



Liminal
BioSciences



**Notice of Annual and Special Meeting of Shareholders
and Management Information Circular
April 19, 2021**

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NOTICE OF 2021 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND NOTICE OF AVAILABILITY OF MEETING MATERIALS

1 Notice of Meeting

NOTICE IS HEREBY GIVEN THAT the Annual and Special Meeting of shareholders (the "**Meeting**") of **Liminal BioSciences Inc.** (the "**Company**" or "**Liminal BioSciences**") will be conducted solely via a live webcast meeting on Friday, June 4, 2021 at 10:00 a.m. (Eastern time) at <https://web.lumiagm.com/404587207>. The Meeting is held for the following purposes:




- 1 to receive the consolidated financial statements of the Company for the financial year ended December 31, 2020 and the auditor's report thereon (for details, see subsection "Financial Statements and Auditor's Report" under the "Business of the Meeting" section of the management information circular of the Company dated April 19, 2021 (the "**Management Information Circular**"));
- 2 to elect the directors for the ensuing year (for details, see subsection "Election of Directors" under the "Business of the Meeting" section of the Management Information Circular);
- 3 to appoint the auditors for the ensuing year and to authorize the directors to fix their remuneration (for details, see subsection "Appointment of Auditors" under the "Business of the Meeting" section of the Management Information Circular);
- 4 to consider, and if deemed advisable, pass a special resolution (the "**Special Resolution**"), the full text of which is reproduced in **Schedule "E"** to the Management Information Circular, amending the articles of incorporation of the Company changing the place in Canada where the registered office is situated, from the province of Québec to Ontario, effective as at the discretion of the Board (for details, see subsection "Amendment to Articles of Incorporation" under the "Business of the Meeting" section of the Management Information Circular); and
- 5 to transact such other business as may properly be brought before the Meeting or any reconvened meeting following its adjournment or postponement.

Shareholders are reminded to review the Management Information Circular carefully before voting because it has been prepared to help you make an informed decision.

1.1 Notice-and-Access

This year, as permitted by Canadian securities regulators, you are receiving this notification as the Company has decided to use the "notice-and-access" mechanism for delivery to the shareholders of this notice of annual and special meeting of shareholders, the Management Information Circular and other proxy-related materials (the "**Meeting Materials**") as well as the annual audited consolidated financial statements of the Company for the financial year ending December 31, 2020, together with the independent auditor's report thereon and related management's discussion and analysis (together, the "**Financial Statements**"). Notice-and-access is a set of rules that allows issuers to post electronic versions of proxy-related materials online, via SEDAR and one other website, rather than mailing paper copies of such materials to shareholders. Under notice-and-access, shareholders still receive a proxy form or voting instruction form enabling them to vote at the Company's Meeting. However, instead of a paper copy of the Meeting Materials and the Financial Statements, shareholders receive a notice which contains information on how they may access the Meeting Materials and the Financial Statements online and how to request a paper copy. The use of notice-and-access will directly benefit the Company by substantially reducing its printing and mailing costs, is more environmentally friendly as it reduces paper use and provides more timely access to materials by shareholders.

1.2 How to access the Meeting Materials and the Financial Statements

Our Website	On SEDAR	On EDGAR
		
www.liminalbiosciences.com	Sedar.com	Sec.gov
under "Investors & Media"/ "Investor Briefcase"	under the Company's profile	under the Company's profile

1.3 How to request a paper copy of the Meeting Materials and of the Financial Statements

1.3.1 Before the Meeting

If your name appears on a share certificate, you are considered as a "registered shareholder." You may request paper copies of the Meeting Materials and the Financial Statements at no cost to you by calling Computershare Investor Services Inc. ("**Computershare**") toll-free, within North America - **1-866-962-0498** or direct, from outside of North America - **514-982-8716** and entering your control number as indicated on your form of proxy.

If your shares are listed in an account statement provided to you by an intermediary, you are considered as a "non-registered shareholder." You may request paper copies of the Meeting Materials and the Financial Statements from Broadridge at no cost to you up to one year from the date the Management Information Circular or the date of the Financial Statements was filed on SEDAR through the Internet by going to www.proxyvote.com or by telephone at **1-877-907-7643** and entering the 16-digit control number located on the voting instruction form or notification letter and following the instructions provided.

Please note that you will not receive another form of proxy or voting instruction form; please retain your current one to vote your shares.

In any case, requests should be received at least five (5) business days prior to the proxy deposit date, the time which is set for June 2, 2021 at 5:00 p.m. (Eastern time) in order to receive the Meeting Materials and the Financial Statements in advance of such date and the Meeting date. To ensure receipt of the paper copy in advance of the voting deadline and Meeting date, we estimate that your request must be received no later than 5:00 p.m. (Eastern time) on May 26, 2021.

1.3.2 After the Meeting

By telephone at **1-888-959-4007** or online at <https://liminalbiosciences.com/contact/>. A copy of the Meeting Materials and the Financial Statements will be sent to you within ten (10) calendar days of receiving your request.

1.4 Participating at the Meeting

The health and safety of our communities, shareholders and employees is our priority. In light of ongoing developments regarding the coronavirus (COVID-19) pandemic, the Company is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast, where all shareholders regardless of geographic location and equity ownership will have an equal opportunity to participate at the Meeting and engage with directors of the Company and management as well as other shareholders. Shareholders will not be able to attend the Meeting in person. Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/404587207> (meeting ID: 404-587-207). Non-registered shareholders (being shareholders who hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have

not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting.

A shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. **If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and participate at the Meeting as your proxy and vote your shares, including if you are a non-registered shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder.** Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting. To register a proxyholder, shareholders MUST visit <http://www.computershare.com/Liminal> and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a Username via email.

1.5 Record Date

The record date for determination of shareholders entitled to receive notice of and to vote at the Meeting is April 23, 2021.

The deadline for receiving duly completed forms of proxy or voting instruction forms or a vote using the mail, the telephone or over the Internet is 2:00 p.m. (Eastern time) on June 2, 2021.

1.6 Questions

1.6.1 Registered shareholder

If you are a registered shareholder and have any questions regarding this notice, the notice-and-access mechanism or the Meeting, please call Computershare at 1-800-564-6253 (toll free in Canada and the United States) between 8:30 a.m. and 8:00 p.m. Eastern time or 514-982-7555 (international direct dial) or by email at **service@computershare.com**.

1.6.2 Non-registered shareholder

If you are a non-registered shareholder and have any questions regarding this notice or the Meeting, please call your intermediary. If you have any questions regarding the notice-and-access mechanism, please contact Broadridge Investor Communication Solutions at **1-855-887-2244**, or by email at **noticeandaccess@broadridge.com**.

By order of the Board of Directors,

(s) *Marie Iskra*

Marie Iskra
General Counsel
Laval, Québec, this 19th day of April, 2021

Management Information Circular

This Management Information Circular (the "**Circular**") is provided in connection with the solicitation of proxies by or on behalf of the management of Liminal BioSciences Inc. (the "**Company**," "**Liminal BioSciences**," "**we**" or "**us**") to all shareholders of the Company, for use at the Annual and Special Meeting of shareholders of the Company (the "**Meeting**") to be held on Monday, June 8, 2020 at the time and place and for the purposes set forth in the notice of meeting (the "**Notice of Meeting**") and at any adjournment or postponement thereof. The Meeting will be conducted online only, via a live webcast. Shareholders will not be able to attend the Meeting in person. The information contained herein is given as at April 19, 2021, except as indicated otherwise. The solicitation will be made by mail but proxies may also be solicited personally or by telephone, by directors, officers or employees of the Company. The costs of this solicitation of proxies will be borne by the Company.

