or future right of any Person against any one or more of the Directors or Officers which arose or arises as a result of such Director's or Officer's position, supervision, management or involvement as a Director or Officer of Novelion whether

such right, or the circumstances giving rise to it, arose before or after the Effective Date and whether enforceable in any civil, administrative or criminal proceeding;

Claims Bar Date means the date on which a Claim must be filed pursuant to the Claims Process;

Claims Process means the process established by the Liquidator and approved by the Court for the identification, resolution and barring of Claims;

Clearance Certificates means:

- (a) a certificate issued pursuant to subsection 159(2) of the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.) as amended (the **ITA**), and any provincial equivalent thereof, certifying that all amounts for which Novelion is, or can reasonably be expected to become, liable under the ITA and relevant provincial legislation, as applicable, up to and including the date of the first distribution to Shareholders, have been paid, or that security for payment has been accepted;
- (b) a certificate issued pursuant to subsection 23(5) of the *Canada Pension Plan*, R.S.C. 1985, c. C-8 (the **CPP**), or any equivalent thereof, certifying that all amounts for which Novelion is liable under the CPP up to and including the date of the first distribution to Shareholders, have been paid or that security for the payment thereof has been accepted;
- (c) a certificate issued pursuant to subsection 86(3) of the *Employment Insurance Act*, S.C. 1996, c. 23 (the **EIA**), or any equivalent thereof, certifying the payment, or acceptance of security for payment, of all amounts for which Novelion is liable under the EIA up to and including the date of the first distribution to Shareholders;
- (d) a certificate issued pursuant to subsection 81(1) of the *Excise Tax Act*, R.S.C. 1985, c. E-15 (the **ETA**), or any equivalent thereof, certifying that, as of the date of the first distribution to Shareholders, no tax, penalty, interest or other sum under the ETA, chargeable against or payable by the Liquidator or chargeable against or payable in respect of the Assets or the Company, remains unpaid or that security for the payment thereof has, in accordance with section 80.1 of the ETA, been accepted;
- (e) a certificate issued pursuant to subsection 270(3) of the ETA, or any equivalent thereof, certifying that all amounts payable or remittable under Part IX of the ETA by Novelion in respect of the reporting period during which the first distribution to Shareholders is made or any previous reporting period, and all amounts that are, or can reasonably be expected to become, payable or remittable under Part IX of the ETA by the Liquidator or the Company in respect of the reporting period during which the distribution is made or any previous reporting period, has been paid or that security for the payment thereof has been accepted; and
- (f) any other similar certificate as may be required pursuant to any legal requirement.

Common Shares means the common shares in the capital of Novelion;

Company has the meaning given to it in the recitals of this Liquidation Plan;

Court means the Supreme Court of British Columbia;

Creditor means any Person with a Claim;

Directors means all individuals who were, on or at any time before the Effective Date, directors of Novelion, including *de facto* directors, and the term "**Director**" shall mean any one of them;

Dissolution Date means the date on which the winding up of the Company is completed upon its dissolution pursuant to the BCBCA;

Effective Date means the date to be established by a resolution of the Board upon which the implementation of the Liquidation Plan shall commence, which date shall be the date established as the date for commencement of the liquidation and winding up in the statement of intent to liquidate that is filed by the Company pursuant to and in accordance with the BCBCA.

Employees means the employees of Novelion;

Governmental Authority means any nation or government, any province, state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or any Legal Requirement and any corporation or other entity owned or controlled, through capital stock or otherwise by any of the foregoing;

Legal Requirement means any statute, law, treaty, rule, regulation, order, decree, writ, injunction or determination of any arbitrator, court, Governmental Authority or securities exchange and, with respect to any Person, includes all such Legal Requirements applicable or binding upon such Person, its business or the ownership or use of any of its assets;

Liquidation Plan means this plan of liquidation and distribution as it may be amended, supplemented, restated or otherwise modified in accordance with its terms;

Liquidator means the Person appointed from time to time pursuant to Sections 4.1, 4.5, or 4.6 in its capacity as liquidator of Novelion;

Minister means the Minister of National Revenue;

NASDAQ means the NASDAQ Global Select Market;

Novelion has the meaning given to it in the recitals of this Liquidation Plan;

Officers means all individuals who were, on or at any time before the Effective Date, officers of Novelion, including *de facto* officers, and the term "**Officer**" shall mean any one of them;

Person means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government, agency, regulatory body or instrumentality thereof, legal personal representative or litigation guardian, or any other judicial entity howsoever designated or constituted domiciled;

Proven Claim means a Claim finally accepted in accordance with the provisions of the Claims Process;

Resolution means the special resolution of the Shareholders authorizing the voluntary liquidation, winding up and dissolution of Novelion made in accordance with the BCBCA and approving this Liquidation Plan and the ordinary resolution of Shareholders authorizing the appointment of the Liquidator;

Shareholder Approval Date means the date on which the shareholders of the Company pass the Resolution;

Shareholders means all holders of Common Shares shown on the Effective Date in the registers maintained by or on behalf of Novelion by the Transfer Agent in respect of the Common Shares;

Shared Services Agreements means the shared services agreements entered into among Novelion, Novelion Services USA, Inc. and Aegerion Pharmaceuticals, Inc. dated December 1, 2016, as amended May 20 2019;

Tax Return means any report, return or other information required to be supplied to a taxing authority in connection with (a) all taxes, charges, fees, levies and other assessments (whether federal, provincial, local or foreign), including income, gross receipts, excise, property, sales, use, transfer, license, payroll, franchise, withholding, social security and unemployment taxes, and (b) any interest, penalties and additions related to the foregoing; and

Transfer Agent means Computershare Investor Services Inc., as transfer agent for the Common Shares of the Company.

1.2 Certain Rules of Interpretation

In this Liquidation Plan and the Schedules hereto:

- (a) all references to currency are to Canadian Dollars, except as otherwise expressly indicated;
- (b) the division of this Liquidation Plan into articles, sections, subsections and clauses and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Liquidation Plan. The terms "this Liquidation Plan", "hereof", "hereunder", "herein" and similar expressions refer to this Liquidation Plan and not to any particular article, section, subsection or clause and include any plan supplemental hereto. Unless otherwise indicated, any reference in this Liquidation Plan to an article, section, subsection, clause or schedule refers to the specified article, section, subsection, clause or schedule of or to this Liquidation Plan;
- (c) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Liquidation Plan or a schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (d) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes without limitation" and "including without limitation", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (e) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Vancouver, British Columbia and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m., on such Business Day. Unless otherwise specified, the time period within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day. Whenever any payment to be made or action to be taken under this Liquidation Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day;
- (f) unless otherwise specified, where any reference to an event occurring within any number of "days" appears in this Liquidation Plan, such reference means Calendar Days and not Business Days; and

- (g) unless otherwise provided, any reference to a statute, or other enactment of parliament or a legislature includes all regulations made thereunder, all enactments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation.

Article 2 PURPOSE OF THE PLAN

2.1 Purpose

The purpose of this Liquidation Plan is to provide for a plan of liquidation, winding up and distribution of the Assets, payment or settlement of all Claims and dissolution of the Company.

2.2 Commencement of Liquidation, Winding Up and Dissolution

The voluntary liquidation, winding up and dissolution of the Company shall commence on and as of the Effective Date.

2.3 Affected Persons

This Liquidation Plan will be implemented under the BCBCA and, as of the Effective Date will be binding on the Company, the Directors, the Liquidator, the Shareholders, beneficial holders of shares of the Company, and any other holder of a Claim in accordance with its terms. On the Shareholder Approval Date, each Shareholder and beneficial holder of shares of the Company (whether or not such holder voted in respect of the Liquidation Plan), and each holder of a Claim shall be deemed to have consented and agreed to all of the provisions of this Liquidation Plan in its and their entirety.

Article 3 EFFECT OF PLAN

3.1 Share Transfers

The Company will request, in accordance with any Court order directing same, that the Transfer Agent refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator following the Effective Date.

3.2 Company to Cease Business

On and as of the Effective Date, the Company shall cease to carry on its enterprise and undertaking, except in so far as may be required or as beneficial for the liquidation and dissolution thereof in the discretion of the Liquidator. The Company's corporate existence and all its corporate powers, notwithstanding the terms of the Company's articles or by-laws, shall continue under the control of the Liquidator until it is dissolved.

3.3 Resignation of Directors

On and as of the Effective Date, all the powers of the Directors and Officers shall cease and the Directors and Officers shall be deemed to have resigned.

