Corporation
Biolyse Pharma
Corporation

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May 10, 2021

Dear Mr. Víctor Hugo Aguilar Frías,

This terms of reference sets forth certain nonbinding understandings and binding agreements between the Center for Supply and Provisions (CEASS) of the Plurinational State of Bolivia (the "**Buyer**"), and CORPORATION BIOLYSE PHARMACOPÉE INTERNATIONALE (the "**Seller**"), a Canadian federal corporation, having its principal place of business at 59 Welland Vale Rd., St. Catharines, ON L2S-3Y2, Canada relating to the proposed supply of COVID-19 vaccines (the "**Transaction**"). The Buyer and the Seller are sometimes referred to individually as a "**Party**" and collectively as the "**Parties**".

Upon acceptance by you, this document will evidence our mutual intention to proceed with discussions and negotiations prior to completing and signing the Definitive Agreement (as defined below) regarding the Transaction, substantially in accordance with the terms outlined in this document.

Terms of reference

CORPORATION BIOLYSE PHARMACOPÉE INTERNATIONALE and the Center for Supply and Provisions (CEASS) are executing this term sheet ("Term Sheet") on this day ..... ("Effective Date"), to record the general terms and conditions in relation to the commercialization of a Vaccine Product (as defined below) within Bolivia ("Territory").

Background:

A. CORPORATION BIOLYSE PHARMACOPÉE INTERNATIONALE, a Canadian biologics manufacturing company specializing in the manufacturing, marketing, distribution and research of anti-cancer drugs, is a fully certified cGMP/GLP facility with some of the largest bioreactors in Canada. The Seller has procured all necessary equipment to manufacture certain COVID-19 vaccine candidates (a "**Product**"), hereinafter the "Seller".

B. The Seller is currently in the process of obtaining either a voluntary license or a compulsory license for the manufacture and export of the Product under the Canadian Access to Medicines Regime and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) of the World Trade Organization (WTO).

C. In addition to seeking a license for the manufacture of the Product, the Seller is prepared to obtain, whether independently or in collaboration with the applicable vaccine developer, all the necessary Health Canada regulatory requirements and approvals to manufacture the Product for export. The Seller is also prepared to assist in obtaining all the necessary regulatory authorizations in collaboration with the applicable vaccine developer and agents in importing countries.

D. Upon the obtaining of the voluntary or compulsory license, as well as all required regulatory approvals in Canada and the importing country(ies), the Seller estimates to be able to produce up to approximately 200,000 doses of the Product per week.

E. The Center for Supply and Provisions (CEASS) is interested in importing the Product from the Seller if the Seller is able to manufacture and export the Product under a compulsory license or a voluntary license (hereinafter the "Buyer").

F. To fulfil the requirements of the TRIPS Agreement, the Buyer wishes to file a notification to the TRIPS Council (the "**Notification**") about their interest in working together with the Seller in obtaining the compulsory license for the Seller to manufacture and export to the Buyer the Product to strengthen Bolivia's efforts in fighting the COVID-19 pandemic.

1. Term sheet subject to Definitive Agreement. This document is for discussion purposes only, and is not intended to constitute a legally binding or enforceable agreement or commitment on either Party, except for Section 5 which shall be binding on the parties in accordance with its terms.

2. No Obligation to Enter into the Definitive Agreement. The Parties acknowledge that the filing of the Notification is one of the several steps necessary for obtaining a compulsory license to manufacture and export the Product. The filing of the Notification will not be a binding obligation on the Buyer to buy any Product from the Seller.

3. No Guarantee from the Seller. The Parties further acknowledge that Seller's ability to manufacture and export the Product to the Buyer is dependent on a number of factors and circumstances outside of the Seller's control, including the grant of the voluntary or compulsory license, granting of all required regulatory approvals by the Government of Canada, procurement of vaccine ingredients and supplies, etc. At the time of signing of this document, the Seller is not providing warranties or guarantees that it will be able to manufacture and export any quantities of the Product, if at all.

4. Nonbinding Understandings. This Section 4 sets forth the nonbinding understandings of the Parties with respect to the Transaction. It is the present intention of the Parties that Buyer would purchase and Seller would sell a certain number of doses of the Product on the terms and conditions substantially similar to those set forth in this Section 4. These terms are based upon information currently available. They do not reflect all of the material terms of the Transaction but provide a basis for negotiating the Definitive Agreement (as defined below).