In this Management Information Circular, unless otherwise specified or the context otherwise indicates, all amounts are expressed in Canadian dollars; reference to the singular shall include the plural and vice versa; the masculine shall include the feminine and vice versa.

Important Information about the Meeting

The Meeting will be held as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Meeting online is provided below.

1 Notice-and-Access

This year, as permitted by Canadian securities regulators, the Company has decided to use the "notice-and-access" mechanism for delivery to its shareholders of the Notice of Meeting, the Circular and other proxy-related materials (the "**Meeting Materials**") as well as the annual audited consolidated financial statements of the Company for the financial year ending December 31, 2020 ("**Financial Year 2020**"), together with the independent auditor's report thereon and related management's discussion and analysis (together, the "**Financial Statements**"). Notice-and-access is a set of rules that allows issuers to post electronic versions of proxy-related materials online, via SEDAR and one other website, rather than mailing paper copies of such materials to shareholders. Under notice-and-access, shareholders still receive a proxy form or voting instruction form enabling them to vote at the Company's Meeting. However, instead of a paper copy of the Meeting Materials and the Financial Statements, shareholders receive a notice which contains information on how they may access the Meeting Materials and the Financial Statements online and how to request a paper copy. The use of notice-and-access will directly benefit the Company by substantially reducing its printing and mailing costs, is more environmentally friendly as it reduces paper use and provides more timely access to materials by shareholders.

1.1 How to access the Meeting Materials and the Financial Statements

Our Website



www.liminalbiosciences.com

under "Investors & Media"/
"Investor Briefcase"

On SEDAR



Sedar.com

under the Company's profile

On EDGAR



Sec.gov

under the Company's profile

2 Registered Shareholders and Non-Registered Shareholders

Registered holders of common shares of the Company ("**Common Shares**") (referred to in this Circular as "registered shareholders") hold Common Shares registered in their names and such Common Shares are generally evidenced by a share certificate or direct registration statement.

However, most holders of Common Shares (referred to in this Circular as "**Non-Registered Shareholders**"), beneficially own their Common Shares through a depository or nominee such as a trustee, financial institution or securities broker (referred to in this Circular as "**intermediaries**"). If your Common Shares appear on an account statement provided by your bank, broker or financial advisor, you are, in all likelihood, a Non-Registered Shareholder. Non-Registered Shareholders should carefully follow the instructions of their intermediaries to ensure that their Common Shares are voted at the Meeting in accordance with such shareholder's instructions.

3 Voting

3.1 *Voting by Proxy before the Meeting*

You may vote before the Meeting by completing your form of proxy or voting instruction form in accordance with the instructions provided therein. Non-Registered Shareholders should also carefully follow all instructions provided by their intermediaries to ensure that their Common Shares are voted at the Meeting.

The persons named in the form of proxy and voting instruction form, namely Bruce Pritchard and Alek Krstajic, are the Chief Executive Officer and the Chair of the board of directors of the Company, respectively. **As further described herein, you may choose another person to act as your proxyholder, including someone who is not a shareholder of the Company, by inserting such person's name in the blank space provided in the form of proxy or voting instruction form. See "Appointment of a Third Party as Proxy."**

On the form of proxy, you may indicate either how you want your proxyholder to vote your Common Shares, or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Common Shares to be voted on a particular matter, then your proxyholder must vote your Common Shares accordingly. If you have not specified on the form of proxy how you want your Shares to be voted on a particular matter, then your proxyholder can vote your Common Shares as he or she sees fit.

3.2 *Voting at the Meeting*

Registered shareholders may vote at the Meeting by completing a ballot online during the Meeting, as further described below. See "Attending and Participating at the Meeting."

Non-Registered Shareholders who have not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting. This is because the Company and its transfer agent do not have a record of the Non-Registered Shareholders of the Company, and, as a result, will have no knowledge of your shareholdings or entitlement to vote, unless you appoint yourself as proxyholder. **If you are a Non-Registered Shareholder and wish to vote at the Meeting, you have to appoint yourself as proxyholder, by inserting your own name in the space provided on the voting instruction form sent to you and must follow all of the applicable instructions provided by your intermediary.** See "Appointment of a Third Party as Proxy" and "Attending and Participating at the Meeting."

4 Appointment of a Third Party as Proxy

The following applies to shareholders who wish to appoint a person (a "**third party proxyholder**") other than the management nominees set forth in the form of proxy or voting instruction form as

proxyholder, including Non-Registered Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Shareholders who wish to appoint a third party proxyholder to attend, participate or vote at the Meeting as their proxy and vote their Common Shares MUST submit their proxy or voting instruction form (as applicable) appointing such third party proxyholder AND register the third party proxyholder, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Username to attend, participate or vote at the Meeting.

- **Step 1: Submit your proxy or voting instruction form:** To appoint a third party proxyholder, insert such person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you are a Non-Registered Shareholder located in the United States, you must also provide Computershare with a duly completed legal proxy if you wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder. See below under this section for additional details.
- **Step 2: Register your proxyholder:** To register a proxyholder, shareholders **MUST** visit <http://www.computershare.com/Liminal> by 2:00 p.m. (Eastern time) on June 2, 2021 and provide Computershare with the required proxyholder contact information, so that Computershare may provide the proxyholder with a Username via email. **Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting.**

If you are a Non-Registered Shareholder and wish to attend, participate or vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described above. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions below under the heading "Attending and Participating at the Meeting."

If you are a Non-Registered Shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described above and below under "Attending and Participating at the Meeting", you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from Non-Registered Shareholders located in the United States that wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail or by courier to: <http://www.computershare.com/Liminal> (if by e-mail), or Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (if by courier), and in both cases, must be labeled as "legal proxy" and received by no later than 2:00 p.m. (Eastern time) on June 2, 2021.

5 Attending and Participating at the Meeting

The Company is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), shareholders must have a valid Username.

Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/404587207> (meeting ID: 404-587-207). Recommended internet browsers are *Google Chrome, Firefox, Internet Explorer 11, Microsoft Edge* and Liminal BioSciences

Safari. Such persons may then join the Meeting by entering a Username and Password before the start of the Meeting:

- **Registered shareholders:** The control number located on the form of proxy or in the email notification you received is the Username. The Password to the Meeting is "**liminal2021**" (case sensitive).

If, as a registered shareholder, you are using your control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies for the Meeting and will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do not wish to revoke a previously submitted proxy, as the case may be, you will not be able to participate at the Meeting online.

- **Duly appointed proxyholders:** Computershare will provide the proxyholder with a Username by e-mail after the voting deadline has passed. The Password to the Meeting is "**liminal2021**" (case sensitive).

Only registered shareholders and duly appointed proxyholders will be entitled to attend, participate and vote at the Meeting. Non-Registered Shareholders who have not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting.

Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting (including Non-Registered Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting) **MUST submit their duly completed proxy or voting instruction form AND register the proxyholder**. See "Appointment of a Third Party as Proxy."

If you are a non-registered shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, **you MUST also submit your legal proxy to Computershare**. See "Appointment of a Third Party as Proxy."

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

6 Depositing Proxies

Your proxy can be submitted to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at www.investorvote.com. The proxy must be deposited with Computershare by no later than 2:00 p.m. (Eastern time) on June 2, 2021, or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed Meeting.