Article 4 THE LIQUIDATOR

4.1 Appointment of Liquidator

On and as of the Effective Date, Alvarez & Marsal Canada Inc. is hereby appointed as the liquidator of the estate and effects of the Company (the **Liquidator**) for the purpose of liquidation and dissolution of its business and affairs and distributing its Assets to the Shareholders, after satisfying all prior ranking Claims, all in accordance with the terms of this Liquidation Plan, and who shall serve until removal and replacement in accordance with this Liquidation Plan. The Liquidator shall have the authority to enter into agreements and execute documents for and on behalf of the Company pursuant to the powers and obligations of the Liquidator as contained in this Liquidation Plan or otherwise under the BCBCA.

4.2 Mandatory Obligations of the Liquidator

The Liquidator is expressly directed, empowered and authorized to, and shall:

- (a) deposit all money that the Liquidator has belonging to the Company in any bank in Canada listed in Schedule I or II to the *Bank Act* (Canada) or in any trust corporation or loan corporation that is registered under the *Financial Institutions Act* (BC), the *Credit Union Incorporation Act* (BC), or in any other depository approved by the Court, which deposit shall not be made in the name of the Liquidator individually, but shall be a separate deposit account in the Liquidator's name as Liquidator of the Company, and such money shall be withdrawn for payment of Claims or fees and expenses incurred in connection with the implementation of the Liquidation Plan and signed in accordance with such signing authorities as may be determined by the Liquidator;
- (b) forthwith after the Shareholder Approval Date, make an application to the Court under Section 325 of the BCBCA to have the liquidation of the Company supervised by the Court, including the application for such specific orders as the Liquidator deems appropriate and as permitted by the BCBCA;
- (c) establish and implement a court-supervised Claims Process;
- (d) pay or otherwise satisfy all Proven Claims ranking ahead of the Shareholders from the Assets in accordance with the Claims Process;
- (e) after satisfying all prior ranking Proven Claims and in accordance with the provisions of the BCBCA and any order of the Court, distribute the remaining Assets rateably among the Shareholders according to their rights and interests in the Company;
- (f) cause to be filed with the appropriate Governmental Authority all Tax Returns required to be filed by Novelion and any trusts for which Novelion continues to have responsibility under applicable Legal Requirements;
- (g) pay or remit all taxes or other amounts required to be paid or remitted by Novelion in accordance with all applicable statutes, all outstanding CPP contributions and EIA premiums, including any associated interest and penalties and obtain the Clearance Certificates;
- (h) cause to be filed with the appropriate Governmental Authority all statements and reports required to be filed by Novelion subject to amendments or exclusions which may be obtained by Court Order during the liquidation proceedings;

- (i) maintain the continuous disclosure requirements applicable to the Company under all applicable securities laws, subject to amendments, exclusions or relief which may be obtained by Court Order or from applicable securities regulatory authorities during the liquidation proceedings;
- (j) prepare such accounts, file such notices and comply with all other applicable requirements and duties as are stipulated by the BCBCA unless otherwise ordered by the Court, including pursuant to Sections 330, 331, 333, 338, 341, 342 and 343 thereof;
- (k) at any time after the affairs of the Company have been fully liquidated but in accordance with Division 7, Part 10 of the BCBCA, make an application to the Court for an order approving the winding up and dissolution of the Company and, thereafter, apply for the dissolution of the Company in accordance with the BCBCA; and
- (l) after the Effective Date, in accordance with any order of the Court directing same, request that the Transfer Agent refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator.

4.3 Discretionary Powers of the Liquidator

The Liquidator is expressly empowered and authorized, but not obligated, to do any of the following:

- (a) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the Company;
- (b) carry on the business of the Company so far as may be required or as beneficial for the liquidation and dissolution of the Company;
- (c) oversee and address any of the Company's remaining rights and obligations under the Shared Services Agreements with any of the Aegerion Parties and other agreements, if any, under which the Company has ongoing obligations;
- (d) engage any former employee of the Company on a "term and task" basis to assist with the Liquidator's administration and implementation of the Liquidation Plan;
- (e) sell any of the Assets by public auction or private sale or, where applicable, through a stock exchange, and receive payment of the purchase price either in cash or otherwise;
- (f) do all acts and execute, in the name and on behalf of the Company, all documents, and for that purpose use the seal of the Company, if any;
- (g) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Company;
- (h) raise upon the security of the Assets any requisite money;
- (i) call meetings of the Shareholders for any purpose the Liquidator thinks fit;
- (j) in accordance with the Claims Process or any further order of the Court, compromise all debts and liabilities capable of resulting in debts, and all Claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the Company and any contributory, alleged contributory or other debtor or person who may be liable to the Company and all questions in any way relating to or affecting the Assets, or the liquidation and dissolution of the Company, upon the receipt

of such sums payable at such times and generally upon such terms as are agreed, and the Liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof;

- (k) in accordance with and subject to the provisions of the BCBCA and any order of the Court, make or cause to be made, from time to time, any interim distributions or distributions in kind of portions of the Assets to the Shareholders rateably among the Shareholders according to their rights and interests in the Company, and while maintaining such reserves as are reasonably necessary to provide for all Claims;
- (l) liquidate or dissolve subsidiaries of the Company; and
- (m) do and execute all such other things as are necessary for the liquidation and dissolution of the business and affairs of the Company and distributing the Assets.

4.4 Reporting Obligations

The Liquidator shall, subject to the requirements of the BCBCA, report to the Shareholders at such times and intervals as the Liquidator may deem appropriate with respect to matters relating to the Assets, Novelion and such other matters as may be relevant to this Liquidation Plan.

4.5 Removal of the Liquidator

The Liquidator may be removed by order of the Court pursuant to a motion brought following either:

- (a) a determination by the Liquidator, in its discretion, to be discharged by the Court; or
- (b) special resolution of the Shareholders at a meeting called for the purpose of removing the Liquidator, notice of which meeting has been sent to the Liquidator and to each creditor which has an unpaid Claim that exceeds US\$1,000,

but only if such order of the Court appoints another liquidator in the Liquidator's stead which successor liquidator shall become the Liquidator under this Liquidation Plan.

4.6 Resignation of the Liquidator and Filling Vacancy

If the Liquidator resigns or is discharged by order of the Court, then a successor liquidator shall be appointed by ordinary resolution of the Shareholders at a meeting called for the purpose of appointing a successor liquidator or by order of the Court, and such successor liquidator shall become the Liquidator under this Liquidation Plan.

4.7 Fees of the Liquidator and its counsel

The Liquidator shall be paid its reasonable fees and disbursements at its standard rates and charges, from the Assets as and when the Liquidator renders an account to the Company. Pursuant to Section 325(3) of the BCBCA, the costs, charges and expenses of the liquidation and dissolution, including the remuneration of the Liquidator, are payable out of the Assets in priority to all other Claims.

4.8 Indemnity

The Company hereby releases, holds harmless, and indemnifies the Liquidator from and against all liabilities, claims and costs of any nature arising from the Liquidator's execution of this Liquidation Plan, save and except any such liabilities, claims or costs arising as a result of the Liquidator's fraud, gross negligence or wilful misconduct.

Article 5 TERMINATION OF EMPLOYEES

5.1 Termination of Employment

Those Employees who are requested by the Liquidator to remain in service and assist in the implementation of this Liquidation Plan and agree to do so shall remain Employees of the Company. Any other Employees shall be terminated on the Effective Date.

5.2 Employment Agreements

In connection with the termination of any Employees, Novelion will comply with all existing agreements with such Employees, if any.

Article 6 INSPECTORS

6.1 Appointment of Inspectors

The Company or the Liquidator, as applicable, may (but shall not be required to) apply to the Court for an Order appointing any inspectors having any responsibilities as the Company or the Liquidator, as applicable, deem appropriate pursuant to Section 325(3) of the BCBCA.

Article 7 DISTRIBUTIONS

7.1 Delivery of Distribution to Shareholders

Unless otherwise directed, distributions to Shareholders shall be made by the Liquidator at the addresses set forth in the registers maintained by the Transfer Agent in respect of the Common Shares as at the Effective Date. Beneficial holders of Common Shares shall be entitled to receive distributions only through the applicable Shareholder on the registers maintained by the Transfer Agent in respect of the Common Shares as at the Effective Date.

7.2 Undeliverable Distributions to Shareholders

Where the Liquidator is unable to distribute rateably the Assets among the Shareholders because a Shareholder is unknown or a Shareholder's whereabouts is unknown, the share of the Assets of such Shareholder shall be dealt with in accordance with Section 337 of the BCBCA, or as otherwise ordered by the Court.