(a) Definitive Agreement. The Parties intend to negotiate a formal written agreement that would govern the Transaction ("**Definitive Agreement**"). Binding obligations with respect to the Transaction shall only arise upon the execution of the Definitive Agreement by both Parties.

(b) Quantity. The proposed quantity of Product supplied under the Definitive Agreement would be up to fifteen (15) million doses, at the option of the Buyer.

(c) Price. The proposed price for the Product would be in the range between Three United States Dollars (US$3.00) to Four United States Dollars (USD$4.00) per dose, not including the cost of shipping, insurance, customs fees and taxes. The price of the Product is subject to, and does not include, any amounts payable (if any) to the holder of the intellectual property rights in the Product manufactured under a voluntary or compulsory license.

(d) Approval by Health Canada. The Seller will use its commercially reasonable efforts to obtain, upon the grant of the license to manufacture and export the Product, all required authorizations from Health Canada.

(e) Delivery Timing Estimate. The estimated timeframe for the delivery of the first shipment of the Product (which may be less than the total quantity under the Definitive Agreement) would be in the range of four (4) to six (6) months after the grant of the license and all required Government of Canada approvals, barring any unforeseen circumstances or events of force-majeure.

(f) Packaging. The Seller will deliver the Product in the agreed upon packaging in English and Spanish languages.

(g) Product Monograph. The Seller will provide a Product Monograph describing the properties, claims, indications and conditions of use of the Product compliant with the requirements of the Canadian and Bolivian drug regulations.

(h) Customary Provisions. The Definitive Agreement would contain such covenants, conditions, indemnities, representations, and warranties as are customary for this type of transaction and as the Parties would mutually agree.

5. Binding Agreements. This Section 5 shall constitute a legally binding and enforceable agreement between the Parties. In consideration of the significant expenses that the Parties will incur in pursuing the Transaction and drafting and negotiating the Definitive Agreement, the Parties agree as follows:

(a) Good Faith Negotiations. The Parties shall negotiate in good faith and use their reasonable efforts to bring about the execution and delivery of the Definitive Agreement at the earliest practicable time.

(b) First Shipment Commitment. The Buyer shall have an exclusive right to purchase the first shipment of the Product in the amount of up to 200,000 doses, should the Definitive Agreement be concluded and all required licenses and authorizations obtained by the Seller.

(c) Costs and Expenses. Each Party shall be responsible for all of its costs and expenses associated with pursuing the Transaction, including without limitation (i) the performance of its obligations under this document, and (ii) and drafting and negotiating the Definitive Agreement.

(d) Term and Termination. The rights and obligations of the Parties contained in this term sheet shall expire upon the execution of the Definitive Agreement. Either Party may terminate

this document after May 5th, 2025 from the date of this document without any obligation or liability to the other party, provided however that Section 5(d), Section 5(f), and Section 5(g), shall survive such termination.

(e) Governing Law and Dispute Resolution. This document shall be governed by and construed in accordance with the laws of Bolivia applicable therein without giving effect to any choice or conflict of law provision or rule (whether of the City of La Paz or any other jurisdiction). Any controversy, dispute, disagreement, or claim arising out of, relating to or in connection with this document shall be finally and conclusively resolved by international commercial arbitration in La Paz - Bolivia.

(f) No Third-Party Beneficiaries. Nothing herein is intended or shall be construed to confer upon any person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this document.

(g) No Assignment. Neither this document, nor any rights or obligations hereunder may be assigned, delegated, or conveyed by either Party without the prior written consent of the other Party.

(h) Counterparts. This document may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

If you are in agreement with the foregoing, please sign a copy of this document where indicated and return one (1) copy to the undersigned.

Seller:

CORPORATION BIOLYSE
PHARMACOPÉE INTERNATIONALE

By_____

Name: Brigitte Kiecken

Title: President

I/we, the undersigned, hereby agree with the forgoing terms and conditions.

Buyer:

Ministry of Health and Sports, the Plurinational State of Bolivia, represented by the Executive Director-General of the Center for Supply and Provisions (CEASS)

By_____

Name: Víctor Hugo Aguilar Frías

Title: Executive Director-General of the Center for Supply and Provisions (CEASS)