If you have received a voting instruction form, you should carefully follow the instructions set out therein to ensure that your Common Shares are voted at the Meeting in accordance with your instructions. If you are a Non-Registered Shareholder, you should also carefully follow the instructions provided by your intermediary to ensure that your Common Shares are voted at the Meeting in accordance with your instructions.

7 Revocation of Proxies

If you are a registered shareholder, you may revoke your proxy at any time before it is acted upon in any manner permitted by law, including by stating clearly, in writing, that you wish to revoke your proxy and by delivering this written statement to Computershare, no later than the last business day before the day of the Meeting. If as a registered shareholder you are using your control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted

proxies and will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do not wish to revoke a previously submitted proxy, as the case may be, you will not be able to participate at the Meeting online.

If you are a Non-Registered Shareholder and wish to revoke previously provided voting instructions, you should follow carefully the instructions provided by your intermediary.

Unless otherwise indicated in this Circular, the form of proxy and the Notice of Meeting attached hereto, shareholders shall mean registered holders.

8 Exercise of Discretion by Proxy Holders

The Common Shares in respect of which the persons are named in the enclosed form of proxy will be voted or withheld from voting, on any ballot that may be called for, in accordance with the instructions received and, where a choice is specified, will be voted accordingly. **In the absence of such instructions, such Common Shares will be voted "FOR" of the matters set forth in the Notice of Meeting.**

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and other matters, which may properly be brought before the Meeting. At the date of this Circular, management is not aware of any such amendment or other matter to be presented for action at the Meeting. **If such amendments, variations or other business are properly presented for action at the Meeting or at any adjournment or postponement thereof, the persons designated in the enclosed form of proxy will vote thereon in accordance with their judgment, pursuant to the discretionary authority conferred by the proxy with respect to such amendment or matters.**

9 Voting Rights, Voting Shares and Principal Holders Thereof

9.1 *Voting Rights and Voting Shares*

At the date of this Circular, 29,943,839 Common Shares were issued and outstanding, each carrying the right to one vote per Common Share. Except as hereinafter provided, at the Meeting, each holder of Common Shares shall be entitled to one vote for each such share registered in the holder's name on April 23, 2021 (the "**record date**").

The voting rights attached to the issued and outstanding Common Shares represent 100% of the aggregate voting rights attached to the Company's issued and outstanding securities.

Except for the Special Resolution (as defined below) required to approve the amendment to the articles of incorporation, the affirmative vote of a majority of the votes cast by the shareholders present in person or by proxy at the Meeting is required for the approval of all matters to be presented to shareholders at the Meeting.

9.2 *Principal Holders of Securities*

At the date of this Circular, to the knowledge of the Company's directors and officers, no person other than the person listed below beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than ten percent (10%) of the voting rights attached to the voting securities of the Company.

Name	Class of Securities	Number of Voting Securities	% of Common Shares Issued and Outstanding
Structured Alpha LP	Common Shares	19,876,129	66.38%

Business of the meeting

1 Financial Statements and Auditor's Report

The consolidated financial statements of the Company for the financial year ended on December 31, 2020 and the auditor's report thereon will be presented at the Meeting, but no vote thereon is required or expected. These consolidated financial statements were sent to registered shareholders who informed the Company in writing that a copy of the consolidated financial statements was desired and to the Non-Registered Shareholders who requested a copy of such financial statements. The Company's management discussion and analysis and the consolidated financial statements are available on SEDAR (www.sedar.com) as well as on the Company's website (www.liminalbiosciences.com).

2 Election of Directors

The restated articles of incorporation of the Company provide that the board of directors of the Company (the "**Board**") shall be made up of a minimum of three and a maximum of fifteen directors.

Six directors will be proposed for election at the Meeting to hold office until the next annual meeting of shareholders or until their successors are elected or appointed.

All of the nominees listed herein are current directors of the Company. See Section "Nominees for Election to the Board" for additional information on each of the nominee directors.

2.1 *Majority Voting Policy*

The Company has a Majority Voting Policy that applies to uncontested elections whereby any nominee for election as a director at the annual meeting of shareholders, for whom the number of votes withheld exceeds the number of votes cast in his or her favor (50 % + 1 vote), will be deemed not to have received the support of shareholders, even if he or she is elected. A director elected in such circumstances must immediately tender his or her resignation as director of the Company. Each nominee for election as a director signs a conditional letter of resignation, which automatically becomes effective following an uncontested election where said nominee receives a number of votes withheld which exceeds the number of votes cast in his or her favor (50 % + 1 vote). The Board shall accept the resignation absent the exceptional circumstances expressly described in the Majority Voting Policy regarding quorum of directors for a Board meeting. In the exceptional circumstances where the Board does not accept the resignation of the director, the director(s) who tendered their resignations will not be permitted to (i) participate in any discussions, deliberations or actions by the Board with respect to his/her own resignation and (ii) participate to any Board and/or committee meetings, unless his/her presence is required to attain quorum; and such director will not be nominated for election the following year. The Board will issue a press release announcing the resignation of the director or explaining the reasons justifying its decision not to accept the resignation.

Unless instructed to withhold the vote in the accompanying form of proxy, it is the intention of the persons named therein to vote the Common Shares represented thereby "FOR" the election of each of the nominees listed in the Section "Nominees for Election to the Board." Management is not aware that any of such nominees would be unwilling or unable to serve as director if elected. If any nominee becomes unable to serve as a director for any reason prior to the Meeting, and if a shareholder authorizes the persons proposed as proxies in the accompanying form of proxy to act as proxy holder at the Meeting, such persons reserve the discretionary right to vote for other management nominees, unless directed to withhold from voting.

By filling in the accompanying form of proxy, shareholders may vote for all directors or choose to withhold their vote from some or all of the directors proposed for election.

3 Appointment of Auditors

The Board recommends that PricewaterhouseCoopers LLP be appointed as auditors of the Company to hold office until the next annual meeting of shareholders or until their successors are appointed and to vote to authorize the Board to fix the auditors' remuneration. PricewaterhouseCoopers LLP was first appointed as the Company's auditor at the annual and special meeting of Liminal BioSciences held on June 19, 2019.

Unless instructed to vote against in the accompanying form of proxy, it is the intention of the persons named therein to vote the Common Shares represented thereby "FOR" the reappointment of PricewaterhouseCoopers LLP, as auditors of the Company, to hold office until the next annual meeting of shareholders and to vote to authorize the Board to fix the auditors' remuneration.

4 Amendment to Articles of Incorporation

In addition to the ordinary business to be conducted at the Meeting, approval of the Company's shareholders is being sought to consider, and if deemed advisable, pass the special resolution (the full text of which is attached to this Management Information Circular as **Schedule "E"** (the "**Special Resolution**")) amending the articles of incorporation of the Company to change the province in which its registered office is situated, from the province of Québec to the province of Ontario, effective at the discretion of the Board.

To be effective, the Canada Business Corporations Act ("**CBCA**") requires that the Special Resolution be approved by a special resolution of the shareholders, being a majority of not less than two-thirds (2/3) of the votes cast by shareholders present in person or by proxy at the Meeting.

Management is of the opinion that the proposed amendment of the articles of incorporation of the Company would be beneficial to the Company. The Board unanimously recommends that the Company's shareholders vote "FOR" the Special Resolution (the full text of which is reproduced in Schedule "E" hereto). Unless instructed to vote against in the accompanying form of proxy, it is the intention of the persons named therein to vote the Common Shares represented thereby "FOR" the Special Resolution.