7.3 Form of Distributions

Any distributions to Shareholders shall be made as a distribution of stated capital to the extent of the "paid-up" capital for purposes of the ITA of the Common Shares and, thereafter, as a dividend, in each case subject to satisfying the applicable solvency tests in the BCBCA and the *Bankruptcy and Insolvency Act* (Canada).

Article 8 COMPLETION OF THE LIQUIDATION PLAN

8.1 Discharge of Liquidator

At the Dissolution Date, the Liquidator shall be discharged and shall have no further obligations or responsibilities, except only with respect to any remaining duties or power required to implement and give effect to the terms of this Liquidation Plan.

Article 9 GENERAL PROVISIONS

9.1 Liquidation Plan Amendment

- (a) The Liquidator may, at any time prior to the Dissolution Date, amend, modify and/or supplement this Liquidation Plan without the approval of the Shareholders or the Court, (i) in order to correct any clerical or typographical error, (ii) as required to maintain the validity or effectiveness of this Liquidation Plan as a result of any change in any Legal Requirement, or (iii) in order to make any change that in the opinion of the Liquidator is administrative in nature and does not materially change the terms of this Liquidation Plan.
- (b) Subject to the ability of the Liquidator to amend, modify and/or supplement or amend this Liquidation Plan without the approval of the Shareholders or the Court as provided in Section (a), the Liquidator reserves the right, at any time prior to the Dissolution Date, to amend, modify and/or supplement this Liquidation Plan, provided that any such amendment, modification or supplement shall not be effective until approved by either: (i) a special resolution of the Shareholders at a meeting of Shareholders called for the purposes of approving such amendment, modification or supplement; or (ii) order of the Court.

9.2 Severability

In the event that any provision in this Liquidation Plan is held by the Court to be invalid, void or unenforceable, the Court shall have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered and interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Liquidation Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

9.3 Paramountcy

From and after the Effective Date, any conflict between: (A) this Liquidation Plan; and (B) any information summary in respect of this Liquidation Plan, or the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, document or agreement, written or oral, and any and all amendments and supplements thereto existing between the Company and any of the Shareholders, Directors, Officers or the Liquidator, as at the Effective Date, will be deemed to be governed by the terms, conditions and provisions of this Liquidation Plan, which shall take precedence and priority.

9.4 Responsibilities of the Liquidator

The Liquidator will have only those powers granted to it by this Liquidation Plan, by the BCBCA and by any order of the Court.

9.5 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Liquidation Plan and may, subject as hereinafter provided, be made or given by personal delivery, by fax, courier or e-mail addressed to the respective parties as follows:

- (i) if to a Shareholder:

at the addresses set forth in the securities register kept at the Transfer Agent as at the Effective Date;

- (ii) if to a Creditor:

at the addresses set forth in the books and records of the Company or the proofs of claim filed by such Creditor in accordance with the Claims Process

- (iii) if to the Company:

Novelion Therapeutics Inc.

c/o Norton Rose Fulbright Canada LLP
510 W Georgia St. Suite 1800
Vancouver, BC M5X 1B8

Attention: Ben Harshbarger and Michael Price
E-mail: investors@novelion.com

with a copy to (which shall not constitute notice):

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7

Attention: Evan Cobb
E-mail: evan.cobb@nortonrosefulbright.com/

- (iv) if to the Liquidator:

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Anthony Tillman
Email: atillman@alvarezandmarsal.com

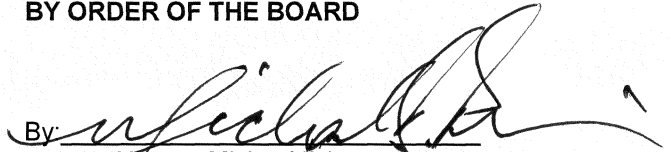
or to such other address as any party may from time to time notify the others in accordance with this Section 9.5. All such notices and communications which are delivered shall be deemed to have been received on the date of delivery. Any such notices and communications which are faxed shall be deemed to be received on the date faxed if sent before 5:00 p.m. in Vancouver, British Columbia, on a Business Day and otherwise shall be deemed to be received on the Business Day next following the day upon which such fax was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure by the Liquidator to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Liquidation Plan.

9.6 Governing Law

This Liquidation Plan 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 without regard to conflict of laws. All questions as to the interpretation or application of this Liquidation Plan and all proceedings taken in connection with this Liquidation Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

The foregoing Liquidation Plan being adopted by the Board as of this 14th day of November, 2019.

BY ORDER OF THE BOARD

By: 
Name: Michael Price
Title: Director

APPENDIX C – LIQUIDATION ORDER



No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002,
Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)	
)	09/Jan/2020
MR. JUSTICE WALKER)	

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia on January 9, 2020; AND ON HEARING Kieran E. Siddall, counsel for the Petitioner, and those other counsel listed in Schedule "A" hereto; AND UPON READING the material filed including the Affidavit #1 of Michael Price sworn November 14, 2019, the Affidavit #1 of Nadine Abram sworn January 9, 2020, and the Affidavit #1 of Scott Boucher sworn January 9, 2020; AND pursuant to the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "**BCBCA**"), the *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES that:

DEFINED TERMS

1. Capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Plan of Liquidation and Distribution of the Petitioner, dated November 14, 2019 (as amended, modified or restated from time to time, the "**Liquidation Plan**") and approved on the same date at an annual meeting of shareholders of the Petitioner (the "**AGM**").
2. For the purposes of this Order, the "Effective Date" means January 16, 2020.

LIQUIDATION

3. The liquidation of the Petitioner shall be carried out in accordance with the terms of the Liquidation Plan, this Order, and any further orders and directions of this Court.
4. Alvarez & Marsal Canada Inc.'s appointment as liquidator of the Petitioner (in such capacity, the "**Liquidator**") at the AGM is hereby affirmed and approved.
5. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Liquidation Plan and this Order, the terms, conditions and provisions of this Order shall govern and be paramount, and the Liquidation Plan shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

POWERS OF LIQUIDATOR

6. The Liquidator has and shall have all of the powers and authorities as provided to it under this Order, the Liquidation Plan, the BCBCA and any further orders of this Court.

TRANSFER OF CERTAIN PATENT RIGHTS

7. The Liquidator is hereby authorized to take such steps and execute such documents as may be necessary or desirable to complete the transfer of any intellectual property rights held by or registered in the name of the Petitioner as may be required in accordance with or in connection with the Termination Agreement (as defined in the Affidavit of Scott Boucher, sworn January 9, 2020).

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

8. Until further order of the Court (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of the Petitioner or the Liquidator, or affecting the business or the property of the Petitioner, shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioner or affecting the business or the property of the Petitioner are hereby stayed and suspended pending further Order of this Court.

9. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Petitioner or the Liquidator, or affecting the business or the property of the Petitioner, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court.

NO INTERFERENCE WITH RIGHTS

10. During the Stay Period, Persons having oral or written agreements with the Petitioner or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Petitioner, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services solely as a result of the commencement of these proceedings or the approval and implementation of the Liquidation Plan.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

11. During the Stay Period, no Proceeding may be commenced or continued against the current or former directors or officers of the Petitioner with respect to any claim against such current or former directors or officers that relates to any obligations of the Petitioner whereby the current or former directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a current or former director or officer of the Petitioner that might otherwise be barred or extinguished by the passage of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

THE LIQUIDATOR

12. In addition to the rights and protections afforded the Liquidator under the BCBCA and the Liquidation Plan or as an officer of this Court, the Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of any Order

of the Court or the Liquidation Plan, save and except for any gross negligence or wilful misconduct on its part.

