

IN THE MATTER OF
THE SECURITIES ACT, RSNS 1989, CHAPTER 418, AS AMENDED (**the Act**)

-and-

IN THE MATTER OF MEDMIRA INC.
(**the Respondent**)

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The parties to this Settlement Agreement (**Agreement**) are the Respondent, MedMira Inc. (**the Respondent**) and the Director of Enforcement for the Nova Scotia Securities Commission, Enforcement Branch (**the Director**).
2. The parties agree the Nova Scotia Securities Commission (**the Commission**) has jurisdiction over this matter.
3. The parties agree to recommend to the Commission approval of this Agreement in accordance with the terms and process set out herein.

PART II – PROCEDURE FOR APPROVAL OF THE AGREEMENT

4. The Director agrees to request that a Notice of Hearing be issued setting down a hearing (**Settlement Hearing**) wherein the Commission will consider whether it is in the public interest to approve this Agreement and to issue an order in the form attached as **Schedule "A"**.
5. The parties agree that this Agreement constitutes the entirety of evidence to be submitted to the Commission at the Settlement Hearing.
6. The Director agrees to recommend that the allegations acknowledged and admitted by the Respondent be resolved and disposed of in accordance with this Agreement.
7. The parties acknowledge that this Agreement will become a public document upon its approval by the Commission at the Settlement Hearing.

PART III – STATEMENT OF AGREED FACTS

8. The Director and the Respondent agree with the facts and conclusions set out in this Agreement.
9. The Respondent is a reporting issuer in Nova Scotia, Alberta, British Columbia, and Ontario. The Respondent's head office in Halifax, Nova Scotia, and Nova Scotia is the Respondent's principal regulator.
10. The Respondent has securities listed on the TSX Venture Exchange.

SO
the
Vall

11. In 2021, the Respondent distributed 2,711,496 securities to an individual resident in Manitoba (**the Purchaser**) for a price of CAD 500,000 (CAD 0.18 per security) (**the Distribution**). The securities were equity units consisting of common shares and common share purchase warrants.
12. For the Distribution, the Respondent relied upon the accredited investor exemption in s 2.3(1) of NI 45-106 *Prospectus Requirements* (NI 45-106).
13. The Respondent understood the Purchaser to be an accredited investor pursuant to s 1.1 of NI 45-106, part (l) of the definition of "accredited investor" (i.e. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000).
14. The Purchaser signed a subscription agreement that contained a limited statement of risk acknowledgement. However, the Respondent did not obtain a risk acknowledgement from the Purchaser in the required form (45-106F9) or containing the required statements about risk in respect of the Distribution.
15. The Respondent issued a news release regarding the Distribution on or about July 14, 2021, noting that MedMira had "closed a CAD\$0.5 million equity investment with a Canadian arm's length investor".
16. The Respondent did not file a report of exempt distribution (form 45-106F1) within 10 days of the Distribution taking place.
17. Commission staff noted this failure and contacted the Respondent beginning in April 2022. Though the Respondent advised it would file the required report, it was not until June 27, 2024, after several further inquiries from Commission staff, that the filing was complete.
18. By failing to file a report of exempt distribution within 10 days of the Distribution, the Respondent violated s 6.1(2) of NI 45-106.
19. By failing to obtain a risk acknowledgement from the Purchaser in the required form, the Respondent violated s 6.5(0.1) of NI 45-106.
20. The Respondent has faced penalties and sanctions for failing to comply with filing requirements in the past. The Commission issued a temporary cease trade order against the Respondent in August 2018 for the Respondent's failure to file certain auditor documentation on time. The Respondent was also sanctioned and ordered to pay an administrative penalty by the Commission in August 2010 for failing to comply with Commission decisions imposing conditions on the Respondent's ability to issue common shares in Nova Scotia without a Nova Scotia-registered underwriter.

PART IV – STATEMENT OF ALLEGATIONS ACKNOWLEDGED AND ADMITTED BY THE RESPONDENT

21. The Respondent admits the facts set forth in Part III herein and acknowledges that it violated Nova Scotia securities laws.

Handwritten signature and initials in blue ink, including the name "HALL" and other illegible marks.

22. The Respondent acknowledges and admits that it violated ss 6.1(2) and 6.5(0.1) of NI 45-106.
23. The Respondent acknowledges that its actions undermined investor confidence in the fairness and efficiency of capital markets and were contrary to the public interest.

PART V – MITIGATING FACTORS

24. The Respondent acknowledges and accepts responsibility for its conduct that is the subject matter of this Agreement.
25. The Respondent has taken steps to file the report of exempt distribution for the Distribution to bring itself into compliance with Nova Scotia securities laws.
26. The details of the Distribution were made available to the public shortly after the Distribution took place through the Respondent's July 2021 news release.