The text of the Special Resolution authorizes the Board, at its sole discretion, to revoke the Special Resolution at any time before it is acted upon without having to obtain any further approval from shareholders.

If the Special Resolution does not receive the requisite shareholder approval, the registered office of the Company will continue to be located in the Province of Québec.

5 Other Matters

Management is not aware of any matters to be brought before the Meeting other than those set forth in the Notice accompanying this Circular.

Nominees for Election to the Board

1 Biographies

The following tables set forth the name and place of residence of each nominee for election as a director of the Company, as well as each individual's position within the Company (where applicable), their period of service as director, their age, information relating to committee membership, independence, meeting attendance, principal occupation within the five preceding years and the number of securities of the Company beneficially owned or controlled, directly or indirectly, by each such individual. The compensation information provided is presented in U.S. Dollars. The information related to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, has been provided by the respective nominee, as at April 19, 2021. Numbers of Common Shares indicated below are indicated in a post-conversion basis.



Alek Krstajic

Chair of the Board
 Ontario, Canada
 Age: 57
 Independent
 Director since September 1, 2020

Mr. Krstajic is the former Chief Executive Officer of Wind Mobile, which was sold to Shaw Communications in 2016 for \$1.6 Billion. Previously he was the founder and Chief Executive Officer of Public Mobile, which was purchased by Telus in 2013. Mr. Krstajic has also served as the President of Bell Mobility and a Senior Vice President of Rogers Communications. In the process, Mr. Krstajic and his team fundamentally changed the wireless market in Canada from a three-player market with high prices to a sustainable four player market, providing Canadians with an alternative and competitive pricing and a potential path to better value. As well as being an operator, Mr. Krstajic has shown a level of expertise managing regulatory processes to positive outcomes. Mr. Krstajic sits on a number of boards, and has received numerous awards and recognitions, including Canada's Top 40 under 40 and a Queen Elizabeth II Diamond Jubilee Medal for his service to Canada. We believe that Mr. Krstajic's extensive business and commercial experience qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results⁽¹⁾

	%	#
For	-	-
Withheld	-	-

Value of Total Compensation Received as Director

Financial Year 2019	-
Financial Year 2020	\$252,780

Equity Ownership

Common Shares	0
Stock Options	20,000

Board/Committee Membership	Position Held	Meeting Attendance	
Board	Chair ⁽¹⁾	3/3 ⁽¹⁾	100%
HR & corporate governance committee	Member	1/1 ⁽²⁾	100%

Other Public Directorships in the Past 5 Years

None

(1) Mr. Krstajic has served as the Chair of the Board since September 1, 2020, and accordingly, was not up for election at the 2020 AGM.

(2) Mr. Krstajic has served as a member of the HR & Corporate Governance Committee since September 17, 2020.



Simon Best

Lead Independent Director
Edinburgh, United Kingdom
Age: 64
Independent
Director since May 2014

Prof. Best has served as a member of our board of directors since May 2014. Prof. Best also served as our interim President and Chief Executive Office from December 2018 to April 2019. Prof. Best has experience as the founder and/or Chief Executive Officer of four biotechnology companies between 1992 and 2012, and as a Chairman or board member of major industry bodies including the UK BioIndustry Association (BIA) and the US Biotechnology Industry Organization (BIO). Since 2012, he has played a pivotal role in building pioneering Digital Healthcare companies – in Pathology with PathXL which was acquired by Philips Healthcare in May 2016 – subsequently with BrainWaveBank, which develops EEG tools and analytics for at-home use to validate digital biomarkers, stratify patients for clinical trials and monitor them to facilitate the development of novel drugs for neuro-degenerative disorders. He also served as a director of EvoFem Inc. from November 2015 to December 2017. He was previously an Entrepreneur-In-Residence and Venture Partner with TVM Capital in Munich and Dubai from 2007-2010 and co-founded Par Equity LLP in Edinburgh in 2007 of which he remains a Non-Executive Partner. Prof. Best holds an M.B.A. from the London Business School and an Honorary Doctorate and B.Mus from York University. In 2007, he was elected a Fellow of the Royal Society of Edinburgh. In 2008, he was awarded an OBE by Queen Elizabeth II and appointed a Visiting Professor of Medicine by the University of Edinburgh. We believe that Prof. Best's extensive experience in the life science and investment industries qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results

	%	#
For	99.45	20,157,874
Withheld	0.55	111,429

Value of Total Compensation Received as Director

Financial Year 2019	\$233,105
Financial Year 2020	\$216,476

Equity Ownership

Common Shares	7,769
Stock Options	27,781

Board/Committee Membership	Position Held	Meeting Attendance	
Board	LID ⁽¹⁾	6/6	100%
Audit, Risk and Finance Committee	Member	4/4	100%
HR and Corporate Governance Committee ⁽²⁾	Chair	4/4	100%

Other Public Directorships in the Past 5 Years

None

(1) Prof. Best has served as our Lead Independent Director ("**LID**") since April 23, 2019.



Gary Bridger

Director
 Washington, United States
 Age: 58
 Non-Independent
 Director since May 2019

Dr. Bridger has served as a member of our board of directors since May 2019. Dr. Bridger has also served as a member of the board of directors of X4 Pharmaceuticals, Inc. since October 2018. From February 2015 to December 2017, Dr. Bridger served as a consultant to Xenon Pharmaceuticals Inc., a biopharmaceutical company, where he previously served as the Executive Vice President of Research and Development from January 2013 to February 2015. From October 2013 to October 2015, Dr. Bridger served as a Managing Director at Five Corners Capital Inc. From June 2010 to June 2012, Dr. Bridger served as a venture partner at Venture West Capital Management, a venture capital firm. From November 2006 to December 2007, Dr. Bridger served as Senior Vice President of Research and Development of Genzyme Corporation, a biotechnology company, which was acquired by Sanofi, S.A. In June 1996, Dr. Bridger co-founded AnorMED Inc., a biopharmaceutical company, and was its Vice President of Research and Development and Chief Scientific Officer from 2000 until its acquisition by Genzyme in November 2006. Dr. Bridger has served on the board of directors of Aquinox Pharmaceuticals, Inc. from 2013 until August 2019. Dr. Bridger holds a Ph.D. in Organic Chemistry from the University of Manchester Institute of Science and Technology. We believe that Dr. Bridger's experience as a director and executive officer at numerous biopharmaceutical companies qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results

	%	#
For	99.74	20,217,198
Withheld	0.26	52,105

Value of Total Compensation Received as Director

Financial Year 2019	\$200,624
Financial Year 2020	\$160,760

Equity Ownership

Common Shares	0
Stock Options	25,846

Board/Committee Membership	Position Held	Meeting Attendance	
Board	Member	6/6	100%
HR and Corporate Governance Committee	Member	2/2 ⁽¹⁾	100%
Science and Technology Committee	Chair	2/2	100%

Other Public Directorships in the Past 5 Years

Date	Company	Jurisdiction	Stock Exchange
2013-2019	Aquinox Pharmaceuticals, Inc.	British Columbia	NASDAQ
2018-present	X4 Pharmaceuticals, Inc.	Massachusetts, USA	NASDAQ

(1) Dr. Bridger served as a member of the HR & Corporate Governance Committee until June 5, 2020.