13. The Liquidator, counsel to the Liquidator, if any, and counsel to the Petitioner shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioner as part of the cost of these proceedings. The Liquidator and its counsel, if any, and counsel to the Petitioner shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on all of the property of the Petitioner, which charge shall not exceed \$200,000 at any particular time, as security for their professional fees and disbursements incurred at the standard rates and charges for the Liquidator and its counsel, if any, and counsel for the Petitioner, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall constitute a first charge on the property of the Petitioner and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
14. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
15. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings; (b) the provisions of any federal or provincial statutes; or (c) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Petitioner, and notwithstanding any provision to the contrary in any Agreement:
 - (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by the Petitioner of any Agreement to which it is a party;

- (b) none of the chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
 - (c) the payments made by the Petitioner pursuant to this Order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
16. The Liquidator shall pass its accounts from time to time, and for this purpose the accounts of the Liquidator and its counsel are hereby referred to a judge of this Court.
17. In the case of information requests submitted to the Liquidator by creditors or shareholders of the Petitioner, if the Liquidator has been advised by the Petitioner or determines in its discretion that the requested information is confidential or otherwise material and non-public, the Liquidator shall not provide such information to creditors or shareholders of the Petitioner unless otherwise directed by this Court or on such terms as the Liquidator may agree. The Liquidator shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE LIQUIDATOR

18. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Petitioner, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person’s possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 16 or in paragraph 17 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

19. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

FINANCIAL REPORTING AND MEETINGS

20. During the pendency of these proceedings, except as may be set forth in any decision rendered by any Canadian securities regulatory authority that is applicable to the Petitioner, the Petitioner and the Liquidator shall not be required to comply with any applicable:
- (a) continuous disclosure, reporting and filing obligations (including with respect to the preparation and mailing of financial statements and reports); or
 - (b) obligations requiring, among other things, the holding of shareholders' meetings,
- in each case, under applicable corporate law governing the Petitioner, the *Securities Act*, R.S.B.C. 1996, c. 418 and the applicable securities laws of each of the other provinces and territories of Canada, the regulations and rules made and forms prescribed thereunder or any applicable published rules, instruments, policy statements and blanket orders and rulings of Canadian securities regulatory authorities and in so doing none of the Petitioner or the Liquidator or any of their respective directors, officers, employees, or agents shall be liable for any such non-compliance. For greater certainty, the Liquidator shall not be required to disclose to any creditor, shareholder or other person interested in these proceedings any information regarding the Petitioner or its business

and affairs that has been identified by the Petitioner as confidential or that the Liquidator believes to be confidential in accordance with applicable law.

21. The Petitioner and the Liquidator are not required to produce or place before the Petitioner's shareholders any further audited financial statements as required under the BCBCA or otherwise and the Petitioner and the Liquidator be and are hereby exempt from any requirements under the BCBCA regarding the appointment and duties of an auditor.
22. The Liquidator is hereby authorized to apply to any courts, tribunals, regulatory and administrative bodies for a declaration that the Petitioner has ceased to be a reporting issuer under applicable securities laws.

TRANSFERS OF SHARES

23. The Transfer Agent shall refrain from making any changes to the registers maintained by the Transfer Agent in respect of the Common Shares, except with the explicit sanction of the Liquidator, following the Effective Date.

SERVICE AND NOTICE

24. The Liquidator shall cause this Order to be posted on the Liquidator's website at www.alvarezandmarsal.com/novelion no later than five (5) days after the Effective Date.
25. The Liquidator shall, no later than fifteen (15) days after the Effective Date, serve this Order on all interested parties who are not shareholders of the Petitioner, including:
 - (a) all of the known creditors of Novelion;
 - (a) all of the known current suppliers of goods and services to Novelion; and
 - (b) all of Novelion's insurers

in each case, as evidenced by its books and records.

26. The Liquidator is at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to interested parties at their respective addresses as last shown on the records of the Petitioner and

that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the fifth business day after mailing.

27. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Liquidator by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Liquidator. The Liquidator shall post and maintain an up to date form of the Service List on its website at: www.alvarezandmarsal.com/novelion.
28. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Liquidator shall post a copy of all materials so served on its website at: www.alvarezandmarsal.com/novelion.
29. Notwithstanding paragraphs 22 and 24 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

30. The Liquidator may from time to time apply to this Court for further orders or directions in the discharge of its powers and duties hereunder.
31. This Court requests the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner and to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Petitioner and the Liquidator and their respective agents in carrying out the terms of this Order.

32. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
33. Any interested party (including the Liquidator) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
34. Leave is hereby granted to hear any application in these proceedings on five (5) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.
35. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioner is hereby dispensed with.
36. This Order and all of its provisions shall be effective as of 5:00 p.m. local Vancouver time on the Effective Date.

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:



Signature of lawyer for the Petitioner

Kieran E. Siddall

By the Court.



Registrar



Schedule "A"

LIST OF COUNSEL

Counsel for the Petitioner	Kieran E. Siddall Norton Rose Fulbright Canada LLP 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3 Tel: 604-641-4868 Email: kieran.siddall@nortonrosefulbright.com
Counsel for the Liquidator	Kibben Jackson Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3 Tel: 604-631-4786 Email: kjackson@fasken.com

No.
Vancouver Registry

In the Supreme Court of British Columbia

**IN THE MATTER OF THE *BUSINESS CORPORATIONS*
*ACT, SBC 2002, Chapter 57***

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

NORTON ROSE FULBRIGHT CANADA LLP

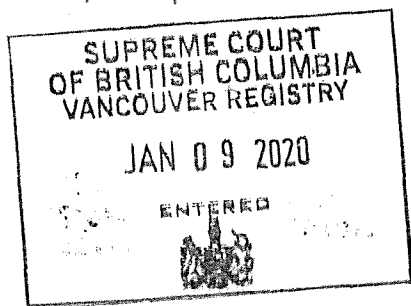
Barristers & Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3
Telephone: (604) 687-6575
Attention: Kieran E. Siddall

Filing Agent: West Coast Title Search

KES/nca

Matter# 1000385619

APPENDIX D – CLAIMS PROCESS ORDER



No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002,
Chapter 57

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(CLAIMS PROCESS ORDER)

BEFORE THE HONOURABLE)	
)	09/Jan/2020
MR. JUSTICE WALKER)	

THE APPLICATION of the Petitioner coming on for hearing at Vancouver, British Columbia on January 9, 2020; AND ON HEARING Kieran E. Siddall, counsel for the Petitioner, and those other counsel listed in Schedule "A" hereto; AND UPON READING the materials filed;

THIS COURT ORDERS AND DECLARES that:

DEFINITIONS AND INTERPRETATION

1. For purposes of this Order, the following terms shall have the following meanings:

- (a) **"Affected Respondent"** means a Director or Officer in respect of whom a D&O Claim has been made in any Proof of Claim delivered in accordance with paragraph 12 of this Order;
- (b) **"Business Day"** means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Vancouver, British Columbia;
- (c) **"BCBCA"** means the *Business Corporations Act*, S.B.C. 2002, c. 57;

- (d) **"Claim"** means a Company Claim or a D&O Claim or both;
- (e) **"Claim Bar Date"** means 5:00 p.m. (Vancouver time) on May 29, 2020 or such later date as may be ordered by this Court;
- (f) **"Claim Process"** means the process for the solicitation and determination of Claims as set out herein;
- (g) **"Claim Process Notice"** means the notice of this Order to be published in accordance with paragraph 9 of this Order, substantially in the form attached hereto as Schedule "B";
- (h) **"Claimant"** means a Person who has asserted a Claim or could have asserted a Claim but failed to do so prior to the Claim Bar Date;
- (i) **"Company Claim"** means any right or claim of any Person that may be asserted or made in whole or in part against Novelion, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of Novelion, including on account of Wages and Benefits, and any accrued interest thereon and costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future;
- (j) **"Court"** means the Supreme Court of British Columbia;
- (k) **"D&O Claim"** means any existing or future right or claim of any Person that may be asserted or made in whole or in part against a Director or Officer, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal,

statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future;

- (l) **"Director"** means anyone who is or was or may be deemed to be or to have been, at any time prior to or from and including the Effective Date, a director of Novelion;
- (m) **"Effective Date"** means January 16, 2020;
- (n) **"Liquidation Order"** means the Order of this Court made in these proceedings on January 9, 2020 approving, among other things, the appointment of the Liquidator;
- (o) **"Liquidation Plan"** means the Plan of Liquidation and Distribution of Novelion as approved by the shareholders of Novelion and pursuant to the Liquidation Order, as may be amended, modified or restated from time to time;
- (p) **"Liquidator"** means Alvarez & Marsal Canada Inc., in its capacity as the liquidator of Novelion pursuant to the Liquidation Plan and the Liquidation Order;
- (q) **"Notice of Determination of Claim"** means the notice provided by the Liquidator pursuant to paragraph 20 or 31 of this Order;
- (r) **"Notice of Claim"** means a notice to be delivered to known creditors in accordance with paragraph 36 hereof, substantially in the form of Schedule "D" hereto.