PART VI – TERMS OF SETTLEMENT

27. The terms of settlement are set forth in this Agreement and in the order contained in **Schedule "A"** to this Agreement, which is expressly incorporated herein.
28. The Respondent consents to the order contained in **Schedule "A"**.
29. The terms of settlement as set out in the order contained in **Schedule "A"** are as follows:
 - (a) Pursuant to s 134(1)(a) of the *Act*, the Respondent shall comply with Nova Scotia securities laws;
 - (b) Pursuant to section 135 of the *Act*, the Respondent shall pay an administrative penalty in the amount of \$22,500; and
 - (c) Pursuant to section 135A of the *Act*, the Respondent shall pay costs in the amount of \$2,500 in connection with the investigation and conduct of this proceeding.

PART VII – COMMITMENTS

30. If this Agreement is approved and the order as set out in **Schedule "A"** is granted, the parties agree to waive any right to a full hearing and judicial review and appeal of this matter.
31. If this Agreement is approved by the Commission, the parties will not in any way make any statement, public or otherwise, that is inconsistent with the terms of this Agreement.

Handwritten signatures and initials in blue ink, including a large 'S' and 'H/All'.

32. If this Agreement is approved by the Commission, the Respondent agrees to abide by all terms of this Agreement.
33. If, for any reason whatsoever, this Agreement is not approved, or the order set forth in **Schedule "A"** is not granted by the Commission:
- (a) The Director and the Respondent will be entitled to proceed to a hearing of the allegations that are the subject matter of this Agreement unaffected by the Agreement or the settlement negotiations;
 - (b) The negotiations, the terms of the Agreement and the Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of the Director and the Respondent or as may otherwise be required by law; and
 - (c) The Respondent agrees that it will not raise in any proceeding the Agreement or the negotiations thereof as a basis of any attack or challenge of the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other challenge that may otherwise be available.
34. The Respondent acknowledges that the Director has the discretion to withdraw from this Agreement if additional facts or issues are discovered that cause her to conclude that it would not be in the public interest to request approval of this Agreement. In the event of such withdrawal, notice will be provided to the Respondent in writing and the provisions of paragraph 33 of this Agreement will apply.

PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

35. The Director or the Respondent may refer to any or all parts of this Agreement as required by Rule 15-501 *General Rules of Practice and Procedure* and in the course of the Settlement Hearing. Otherwise, this Agreement and its terms will be treated as confidential by all parties to it until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission.

[Remaining space intentionally left blank]

Handwritten signatures and initials in blue ink, including a large 'S' and 'H' and the name 'HALL'.


PART IX – EXECUTION OF SETTLEMENT AGREEMENT

36. This Agreement may be signed in one or more counterparts that together shall constitute a binding agreement and a facsimile copy of any signature shall be as effective as an original signature.

DATED at Halifax, Nova Scotia, this 13 day of December, 2024.

SIGNED, SEALED AND DELIVERED
in the presence of:


MEDMIRA INC.



Witness Name (print)
Angela Doyle




Per: Hermes Chan
CEO




Markus Meile
CFO

DATED at Halifax, Nova Scotia, this 17 day of DECEMBER, 2024.

SIGNED, SEALED AND DELIVERED
in the presence of:



Witness Name (print)
Vanessa Allen



Stephanie Atkinson
Director of Enforcement
Nova Scotia Securities Commission
Enforcement Branch


11/21/24

SCHEDULE "A"

**IN THE MATTER OF
THE SECURITIES ACT, RSNS 1989, CHAPTER 418, AS AMENDED (Act)**

-and-

IN THE MATTER OF MEDMIRA INC. (Respondent)

ORDER

(Sections 134, 135 and 135A)

WHEREAS on _____, 2024, the Nova Scotia Securities Commission (**Commission**) issued a Notice of Hearing to the Respondent pursuant to sections 134, 135, and 135A of the *Act*;

AND WHEREAS the Respondent entered into a Settlement Agreement with the Director of Enforcement for the Commission (**Director**) whereby it agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND WHEREAS the Director and the Respondent recommend approval of the Settlement Agreement;

AND WHEREAS the Commission is of the opinion that the Respondent has contravened Nova Scotia securities laws and it is in the public interest to make this order;

AND UPON reviewing the Settlement Agreement, and upon hearing submissions of counsel for the Director and counsel for the Respondent;

IT IS HEREBY ORDERED that:

1. The Settlement Agreement dated _____, 2024, a copy of which is attached, is approved;
2. Pursuant to section 134(1)(a) of the *Act*, the Respondent shall comply with Nova Scotia securities laws;
3. Pursuant to section 135 of the *Act*, the Respondent shall pay an administrative penalty in the amount of \$22,500; and
4. Pursuant to section 135A of the *Act*, the Respondent shall pay costs in the amount of \$2,500 in connection with the investigation and conduct of this proceeding.

Handwritten signatures and initials in blue ink, including "S" and "H.C."

DATED at Halifax, Nova Scotia, this day of , 2024.

NOVA SCOTIA SECURITIES COMMISSION

(Chair)

[Handwritten signature]
[Handwritten initials]
[Handwritten initials]
[Handwritten signature]