Neil A. Klompas

Director
 British Columbia, Canada
 Age: 49
 Independent
 Director since May 2019

Mr. Klompas has served as a member of our board of directors since May 2019. Mr. Klompas joined Zymeworks Inc. in March 2007 where he currently serves as Chief Financial Officer. Prior to joining Zymeworks, he worked with KPMG LLP in Canada and the United States, and from 2005 to 2007, with KPMG's Pharmaceuticals, Biotechnology and Medical Device M&A Transaction Services practice in Princeton, New Jersey. Prior to that, from 2000 to 2005 Mr. Klompas worked with KPMG's Canadian Biotechnology and Pharmaceuticals practice. Mr. Klompas is a Chartered Professional Accountant and is a member of Chartered Professional Accountants of British Columbia. Mr. Klompas also holds a degree in Microbiology & Immunology from the University of British Columbia. He serves on the faculty advisory board for Biotechnology and Chemistry for Camosun College and as a member of the board of directors of Ovensa Inc., a private biotechnology company. We believe that Mr. Klompas' experience as a financial executive in the biopharmaceutical industry qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results

	%	#
For	99.75	20,217,670
Withheld	0.25	51,633

Value of Total Compensation Received as Director

Financial Year 2019	\$205,137
Financial Year 2020	\$167,845

Equity Ownership

Common Shares	0
Stock Options	25,846

Board/Committee Membership	Position Held	Meeting Attendance	
Board	Member	5/6	83%
Audit, Risk and Finance Committee	Chair	4/4	100%

Other Public Directorships in the Past 5 Years

None



Eugene Siklos

Director
 Ontario, Canada
 Age: 57
 Non-independent
 Director since September 1st, 2020

Mr. Siklos is the President of Thomvest Asset Management. Formerly he was the Vice President, Head of Investments for Export Development Canada ("**EDC**"), which he joined in 2009. In 2012, Mr. Siklos was appointed head of its direct investing activities and in 2017, was appointed head of EDC's overall investing activities. During his time at EDC, the capital committed to fund direct, private equity and venture capital investments doubled in size to over CA\$2 billion, while achieving both market returns and mandate objectives for its shareholder, the Government of Canada. Mr. Siklos holds an MBA degree from Harvard Business School and has over 30 years of financial and business experience, including as a corporate finance professional with Morgan Stanley and Merrill Lynch. Mr. Siklos has served on numerous Boards of Directors, including Paragon Pharmacies (TSX), Copperleaf Technologies, BTI Systems, and ecobee. We believe that Mr. Siklos' extensive financial and investment experience qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results⁽¹⁾

	%	#
For	-	-
Withheld	-	-

Value of Total Compensation Received as Director

Financial Year 2019	-
Financial Year 2020	\$0 ⁽¹⁾

Equity Ownership

Common Shares	0
Stock Options	0 ⁽¹⁾

Board/Committee Membership	Position Held	Meeting Attendance	
Board	Member	3/3	100%
HR and Corporate Governance Committee	Member	1/1 ⁽²⁾	100%

Other Public Directorships in the Past 5 Years

None

(1) Mr. Siklos waived the compensation he was entitled to receive as member of the Board.

(2) Mr. Siklos served as a member of the HR & Corporate Governance Committee from September 1, 2020 to September 17, 2020.



Timothy Steven Wach

Director
 Ontario, Canada
 Age: 60
 Independent
 Director since May 2019

Mr. Wach has served as a member of our board of directors since May 2019. Since January 2015 until the end of February 2020, Mr. Wach served as Managing Director and Board Member of Taxand. In 1989, Mr. Wach joined Gowling Lafleur Henderson LLP as an associate and was a partner from 1992 to 2014. Mr. Wach also has experience in government relations and tax policy, having twice served in the Tax Policy Branch of the Canadian Department of Finance in Ottawa, most recently as Director of Legislative Development and Chief Legislative Counsel from 2009 to 2011. In that role, he chaired the Interdepartmental Legislation Review Committee, the committee responsible for the preparation of Canada's federal income tax legislation for submission to Parliament. We believe that Mr. Wach's experience with respect to tax and finance qualifies him to serve as a member of our board of directors.

2020 AGM Voting Results

	%	#
For	99.50	20,167,309
Withheld	0.50	101,994

Value of Total Compensation Received as Director

Financial Year 2019	\$196,358
Financial Year 2020	\$162,419

Equity Ownership

Common Shares	0
Stock Options	25,846

Board/Committee Membership	Position Held	Meeting Attendance	
Board	Member	6/6	100%
Audit, Risk and Finance Committee	Member	4/4	100%
HR and Corporate Governance Committee ⁽¹⁾	Member	1/1	100%

Other Public Directorships in the Past 5 Years

None

(1) Mr. Wach has served as a member of the HR & Corporate Governance Committee since September 17, 2020.

2 Additional Disclosure Relating to the Director Nominees

To the knowledge of the Company as at the date hereof, none of the director nominees:

- o is or has been, within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the proposed director was acting in the capacity as director, chief executive office or chief financial officer;
- o is, as at the date hereof, or has been within ten years prior, a director or executive officer of any company (including the Company) that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- o has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- o has (i) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority; (ii) entered into a settlement agreement with a securities regulatory authority; or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

3 Compensation

Executive Compensation

Summary Compensation Table

The following table provides a summary of compensation earned during each of the financial years ended on December 31, 2020 and 2019 by the Named Executive Officers, or NEOs, in accordance with the scaled disclosure requirements available to emerging growth companies and smaller reporting companies under U.S. securities laws.

Unless otherwise specified, the executive and directors' compensation is presented in U.S. Dollars. For the convenience of the reader, in this Circular, unless otherwise indicated, translations from Canadian Dollars into U.S. Dollars were made at the rate of \$1.00 to \$0.7442, which is the average rate for the 2020 fiscal year, (2019 average rate: CA\$1.00=US\$ 0.7525). Translations from Great Britain Pounds or GBP into U.S. Dollars were made at the rate of 1 GBP to US\$ 1.2861 which is the average rate for the 2020 fiscal year, (2019 average rate: 1 GBP = US\$ 1.2747). Such U.S. Dollar amounts are not necessarily indicative of the amounts of U.S. Dollars that could actually have been purchased upon exchange of Canadian Dollars or GBP at the dates indicated.

Summary Compensation Table							
Name and Principal Position	Year	Salary (\$)	Share Awards ⁽¹⁾ (\$)	Option Awards ⁽²⁾ (\$)	Non-equity Incentive Plan Compensation ⁽³⁾ (\$)	All Other Compensation ⁽⁴⁾ (\$)	Total Compensation (\$)
Bruce Pritchard, CEO ⁽⁵⁾	2020	437,274 ⁽⁶⁾	—	909,941	54,659	43,727 ⁽⁶⁾	1,445,601
	2019	433,398 ⁽⁶⁾	893,744 ⁽⁷⁾	2,465,614	390,058	51,838 ⁽⁶⁾	4,234,652
Patrick Sartore, President ⁽⁸⁾	2020	409,310 ⁽⁹⁾	—	606,853	51,164	22,418 ⁽⁹⁾	1,089,745
	2019	371,292 ⁽⁹⁾	729,398 ⁽⁷⁾	2,465,614	262,434	25,936 ⁽⁹⁾	3,854,674
Murielle Lortie, CFO ⁽¹⁰⁾	2020	307,913 ⁽⁹⁾	—	496,029	39,536	16,941 ⁽⁹⁾	860,419
	2019	245,817 ⁽⁹⁾	66,822 ⁽⁷⁾	260,540	101,588	18,031 ⁽⁹⁾	692,798
Kenneth Galbraith, Former CEO ⁽¹¹⁾	2020	496,443 ⁽⁹⁾	—	1,056,812	—	158,405 ⁽⁹⁾	1,711,660
	2019	368,815 ⁽¹²⁾	—	8,826,695	262,499	33,326 ⁽⁹⁾	9,491,335

(1) In accordance with the U.S. Securities and Exchange Commission ("**SEC**") rules, this column reflects the aggregate grant date fair value of the share awards granted during the fiscal year. The fair value of the RSU awards was determined using the price of common shares underlying the RSUs on the grant date (2019 –\$0.23 (CA\$0.30); this price is pre-Consolidation (as defined below)). The amounts in this column do not represent the actual amounts paid to or realized by our NEOs during the years ended December 31, 2020 and 2019.