- (s) **"Notice of Objection"** means the notice provided pursuant to paragraph 21, 32 or 36 of this Order;
- (t) **"Novelion"** means Novelion Therapeutics Inc.;
- (u) **"Officer"** means anyone who is or was or may be deemed to be or to have been, at any time prior to or from and including the Effective Date, an officer of Novelion;
- (v) **"Person"** means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency, officer or instrumentality thereof or any other entity;
- (w) **"Proof of Claim"** means the proof of claim referred to herein to be filed by Claimants in connection with any Claim, substantially in the form attached as Schedule "C", which shall include all supporting documentation in respect of such Claim;
- (x) **"Proven Claim"** means a Company Claim to the extent that it has been finally determined to be a valid claim in accordance with the terms of this Order;
- (y) **"Proven D&O Claim"** means a D&O Claim to the extent that it has been finally determined to be a valid claim in accordance with the terms of this Order; and
- (z) **"Wages and Benefits"** means all outstanding wages, salaries and employee benefits (including, but not limited to, employee medical, dental, disability, life insurance and similar benefit plans or arrangements, bonus plans, incentive plans, share compensation plans, share allocation plans and employee assistance programs and employee or employer contributions in respect of pension and other benefits), vacation pay, commissions, bonuses and other incentive payments, and employee and director expenses and reimbursements.

2. All references as to time herein shall mean local time in Vancouver, British Columbia, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Vancouver time) on such Business Day unless otherwise indicated herein.

3. All references to the word "including" shall mean "including without limitation", and all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.
4. For the purposes of this Order, any Claim denominated in any currency other than Canadian dollars shall be converted to and constitute obligations in Canadian dollars, such calculation to be effected by the Liquidator using the Bank of Canada noon spot rate on the Effective Date.
5. The Liquidator's compliance with the provisions of this Order shall be deemed to satisfy the requirements of Sections 331 and 332 of the BCBCA.

LIQUIDATOR'S ROLE

6. The Liquidator, in addition to its prescribed rights, responsibilities and obligations under the BCBCA, the Liquidation Plan and the Liquidation Order, shall administer the Claim Process, including the determination of Claims, and is hereby directed and empowered to take such actions and fulfill such other roles as are contemplated by this Order.

SOLICITATION OF CLAIMS

Notice to Claimants

7. The Claim Process Notice is hereby approved.
8. The Liquidator shall cause the Claim Process Notice and Proof of Claim to be posted on the Liquidator's website at *www.alvarezandmarsal.com/novelion* no later than five (5) days after the Effective Date.
9. The Liquidator shall take all reasonable steps to cause the Claim Process Notice to be published in the Gazette and twice in The Globe and Mail (National Edition) and in a US publication to be determined by the Liquidator no later than ten (10) days after the Effective Date.
10. The Liquidator shall, no later than fifteen (15) days after the Effective Date, send the Claim Process Notice and Proof of Claim by ordinary mail, electronic mail, facsimile transmission or courier to:
 - (a) Each party that appears on the service list in these proceedings;

- (b) All of the known creditors of Novelion as evidenced by its books and records; and
 - (c) All Person who have notified the Liquidator or Novelion of a potential Claim.
11. The sending of the Claim Process Notice and the publication of the Claim Process Notice, in accordance with this Order, shall constitute good and sufficient service and delivery of notice of this Order and the Claim Bar Date on all Persons and no other notice or service need be given or made.

Deadline for Filing a Proof of Claim

12. Any Person that intends to assert a Claim shall deliver a Proof of Claim, together with all relevant supporting documentation in respect of the Claim, to the Liquidator on or before the Claim Bar Date.
13. The Claims of all Claimants who do not deliver a Proof of Claim to the Liquidator by the Claim Bar Date shall be forever extinguished and barred and all such Claimants shall be deemed to have fully and finally released and discharged all such Claims (including as against any Director or Officer) without any further act or notification.
14. With respect to any Claims which are deemed to have been released and discharged in accordance with paragraph 13 of this Order, Novelion and the Directors and Officers shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, executions, charges and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Claimant may have been entitled to assert, including, without limitation, any and all claims in respect of potential statutory liabilities, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, and that no Director, Officer or any other Person shall be entitled to assert a claim for indemnification against Novelion with respect to any such D&O Claims which have been released and discharged.
15. The Liquidator shall maintain a list of all Proofs of Claim received by it, including the name of the Claimant, the party or parties claimed against, the amount claimed, the nature of the Claim and the status of the Claim.

16. The Liquidator is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Proofs of Claim are completed and executed and the time in which they are submitted and may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to the completion and execution of Proofs of Claim and to request any further documentation from a Claimant that the Liquidator may require in order to enable it to determine the validity of a Claim.

DETERMINATION OF COMPANY CLAIMS

17. Following the Claim Bar Date, the Liquidator shall review the Proofs of Claim filed on or before the Claim Bar Date and, with respect to all Company Claims, the Liquidator shall determine to either allow, partially allow, partially disallow or disallow the Company Claims.
18. The Liquidator may attempt to consensually resolve the amount of any asserted Company Claim with the Claimant prior to allowing, partially allowing, partially disallowing or disallowing such Company Claim.
19. For any Company Claim commenced prior to the Effective Date by the issuance of an originating process in a court having jurisdiction over such Company Claim, the Liquidator may choose to have such Company Claim determined in the context of the proceedings commenced by such originating process and, in such case, the Liquidator shall notify such Claimant of such a decision rather than provide a Notice of Determination (as defined below). The value and status of such Claimant's Company Claim shall be as finally determined in such proceedings and shall be deemed to constitute such Claimant's Proven Claim as so finally determined.
20. Where a Company Claim is to be allowed, partially allowed, partially disallowed or disallowed pursuant to the process contained in this Order, the Liquidator shall deliver to the Claimant a written notice of such determination setting out therein the reasons for the determination (a "**Notice of Determination**") as soon as reasonably practicable.
21. In the event that a Claimant objects to the Liquidator's determination of a Company Claim and intends to contest the Notice of Determination, such Claimant shall deliver written notice of such party's objection and a brief description of the grounds for such objection (a "**Notice of Objection**") so that such Notice of Objection is received by the

Liquidator by no later than 5:00 p.m. (Vancouver time) on the day which is fourteen (14) days after the date the Notice of Determination is deemed to be received by the Claimant.

22. Any Claimant that does not provide the Liquidator with a Notice of Objection within the deadline set forth in paragraph 21 shall be deemed to have agreed with the Notice of Determination pertaining to that Claimant's Company Claim. Any Company Claim, or any portion thereof, that is disallowed pursuant to a Notice of Determination and in respect of which no Notice of Objection is received by the Liquidator by the deadline set forth in paragraph 21 hereof, shall be forever extinguished, barred, discharged and released without any further act or notification.
23. The Liquidator shall attempt to resolve and settle any dispute with respect to the determination of a Company Claim and, in the event that a settlement is not achieved within a reasonable time, the Liquidator shall direct the dispute to a claims officer (as may be appointed by the Court on application of the Liquidator) or the Liquidator shall seek directions from the Court concerning an appropriate process for resolving the disputed Company Claim.
24. Where a Claimant who receives a Notice of Determination of Claim agrees to same or otherwise settles with the Liquidator pursuant to paragraph 23 of this Order, or where the Company Claim is finally determined by order of the Court or a claims officer, the value and status of such Claimant's Company Claim shall be deemed to be as set out in the Notice of Determination, settlement or final order of the Court or claims officer, as the case may be, and such value and status, if any, shall constitute such Claimant's Proven Claim.
25. The Claim Process and form of Proof of Claim are herein approved. Notwithstanding the foregoing, the Liquidator may from time to time, make minor non-substantive changes to those forms and the Claim Process Notice as may be necessary or desirable.

DETERMINATION OF D&O CLAIMS

26. Following the Claim Bar Date, the Liquidator shall review the Proofs of Claim filed on or before the Claim Bar Date with respect to all D&O Claims. The Liquidator shall provide a copy of each of the D&O Claims to the relevant Affected Respondents and shall work with the Affected Respondents to determine as promptly as possible the extent to which

the D&O Claims are covered under any directors' and officers' insurance policy and, if covered, the extent, if any, that such coverage is insufficient to pay amounts set out in the relevant D&O Claims. The Petitioner shall maintain directors' and officers' insurance policies for a tail period of not less than six years following the Effective Date in an amount and on terms consistent with the directors' and officers' insurance policies in place as of the Effective Date.

27. Where: (a) a D&O Claim is covered under any directors' and officers' insurance policy; and (b) such insurer has admitted or confirmed such coverage in writing (or a final order of a court, where no further rights of appeal exist, has issued determining that the relevant Director or Officer is entitled to coverage under any directors' and officers' insurance policy); and (c) such coverage is sufficient to pay the amounts set out in the relevant D&O Claim; then (d) such D&O Claim shall no longer constitute a Claim under this Order and the relevant Claimant and Director or Officer shall not be entitled to any recovery from Novelion in respect of such D&O Claim.
28. Where: (a) a D&O Claim is covered under any directors' and officers' insurance policy; and (b) such insurer has admitted or confirmed in writing such coverage (or a final order of a court, where no further rights of appeal exist, has issued determining that the relevant Director or Officer is entitled to coverage under any directors' and officers' insurance policy); but (c) such coverage is insufficient to pay the amounts set out in the relevant D&O Claim; then (d) only the amount of such deficiency in respect of the covered D&O Claim shall continue to constitute a Claim under this Order.
29. A D&O Claim which is not covered under any directors' and officers' insurance policy shall continue to constitute a Claim under this Order.
30. After a determination of coverage (or absence of coverage) under any directors' and officers' insurance policy and the extent thereof in connection with the D&O Claims, the Liquidator shall, with the consent of the relevant Affected Respondents determine to either allow, partially allow, partially disallow or disallow the remaining D&O Claims.
31. Where a D&O Claim is to be allowed, partially allowed, partially disallowed or disallowed, the Liquidator shall deliver to the Claimant a Notice of Determination as soon as reasonably practicable.

32. In the event that a Claimant objects to the Liquidator's determination of a D&O Claim and intends to contest the Notice of Determination, such Claimant shall deliver a Notice of Objection so that such Notice of Objection is received by the Liquidator by no later than 5:00 p.m. (Vancouver time) on the day which is fourteen (14) days after the date the Notice of Determination is deemed to be received.
33. Any Claimant that does not provide the Liquidator with a Notice of Objection within the deadline set forth in paragraph 32 shall be deemed to have agreed with the Notice of Determination pertaining to that Claimant's D&O Claim. Any D&O Claim, or any portion thereof, that is disallowed pursuant to a Notice of Determination and in respect of which no Notice of Objection is received by the Liquidator by the deadline set forth in paragraph 32 hereof, shall be forever extinguished, barred, discharged and released without any further act or notification.
34. The Liquidator, in consultation with the Affected Respondent, shall attempt to resolve and settle any dispute with respect to a D&O Claim and, in the event that a settlement is not achieved within a reasonable time, the Liquidator shall, in consultation with the Affected Respondent, either: (i) direct the dispute to a claims officer (as may be appointed by the Court on application of the Liquidator) or (ii) seek directions from the Court concerning an appropriate process for resolving the disputed D&O Claim. For greater certainty, no D&O Claim shall be settled or allowed, in whole or in part, by the Liquidator without the consent of the Affected Respondent.
35. Where a Claimant who receives a Notice of Determination pertaining to that Claimant's D&O Claim agrees to same or otherwise settles that D&O Claim with the Liquidator pursuant to paragraph 34 of this Order, or where the D&O Claim is finally determined by order of the Court, the value and status of such Claimant's D&O Claim shall be deemed to be as set out in the Notice of Determination, settlement or final order of the Court, as the case may be, and such value and status, if any, shall constitute such Claimant's Proven D&O Claim.

PROCEDURE FOR LISTED CREDITORS

36. Notwithstanding any other provisions of this Order:

- (a) the Liquidator shall send, together with the Claim Process Notice, to each known creditor of Novelion as evidenced by its books and records, a Notice of Claim specifying the amount of such creditor's Company Claim based on a review by the Liquidator of Novelion's books and records;
- (b) if a recipient of a Notice of Claim wishes to dispute the amount of its Company Claim as set out in the Notice of Claim, such creditor shall deliver to the Liquidator a Notice of Objection so that it is received by the Liquidator on or before the Claim Bar Date.
- (c) If a recipient of a Notice of Claim does not deliver to the Liquidator a completed Notice of Objection such that it is received by the Liquidator on or before the Claim Bar Date, then such creditor shall be deemed to have accepted the determination of the Company Claim as set out in the Notice of Claim and any such creditor's rights to dispute such determination of its Company Claim or otherwise assert or pursue such Company Claim other than as so determined in the Notice of Claim shall be forever extinguished, barred, discharged and released without any further act or notification.
- (d) If a recipient of a Notice of Claim does deliver to the Liquidator a completed Notice of Objection such that it is received by the Liquidator on or before the Claim Bar Date, then such creditor's claim shall be determined in accordance with the procedures set out in paragraphs 23 through 25.

INDEMNITY CLAIMS OF DIRECTORS AND OFFICERS

37. Upon all Proven D&O Claims being determined, the Liquidator, in consultation with the relevant Affected Respondents, shall determine whether or not any Proven D&O Claim is subject to indemnification by Novelion. In the event that the Liquidator and the relevant Affected Respondents do not agree whether certain of the Proven D&O Claims are subject to indemnification by Novelion, then the Liquidator shall serve and file a Notice of Application with this Court for an order for directions as to Novelion's obligation to indemnify the applicable Directors or Officers in relation to the Proven D&O Claims in question.

PAYMENT OF CLAIMS

38. The payment of Proven Claims (which shall include any indemnification claims determined to be valid claims against Novelion in accordance with Paragraph 37) shall be governed by the Liquidation Plan. For greater certainty, all amounts payable to Employees (as defined in the Liquidation Plan), including any payments related to the termination of such Employees' employment, shall be paid at the times and in the amounts set out in the existing agreements between the Petitioner and such Employees.

NOTICES AND COMMUNICATIONS

39. Except as set out in this Order, any notice or communication (including Notices of Determination) to be given under this Order by the Liquidator to a Claimant shall be in writing and may be delivered by prepaid ordinary mail, by courier, by delivery, by facsimile transmission or electronic mail to the Claimant to such address, facsimile number or e-mail address, as applicable, for such Claimant as shown on the books of Novelion or as set out in such Claimant's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the fifth Business Day after mailing within British Columbia, the seventh Business Day after mailing within Canada or the United States (other than within British Columbia), and the tenth Business Day after mailing in any other circumstance; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 5:00 p.m. (Vancouver time) on a Business Day, on such Business Day and if delivered after 5:00 p.m. (Vancouver time) or other than on a Business Day, on the following Business Day.
40. Any document, notice or other communication (including, without limitation, Proofs of Claim) required to be delivered to the Liquidator under this Order shall be in writing and, where applicable, substantially in the form provided for in this Order and will be sufficiently delivered only if delivered to:

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

41. In the event that the day on which any notice or communication required to be delivered pursuant to the Claims Process is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.
42. The Liquidator is authorized to enter into settlement negotiations with a Claimant at any stage of the Claims Process and is further authorized to enter into agreements with such Claimant resolving the value of their Claim, subject to any required consultation or consent of Affected Respondents in the case of D&O Claims.
43. If, during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications then not received or deemed received shall not, absent further Order of this Court, be effective. Notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, delivery, facsimile transmission or electronic mail in accordance with this Order.
44. Novelion shall provide a list setting out the name and last known address of each Director and Officer to the Liquidator and that any obligation upon the Liquidator hereunder to provide notice or information to any Director or Officer shall be satisfied by delivery of such notice or information to the last known address of the Director or Officer as set out in the list provided by Novelion.
45. Nothing in this Order shall prevent or bar any Person from seeking recourse against or payment from any directors' and/or officers' liability insurance policy or policies that may exist to protect or indemnify the Directors or Officers, whether such recourse or payment is sought directly by the Claimant from the insurer or derivatively through Novelion. However, nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter

any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

GENERAL PROVISIONS

46. The Liquidator may from time to time apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order.
47. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Liquidation Plan and this Order, the terms, conditions and provisions of this Order shall govern and be paramount, and the Liquidation Plan shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.
48. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Liquidator and its respective 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Liquidator and its respective agents in carrying out the terms of this Order.
49. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Liquidator is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
50. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioner is hereby dispensed with.

51. This Order and all of its provisions shall be effective as of 5:00 p.m. local Vancouver time on the Effective Date.

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:

K E Siddall

Signature of lawyer for the Petitioner

Kieran E. Siddall

By the Court.

Allen J

Registrar



Schedule "A"

LIST OF COUNSEL

Counsel for the Petitioner	Kieran E. Siddall Norton Rose Fulbright Canada LLP 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3 Tel: 604-641-4868 Email: kieran.siddall@nortonrosefulbright.com
Counsel for the Liquidator	Kibben Jackson Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3 Tel: 604-631-4786 Email: kjackson@fasken.com

Schedule "B"

NOTICE OF CLAIMS BAR DATE

**IN RESPECT OF CLAIMS AGAINST NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
SBC 2002, CHAPTER 57**

PLEASE TAKE NOTICE that Novelion Therapeutics Inc. ("Novelion") has commenced a liquidation under the *Business Corporations Act* (British Columbia).

This notice is being published pursuant to an order of the Supreme Court of British Columbia dated January 9, 2020 (the "Claims Process Order"). All capitalized terms in this Notice are defined in the Claims Process Order, a copy of which can be found on the website of the Liquidator, Alvarez & Marsal Canada Inc., at www.alvarezandmarsal.com/novelion.