(2) In accordance with SEC rules, this column reflects the aggregate grant date fair value of the option awards granted during the fiscal year as well as the impact of the 2020 Re-Pricing, as defined below, of stock options granted in 2019, where applicable. The fair value of the option awards, and of the 2020 Re-Pricing, was estimated using the Black Scholes option pricing model, a common valuation methodology which uses the same assumptions for determining the equity-based compensation expense in the Company's financial statements for the year-ended December 31, 2020 in accordance with IFRS. See Note 18b of the Notes to our Consolidated Financial Statements for a discussion of assumptions made by us in determining the aggregate grant date fair value of our option awards. The amounts in this column do not represent the actual amounts paid to or realized by our NEOs during the years ended December 31, 2020 and 2019.

(3) Represents the cash bonus earned for each financial year, pursuant to our Short-Term Incentive Plan, or STIP. For additional information, see the "Narrative Disclosure to Summary Compensation Table – Short-Term Incentive Plan" section below.

(4) The following table provides the details for the amounts reported for 2020 for each NEO:

Name	Car Allowance (\$)	Pension Contributions (\$)	Annual Professional Dues (\$)	Relocation Expenses (\$)	Total (\$)
Bruce Pritchard	—	43,727	—	—	43,727
Patrick Sartore	—	20,466	1,952	—	22,418
Murielle Lortie	—	15,396	1,545	—	16,941
Kenneth Galbraith	19,137	24,822	—	114,446	158,405

(5) Mr. Pritchard was appointed as CEO on November 13, 2020. Prior to this appointment, he was COO, Small Molecule Therapeutics and, prior to that, COO, International.

(6) Paid in pounds sterling (GBP) and converted at the following exchange rate: 1 GBP=US\$1.2861 (2020 average); 1 GBP=US\$1.2747 (2019 average).

(7) These amounts represent the value of the time-vested RSUs granted under the 2019 Special Retention Program.

(8) Mr. Sartore was appointed as President on November 13, 2020. Prior to this appointment, he was COO, Plasma-Derived Therapeutics and, prior to that, COO, North America.

- (9) Paid in Canadian dollars (CA\$) and converted at the following exchange rate: 1 CA\$=US\$0.7442 (2020 average); 1 GBP=US\$0.7525 (2019 average).
- (10) Mrs. Lortie was appointed as CFO on September 1, 2019. Prior to this appointment, she was Vice President, Finance.
- (11) Mr. Galbraith was hired as CEO on April 23, 2019. He resigned as CEO on November 13, 2020 but remained employed to support the transition.
- (12) Amount includes \$29,555 of board fees that Mr. Galbraith was entitled to receive as compensation as a member of the Board and committees of the Board until his appointment as CEO on April 23, 2019. Mr. Galbraith received no compensation for his role of executive director starting on April 23, 2019.

Narrative Disclosure to Summary Compensation Table

Base Salary

We aim to provide a salary established based on the level of responsibility relative to other positions in our company and relative to base salaries paid by the organizations in our peer group as well as the performance of us and of the NEOs. It is an important component of our ability to attract and retain executives who have the leadership and management skills to drive the further growth and success of our business.

Short-Term Incentive Plan

We provide our NEOs with the STIP, which aims to engage, recognize and reward their contributions to reaching our annual objectives. Having a significant portion of all executives' annual incentive determined on the basis of the same corporate performance objectives reinforces the teamwork of the members of our executive team and motivates them to achieve widespread success for the whole organization. The corporate short-term performance objectives against which our annual performance is evaluated are established each year by the HR and corporate governance committee, in conjunction with the CEO.

The STIP targets for the NEOs are reviewed regularly to ensure that they remain competitive with those of our peer group. Target incentive levels (as a percentage of base salary) for the NEOs were the following in 2020:

Name	Short-Term Incentive Target
Bruce Pritchard	50%
Patrick Sartore	50%
Murielle Lortie	50%
Kenneth Galbraith	75%

At the beginning of 2020, corporate objectives were established for the year, each objective being assigned a relative weight. The Board, with the support of the HR and corporate governance committee was responsible for determining and approving a payout factor that would recognize our performance against the corporate objectives for the year. As a result of this assessment, the payout factor for 2020 was 25%.

The resulting payout amounts are included in the Summary Compensation Table above.

Long-Term Incentives

Long-term incentive awards are designed to reward the creation of value for our shareholders while providing a vehicle to attract and retain talented and skilled executives. Under the Omnibus Incentive Plan (the summary of which is reproduced in **Schedule "B"** hereto), adopted in 2019 and replacing the previous Long Term Incentive Plan, or LTIP, we grant stock options to our executives to ensure alignment of their interests with those of our shareholders, by creating focus on activities and development projects which will increase share price performance over time. It is also our practice to award an initial grant of stock options to new hires to attract qualified and skilled executives. Outstanding awards granted under the previous LTIP will continue to be governed by the terms of the

LTIP until such awards are exercised, expire, or are otherwise terminated or cancelled. The previous LTIP provided stock options and RSUs.

Stock options

We granted stock options in 2020 to the NEOs at a level reflecting the executive's performance and the desired positioning of total compensation versus the comparator group in accordance with our compensation policy. Additionally, in June and August 2019, we cancelled certain outstanding options that were issued to our NEOs and employees prior to June 2019, as the exercise price of these options was significantly above the market price, such that it was highly unlikely that the options would ever be exercised. In compensation for the option holders' agreement to the cancellation, they received the new options in June 2019.

Re-pricing of stock options granted in 2019

In May 2020, we reduced in the exercise price of an aggregate amount of 1,975,289 Options originally issued on June 4, 2019 and June 19, 2019 at CA\$36.00 per Common Share and CA\$27.00 per Common Share respectively to CA\$15.21 (the "**2020 Re-Pricing**"). This repricing was completed to maintain the incentive nature of the stock options granted previously to the key active personnel of the Company to focus on the Company's future performance.

The value of options granted or repriced in 2020 are included in the Summary Compensation Table above.

Restricted Share Units

No RSUs were granted in 2020. All outstanding RSUs vested at the end of 2020 as they met the time-vesting criteria.

Perquisites and Other Benefits

We provide our NEOs with a competitive executive benefits package which is designed to attract and retain qualified executives. This package includes a capital accumulation retirement plan, including company contributions equal to 5% of each NEO's base salary, group insurance, reimbursement of annual medical examinations and annual professional memberships. Variations to these programs exist between NEOs due to local market conditions. The value of all such benefits conferred to the NEOs in 2020 is described in the Summary Compensation Table.

Employment Agreements

Below are descriptions of the employment agreements with our NEOs. See the section titled "— Termination and Change of Control Benefits" for information about the benefits each NEO is entitled to in the event that such executive's employment is terminated by us without cause or in the event that the executive's employment is terminated by us between six months before and 12 months after a change of control.