Any Person who believes that it has a Claim against Novelion or a former director or officer of Novelion should send a Proof of Claim to the Liquidator to be received **by the Liquidator by 5:00 p.m. local Vancouver time on ●, 2020 or such other date as ordered by the Court (the "Claims Bar Date")**.

Any Person having custody or control of any property, rights or interests of Novelion shall notify the Liquidator of that custody or control at the address set out below forthwith, and must deliver such property, rights or interests to the Liquidator, or provide control over such property, rights or interests, to the Liquidator, in the manner to be specified by the Liquidator or by order of the Court.

The liquidator will, on request and without charge, send to the person to whom the notice is sent, a list of all of Novelion's known creditors.

This notice will be published in the Gazette on ●, 2020.

CLAIMS WHICH ARE NOT RECEIVED OR DEEMED RECEIVED BY THE CLAIMS BAR DATE WILL BE FOREVER BARRED AND EXTINGUISHED.

Claimants who require a Proof of Claim form may access the form at the Liquidator's website at www.alvarezandmarsal.com/novelion or they may contact the Liquidator (Attention: Nishant Virmani, email: nvirmani@alvarezandmarsal.com) to obtain a hard copy of the Proof of Claim and/or the Claims Process Order.

Claimants should file their Proof of Claim with the Liquidator by mail, facsimile, email, courier or hand delivery, so that the Proof of Claim is actually received by the Liquidator by the Claims Bar Date at the address below:

Address of the Liquidator

Alvarez & Marsal Canada Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

Schedule "C"

PROOF OF CLAIM

IN RESPECT NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS

Capitalized terms used herein and not otherwise defined have the meanings given to them in the Claims Process Order granted by the Supreme Court of British Columbia on January 9, 2019, a copy of which can be found at: www.alvarezandmarsal.com/novelion.

1 PARTICULARS OF CLAIMANT

Full Legal Name of Claimant: _____ (the "Claimant")
(Full legal or corporate name should be the name of the original Claimant.)

Full Mailing Address of the Claimant:

Telephone Number of Claimant: _____ *

Facsimile Number of Claimant: _____ *

Attention (Contact Person): _____ *

Email Address: _____ *

Has the Claim been sold or assigned by Claimant to another party?

Yes__ No__ (If yes please complete section D)

2 PROOF OF CLAIM:

I, _____ [Name of Claimant or Representative of the Claimant] do hereby certify:

that I am (please check one):

_____ the Claimant; or

_____ hold the following position of _____ the Claimant

and have personal knowledge of all the circumstances connected with the Claim described herein.

3 **PARTICULARS OF CLAIM:**

Name of the specific party or parties against whom the Claim is being made and the amount of the Claim:

Amount	Currency
\$	
\$	
\$	
\$	

Description of transaction, agreement or event giving rise or relating to the Claim:

If the Claim is contingent or unliquidated, state the basis and provide evidence upon which the Claim has been valued:

IF CLAIMANTS REQUIRE ADDITIONAL SPACE, PLEASE ATTACH A SCHEDULE HERETO. CLAIMANTS SHOULD PROVIDE PARTICULARS OF THE CLAIM AND COPIES OF ALL SUPPORTING DOCUMENTATION, INCLUDING AMOUNT AND DESCRIPTION OF TRANSACTION(S), AGREEMENT(S) OR LEGAL BREACH(ES) GIVING RISE TO THE CLAIM.

4 PARTICULARS OF ASSIGNEE(S) (IF ANY):

Full Legal Name of Assignee(s) of the Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach separate sheets with the following information:

(the "Assignee(s)")

Amount of Total Claim Assigned	\$
Amount of Total Claim Not Assigned	\$
Total Amount of Claim (should equal "Total Claim" as entered in Section B)	\$

Full Mailing Address of Assignee(s):

Telephone Number of Assignee(s): _____

Facsimile Number of Assignee(s): _____

Email Address of Assignee(s): _____

Attention (Contact Person): _____

FILING OF CLAIMS:

The duly completed Proof of Claim together with supporting documentation must be returned and received by the Liquidator, no later than 5:00 pm local Vancouver time on ●, 2020, to the email address or address listed below.

Failure to file your Proof of Claim by such date will result in your claim **being forever extinguished and barred** and you will be prohibited from making or enforcing a Claim against Novellon or the Directors or Officers.

This Proof of Claim must be delivered by email, facsimile, personal delivery, courier or prepaid mail at the following address:

Address of the Liquidator:

Alvarez & Marsal Canada Inc., as Liquidator of Novelion Therapeutics Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

DATED at _____ this _____ day of _____, 2019.

(Signature of Witness)

(Signature of individual completing this form)

(Please print name)

(Please print name)

Schedule "D"

NOTICE OF CLAIM

**IN RESPECT OF CLAIMS AGAINST NOVELION THERAPEUTICS INC.,
AND ITS DIRECTORS AND OFFICERS**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
SBC 2002, CHAPTER 57**

PLEASE TAKE NOTICE that Novelion Therapeutics Inc. ("Novelion") has commenced a liquidation under the *Business Corporations Act* (British Columbia).

This notice is being provided to you pursuant to an order of the Supreme Court of British Columbia dated January 9, 2020 (the "Claims Process Order"). All capitalized terms in this Notice are defined in the Claims Process Order, a copy of which can be found on the website of the Liquidator, Alvarez & Marsal Canada Inc., at www.alvarezandmarsal.com/novelion.

According to the books, records and other relevant information in the possession of Novelion, your total Company Claim is as follows:

Description	Amount (\$CDN)*	Currency
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	
<input type="checkbox"/>	\$	

* Pursuant to the Claims Process Order, any Claim denominated in any currency other than Canadian dollars shall be converted to and constitute obligations in Canadian dollars, such calculation to be effected by the Liquidator using the Bank of Canada noon spot rate on the Effective Date.

If you **AGREE** that the foregoing determination accurately reflects your Company Claim, **you are not required to respond to this Notice of Claim.**

If you **DISAGREE** with the determination of your Company Claim as set out herein, you must deliver a Notice of Objection so that it is received by the Liquidator **no later than 5:00 pm local Vancouver time on ●, 2020, to the email address or address listed below.**

Failure to file your Notice of Objection by such date will result in your Company Claim being deemed accepted as set out above in this Notice of Claim.

Notices of Objection must be delivered by email, facsimile, personal delivery, courier or prepaid mail at the following address:

Address of the Liquidator:

Alvarez & Marsal Canada Inc., as Liquidator of Novelion Therapeutics Inc.
Commerce Place
400 Burrard Street, Suite 1680
Vancouver, BC V6C 3A6

Attention: Nishant Virmani
Fax: 604-638-7441
Email: nvirmani@alvarezandmarsal.com

No. S1913050
Vancouver Registry

In the Supreme Court of British Columbia

**IN THE MATTER OF THE *BUSINESS CORPORATIONS*
ACT, SBC 2002, Chapter 57**

AND

IN THE MATTER OF NOVELION THERAPEUTICS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

NORTON ROSE FULBRIGHT CANADA LLP

Barristers & Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3
Telephone: (604) 687-6575
Attention: Kieran E. Siddall

Filing Agent: West Coast Title Search

KES/nca

Matter# 1000385619

CAN_DMS: \130344738\6

APPENDIX E – MATT'S OFFER FOR THE PPDS STREAM

October 14, 2020

Mati Therapeutics Inc.
101 Colorado Street – Suite 2409
Austin, Texas, USA 78701

Attention: Bob Butchofsky, CEO

Dear Mr. Butchofsky:

Asset Purchase and Sale Agreement by and between QLT Inc. and Mati Therapeutics Inc. dated as of April 3, 2013 (as amended from time to time, the "APA")

Novelion Therapeutics Inc. (formerly QLT Inc.) ("**Novelion**") has commenced a liquidation process under the *Business Corporations Act* (British Columbia).

The Liquidation process is the subject of a proceeding (the "**Liquidation Proceeding**") before the Supreme Court of British Columbia (the "**BC Court**").

Alvarez & Marsal Canada Inc. has been appointed as liquidator of Novelion pursuant to the *Business Corporations Act* (British Columbia) (in such capacity, the "**Liquidator**").

This letter agreement sets out the terms and conditions upon which Novelion agrees to release its claim to any further Purchase Price amounts and all other claims under the APA (the "**Transaction**").

Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the APA.