Bruce Pritchard. We entered into an employment agreement with Bruce Pritchard that became effective on July 31, 2019. Mr. Pritchard's employment agreement provided for his employment as Chief Operating Officer, International for an unspecified duration. This employment agreement was not modified upon his appointment as CEO on November 13, 2020. Mr. Pritchard's employment agreement established his base salary at GBP 340,000. Mr. Pritchard's employment agreement further provides that he is eligible to earn an annual target performance bonus upon attainment of objectives to be determined by our Board, with a bonus target of 50%, with the potential of reaching a maximum of 100% of base salary. Mr. Pritchard also received a one-time grant of 253,542 stock options in connection with the entering into of the employment agreement. Mr. Pritchard is entitled to reimbursement for all necessary and reasonable business expenses incurred in connection with his duties in accordance with our generally applicable policies.

Patrick Sartore. We entered into an employment agreement with Patrick Sartore that became effective on July 22, 2019. Mr. Sartore's employment agreement provides for his employment as Chief Operating

Officer, North America, for an unspecified duration. This employment agreement has not been modified upon his appointment as President on November 13, 2020. Mr. Sartore's employment agreement established his base salary at CA\$465,000, which was increased to CA\$550,000 as of September 1, 2019. Mr. Sartore's employment agreement further provides that he is eligible to earn an annual target performance bonus upon attainment of objectives to be determined by our Board, with a bonus target of 50%, with the potential of reaching a maximum of 100% of base salary. Mr. Sartore also received a one-time grant of 253,542 stock options in connection with the entering into of the employment agreement. Mr. Sartore is entitled to reimbursement for all necessary and reasonable business expenses incurred in connection with his duties in accordance with our generally applicable policies.

Murielle Lortie. We entered into an employment agreement with Murielle Lortie that became effective on August 12, 2019. Mrs. Lortie's employment agreement provides for her employment as Chief Financial Officer for an unspecified duration. Mrs. Lortie's employment agreement established her base salary at CA\$300,000, which was increased to CA\$380,000 as of September 2, 2019 and to CA\$425,000 as of April 1, 2020. Mrs. Lortie's employment agreement further provides that she is eligible to earn an annual target performance bonus upon attainment of objectives to be determined by our Board, with a bonus target of 50%, with the potential of reaching a maximum of 100% of base salary. Mrs. Lortie's bonus was subject to a minimum of CA\$135,000 for 2019. Mrs. Lortie also received a one-time grant of 41,250 stock options in connection with the entering into of the employment agreement. Mrs. Lortie is entitled to reimbursement for all necessary and reasonable business expenses incurred in connection with her duties in accordance with our generally applicable policies.

Kenneth H. Galbraith. We entered into an employment agreement with Kenneth H. Galbraith that became effective on April 23, 2019. Mr. Galbraith's employment agreement provides for his employment as Chief Executive Officer for an unspecified duration. Mr. Galbraith's employment agreement established his base salary at US\$500,000, which was prorated for the period after which Mr. Galbraith became our CEO. Mr. Galbraith's employment agreement further provides that he is eligible to earn an annual target performance bonus upon attainment of objectives to be determined by our Board, with a bonus target of 75%, with the potential of reaching a maximum of 150% of base salary. Mr. Galbraith also received a one-time grant of 887,400 stock options in connection with the entering into of the employment agreement. Mr. Galbraith is entitled to reimbursement for all necessary and reasonable business expenses incurred in connection with his duties in accordance with our generally applicable policies.

Mr. Kenneth Galbraith resigned of his CEO position on November 13, 2020. The Company and Mr. Galbraith reached an agreement on the conditions of his end of employment. Mr. Galbraith's is to remain until February 12, 2021 as an advisor to the Company and to assist on the transition; for that period of time, Mr. Galbraith's base salary has been reduced by 25%. All other terms of his employment contract remained unchanged.

Termination and Change of Control Benefits

Our employment agreements with our NEOs include termination and change of control benefits in the event that the NEO's employment is terminated by us without cause or in the event that the NEO's employment is terminated by us between six months before and 12 months after a change of control. A change of control is deemed to occur upon a change of ownership resulting from the acquisition of a majority of our common shares.

The employment agreements provide for the payment of a lump sum equivalent to the value of 12 months of salary and benefit coverage (excluding disability) and 12 months of accelerated vesting of unvested stock options for termination without cause.

If the NEO's employment is terminated by us between six months before and 12 months after a change of control, the NEOs' employment agreements provide for the payment of a lump sum equivalent to the value of 18 months of salary and benefit coverage (excluding disability), 150% of the NEO's then current annual target bonus under the short-term incentive plan and accelerated vesting of all unvested stock options.

Indemnification

By-law No. 1 provides for indemnification of each of our directors and executive officers to the fullest extent permitted by the CBCA.

We have entered into indemnity agreements with each director and officer providing that if such director or officer is or was involved in any threatened, pending or completed proceeding by reason of the fact that such director or officer is or was a director or officer of the Company or is or was serving at our request as a director or officer of another entity, including service with respect to employee benefit plans, whether the basis of such proceeding is an alleged action in an official capacity while serving as a director or officer, such director or officer will be indemnified and held harmless by us to the fullest extent authorized by and in the manner set forth in the CBCA against all expense, liability and loss reasonably incurred or suffered by such director or officer in connection therewith. Under such indemnity agreements, we may indemnify any of our directors or officers in connection with a proceeding (or part thereof) initiated by such director or officer only if such proceeding (or part thereof) is authorized by the Board or if such proceeding is a successful proceeding, in whole or in part, by a director or officer for claims under an indemnity agreement.

Outstanding Equity Awards at Fiscal Year End

The following table indicates, for each NEO, stock option grants outstanding as of December 31, 2020.

Outstanding Equity Awards at Fiscal Year End ⁽⁹⁾					
Name	Grant Date	Option Awards		Option exercise price (\$/sh)	Option expiration date
		Number of securities underlying unexercised options (#) (Exercisable)	Number of securities underlying unexercised options (#) (Unexercisable)		
Bruce Pritchard	June 4, 2019	73,959	179,583 ⁽¹⁾	15.21 ⁽²⁾⁽¹⁰⁾	June 4, 2029
	December 7, 2020	50,000	100,000 ⁽³⁾	4.27	December 7, 2030
Patrick Sartore	June 4, 2019	73,959	179,583 ⁽¹⁾	15.21 ⁽²⁾⁽¹⁰⁾	June 4, 2029
	December 7, 2020	25,000	50,000 ⁽³⁾	4.27	December 7, 2030
Murielle Lortie	June 19, 2019	3,238	4,259 ⁽⁴⁾	15.21 ⁽²⁾⁽¹¹⁾	June 19, 2029
	September 3, 2019	12,891	28,359 ⁽⁵⁾	11.99 ⁽²⁾	September 3, 2029
	June 8, 2020	—	58,000 ⁽⁶⁾	14.06 ⁽²⁾	June 8, 2030
	December 7, 2020	5,000	10,000 ⁽⁷⁾	4.27	December 7, 2030
Kenneth Galbraith	September 2, 2016	33	—	2,800.00 ⁽²⁾	September 2, 2021
	May 18, 2017	69	—	2,070.00 ⁽²⁾	May 18, 2027
	December 4, 2018	182	—	770.00 ⁽²⁾	December 4, 2028
	June 4, 2019	149,874	737,526 ⁽¹⁰⁾	15.21 ⁽²⁾	June 4, 2029

(1) These stock options vest monthly over the 6-year period following the grant date in accordance with the following vesting schedule, based on the number of months of service completed after the grant date.