1. The Transaction

Subject to the satisfaction or waiver of the Court Approval Condition (as defined below) and subject to Section 4 hereof, Novelion and Mati Therapeutics Inc. ("**Mati**") hereby agree that in consideration of, and effective upon receipt of, a cash payment in the amount of US\$250,000 (the "**Settlement Payment**") by Mati to Novelion, (a) Novelion irrevocably releases any right or claim to receive any further Purchase Price amounts (including without limitation any Contingent Amounts) and any other payments whatsoever under the APA, and each of Mati and Novelion release the other from any further obligations under the APA, including without limitation Mati's obligations pursuant to Sections 1.7, 4.4 and 4.5 of the APA and the indemnification provisions under Section 5.

Mati hereby agrees that upon satisfaction or waiver of the Court Approval Condition, Mati shall pay the remaining Settlement Payment to Novelion, after crediting the Deposit against the Settlement Payment.

2. Deposit

Mati shall pay a deposit in the amount of US\$38,000 (the "**Deposit**") by wire transfer to the Liquidator, in trust, on or prior to 5:00 p.m. (Pacific time) on the business day following the date of execution of this letter agreement to be held by the Liquidator in trust in a non-interest bearing account as a deposit pending completion of the Transaction or termination of this letter agreement. If the Transaction is completed, the Deposit shall be paid to Novelion forthwith upon closing of the Transaction and applied to the Settlement Payment.

3. Court Approval Condition

The completion of this Transaction shall be conditional upon approval of this Transaction by the BC Court in the Liquidation Proceeding pursuant to an order in form and substance acceptable to Novelion, the Liquidator and Mati, each acting reasonably, which order shall not be subject to any stay or appeal and for which all appeal periods have expired (the "**Court Approval Condition**").

The Court Approval Condition is for the mutual benefit of Novelion, the Liquidator and Mati and can be waived by Novelion, the Liquidator and by Mati, each in their sole discretion, in which case the parties will proceed to complete the Transaction as if the Court Approval Condition were satisfied.

4. Sale Process and Superior Transaction

Mati acknowledges that prior to seeking the approval of the BC Court for the Transaction, Novelion will undertake a process in form and substance acceptable to the Liquidator, in its sole discretion, to solicit for not less than 30 days and not more than 60 days after the date of this letter agreement offers for Novelion's interest in the APA or in any amounts receivable by Novelion pursuant to the APA (the "**Sale Process**").

If, during the Sale Process, one or more unconditional offers is received that is determined by the Liquidator in its sole discretion to be more favourable to Novelion than the Transaction (a "**Superior Offer**"), then the Liquidator shall notify Mati of such Superior Offer or Superior Offers and the Liquidator shall conduct an auction amongst Mati and the offerors under any Superior Offers (the "**Auction**").

The procedures for the Auction shall be in the discretion of the Liquidator and shall be communicated in writing to the participants in the Auction in advance of the Auction. The procedures for the Auction shall involve the delivery of unconditional written bids to the Liquidator at a prescribed time. The Liquidator shall, in its discretion, determine the highest or otherwise best bid to accept in the Auction.

If no Superior Offer is identified through the Sale Process, Novelion will as soon as reasonably practicable thereafter file a motion with the BC Court in the Liquidation Proceedings seeking approval of the Transaction.

For greater certainty, this letter agreement shall not terminate as a result of the commencement of the Auction or the acceptance of any bid at the Auction.

5. Termination

This letter agreement shall terminate upon the earlier of:

- a) written notice from Novelion or Mati in the event of a material breach by the other party of any representation, warranty, covenant or other obligation provided for in this letter agreement, which breach is not cured (if capable of being cured) within seven (7) days after the notification of the party's intent to terminate this letter agreement;
- b) automatically if the Court Approval Condition has not been satisfied or waived on or before February 15 2021; or
- c) the date that a transaction between Novelion and a party other than Mati (an "**Accepted Alternative Transaction**") is completed following the Auction,

In the event of termination of this letter agreement, this letter agreement will forthwith become void and there will be no rights or obligations on the part of any party, except that:

- d) in the case of any termination pursuant to paragraph 5(a) above by Novelion, the Deposit shall be paid to Novelion as liquidated damages to compensate Novelion for the expenses incurred and the delay caused and opportunities foregone as a result of the failure of the Transaction to close;

- e) in the case of any termination pursuant to paragraph 5(a) above by Mati or pursuant to paragraph 5(b) above, the Deposit shall be returned to Mati; and
- f) In the case of a termination of this letter agreement pursuant to section 5(c), Novelion shall (i) return the Deposit to Mati; and (ii) pay to Mati an amount of US\$25,000 as a reimbursement of the expenses incurred by Mati in connection with the Transaction (the "**Expense Reimbursement**").

6. As Is, Where Is

The parties acknowledge that Novelion and Mati are entering into the Transaction on an "as is, where is" basis and without representations or warranties by Mati, Novelion or the Liquidator. Without limiting the foregoing, no representation or warranty is provided by or to Novelion or the Liquidator as to title, encumbrances, assignability or any other matter related to the rights or interest in the APA including the Purchase Price and, for greater certainty, no representation or warranty is provided by or to Novelion or the Liquidator regarding compliance in the past or currently with the terms of the APA. In addition, except as expressly set out in paragraph 4, no representation, warranty or covenant is provided by Novelion or the Liquidator with respect to the Sale Process, the Auction or the existence, terms or completion of any potential Accepted Alternative Transaction. Mati has relied on its own judgement, inspections and investigation in entering into and completing the Transaction.

Mati acknowledges and agrees that the Liquidator is acting in its capacity as Liquidator and will have no liability in connection with this letter agreement, the Sale Process, any Superior Transaction or the Transaction whatsoever, in its capacity as Liquidator, in its personal capacity or otherwise.

7. Further Assurances

Novelion and Mati shall do all such things in their control, take all such actions as are commercially reasonable, deliver to the other party such further information and documents and execute and deliver to the other party such further instruments and agreements as shall reasonably be requested to consummate or confirm the Transaction, or to accomplish the purpose of this letter agreement or to assure the other party the benefit of this letter agreement; provided, however, that Mati is not under any obligation whatsoever to assist Novelion with the Sale Process or an Accepted Alternative Transaction.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Please confirm your acknowledgement and agreement to the foregoing by signing where indicated below.

Yours truly,

NOVELION THERAPEUTICS INC.,

**by Alvarez & Marsal Canada Inc. in its capacity
as liquidator of Novelion Therapeutics Inc. and
not in its personal or corporate capacity and
without personal or corporate liability**

Per: 

Name: Anthony Tillman

Title: Senior Vice President

By signing below, the undersigned confirms its agreement to the terms of this Letter Agreement:

Dated this 14th day of October, 2020

MATI THERAPEUTICS INC.

Per: 

Name: Robert Butchofsky

Title: CEO

10/14/20

APPENDIX F – INTERIM R&D

In the matter of the Liquidation of Novelon Therapeutics Inc.

Interim Statement of Receipts and Disbursements

For the period January 16 to October 31, 2020

Exchange rate: USD1: CAD1.32

	Actual USD	Actual CAD	Total CAD equivalent
Receipts			
Cash at Bank	\$ 990,251.08	\$ 108,345.66	\$ 1,415,477.09
US tax refunds	245,001.37	-	323,401.81
Sales process deposit	37,985.00	-	50,140.20
Tax refund	157.76	23,259.45	23,467.69
Bank interest	909.61	118.04	1,318.73
Refund of retainer	1,330.00	-	1,755.60
Transfer from USD	-	330,295.00	-
Exchange difference	-	-	295.00
	<u>1,275,634.82</u>	<u>462,018.15</u>	<u>1,815,856.11</u>
Disbursements			
Claims Process	362,481.30	15,933.63	494,408.95
Liquidator's fees	-	260,126.95	260,126.95
Company's counsel	75,464.49	38,563.39	138,176.52
Storage	66,946.36	55,679.28	144,048.48
Listing related	99,964.09	9,536.35	141,488.95
Consultants	78,060.83	-	103,040.30
Tax	15,750.00	22,722.79	43,512.79
Employee benefits	27,495.96	-	36,294.67
Liquidator's counsel	-	20,832.84	20,832.84
Insurance	10,004.28	-	13,205.65
Payroll taxes	-	-	-
Bank charges	191.15	270.15	522.47
Regulatory fees	-	-	-
Utilities	-	-	-
Statutory filing fees	117.30	-	154.84
Transfer to CAD	250,000.00	-	-
	<u>986,475.76</u>	<u>423,665.38</u>	<u>1,395,813.38</u>
Funds available as of October 31, 2020	<u>\$ 289,159.06</u>	<u>\$ 38,352.77</u>	<u>\$ 420,042.73</u>