Months	Vesting %	Months	Vesting %	Months	Vesting %
1	0.93%	25	32.18%	49	76.39%
2	1.85%	26	33.80%	50	77.78%
3	2.78%	27	35.42%	51	79.17%
4	3.70%	28	37.04%	52	80.56%
5	4.63%	29	38.66%	53	81.94%
6	5.56%	30	40.28%	54	83.33%
7	6.48%	31	41.90%	55	84.72%
8	7.41%	32	43.52%	56	86.11%
9	8.33%	33	45.14%	57	87.50%
10	9.26%	34	46.76%	58	88.89%

Months	Vesting %	Months	Vesting %	Months	Vesting %
11	10.19%	35	48.38%	59	90.28%
12	11.11%	36	58.33%	60	91.67%
13	12.04%	37	59.72%	61	92.36%
14	12.96%	38	61.11%	62	93.06%
15	13.89%	39	62.50%	63	93.75%
16	14.81%	40	63.89%	64	94.44%
17	15.74%	41	65.28%	65	95.14%
18	16.67%	42	66.67%	66	95.83%
19	17.59%	43	68.06%	67	96.53%
20	18.52%	44	69.44%	68	97.22%
21	19.44%	45	70.83%	69	97.92%
22	20.37%	46	72.22%	70	98.61%
23	21.30%	47	73.61%	71	99.31%
24	30.56%	48	75.00%	72	100.00%

- (2) In Canadian dollars. Prior to October 8, 2020, the exercise prices of stock options were determined in Canadian dollars.
- (3) These stock options vest monthly over the 3-year period spanning from December 7, 2020 to December 7, 2023.
- (4) These stock options vest monthly over 3-year period spanning from June 19, 2020 to June 19, 2023.
- (5) These stock options vest monthly over 3-year period spanning from September 3, 2020 to September 3, 2023.
- (6) These stock options vest 25% upon the grant's first anniversary, and then monthly over the following 3-year period.
- (7) These stock options vest 50% on July 31, 2021 and 50% on December 31, 2022.
- (8) These stock options vest annually over the 5-year period following the grant date in accordance with the following vesting schedule.

Months	Vesting %
12	0.00%
24	4.44%
36	13.33%
48	56.67%
60	95.56%
72	100.00%

- (9) For information on vesting acceleration of the equity awards described above upon a NEO's termination of employment, see the "Executive Compensation – Executive Compensation Elements – Termination and Change of Control Benefits" section above.
- (10) These stock options were re-priced as part of the 2020 Re-Pricing from CA\$36.00 to CA\$15.21.
- (11) These stock options were re-priced as part of the 2020 Re-Pricing from CA\$27.00 to CA\$15.21.

Securities Authorized for Issuance Under Equity Compensation Plans

As at December 31, 2020, 29,943,839 Common Shares were issued and outstanding. The following table illustrates the securities authorized for issuance under the equity compensation plans in absolute figures as well as in percentage terms in relation to the Company's issued and outstanding Common Shares as of December 31, 2020:

Equity Compensation Plan Information			
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding those in the 2nd column)
Omnibus Incentive Plan	2,784,269 (9.30%)	\$13.92	960,054 (3.21%)
Option Plan⁽¹⁾	6,286 (0.02%)	\$1,455.91	0 (0%)

RSU Plan⁽¹⁾	4,216 (0.01%)	—	0 (0%)
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(1) On May 7, 2019, the board approved the Omnibus Incenting Plan replacing the Option Plan and RSU Plan. Since that date, no option or RSU are granted under these plans.

Director Compensation

Director Compensation Program

The following table describes the director compensation program that is currently in effect for the 12-month period starting June 20, 2019, or the 2019-2020 Mandate, and the director compensation program that was in effect for the period spanning from May 9, 2018 through June 19, 2019, or the 2018-2019 Mandate. Due to the fact that our annual meeting of shareholders is usually held in May of each year and that the 2019 Meeting was exceptionally postponed to June 19, 2019 due to the Restructuring Transactions, an additional cash retainer representing approximately 11% of the compensation received by each director during the 2018 Financial Year was approved to compensate the directors for the additional month. Cash retainers are paid on a quarterly basis and no attendance fee is paid to the members for attending the meetings of our Board and meetings of our standing committees. Our minimum director shareholding policy was terminated on May 7, 2019.

	2020-2021 Mandate	2019-2020 Mandate
Chair of Board		
Annual Retainer (inclusive of committee retainers/fees)	\$115,351	\$131,688
	10,000 stock options	15,846 stock options ⁽²⁾
Lead Independent Director		
Annual Retainer (inclusive of committee retainers/fees)	\$100,467	\$112,875
	10,000 stock options	15,846 stock options ⁽²⁾
Non-Executive Directors		
Annual Retainer	\$55,815	\$56,438
	10,000 stock options	15,846 stock options ⁽²⁾
Committee Chairs		
<i>Additional Annual Retainer</i>		
Audit, Risk and Finance	\$26,047	\$26,338
HR and Corporate Governance ⁽³⁾	—	—
Science and Technology ⁽⁴⁾	\$26,047	—
Attendance Fees	No attendance fees	No attendance fees
Non-Chair Committee Members		
<i>Additional Annual Retainer</i>		
Audit, Risk and Finance	\$13,024	\$13,169
HR and Corporate Governance ⁽³⁾	\$11,163	\$11,288
Science and Technology ⁽⁴⁾	—	—
Attendance Fees	No attendance fees	No attendance fees

(1) Options vest quarterly over 1-year period spanning from August 1st, 2020 to May 1st, 2021.

(2) Options vest quarterly over 3-year period spanning from September 1, 2019 to June 1, 2022.

(3) Included in Lead Independent Director annual retainer.

(4) The new science and technology committee was established on July 1st, 2020.

Director Compensation Table

The following table sets forth information concerning compensation accrued or paid to our non-employee directors during the year ended December 31, 2020 for their service on our Board. Mr. Kenneth Galbraith, who was an executive director from April 23, 2019 to November 13, 2020 received no additional compensation for such roles. His compensation is set forth in the Summary Compensation Table above.

Director Compensation Table						
Name	Fees earned or paid in cash					Total Compensation (\$)
	Board Annual Cash Retainer (\$)	Committee Annual Cash Retainer (\$)	Attendance Fee (\$)	Option awards (1)(2) (\$)	All other compensation (\$)	
Current Members						
Simon Best ⁽³⁾	95,816	11,899	—	92,805	15,956 ⁽⁴⁾	216,475
Gary Bridger ⁽⁵⁾	51,164	16,791	—	92,805	157,678 ⁽⁶⁾	318,438
Neil A. Klompas ⁽⁷⁾	51,164	23,876	—	92,805	—	167,845
Alek Krstajic ⁽⁸⁾	38,451	—	—	214,330	—	252,780
Eugene Siklos ⁽⁹⁾	—	—	—	—	—	—
Timothy Steven Wach	51,164	18,450	—	92,805	—	162,419
Previous Members						
Stefan Clulow ⁽¹⁰⁾	72,249	—	—	92,805	—	165,054
Zachary Newton ⁽¹¹⁾	32,559	6,512	—	92,805	—	131,875

(1) In accordance with SEC rules, this column reflects the aggregate grant date fair value of the option awards granted during the fiscal year. The fair value of the option awards was estimated using the Black Scholes option pricing model, a common valuation methodology which uses the same assumptions for determining the equity-based compensation expense in the Company's financial statements for the year-ended December 31, 2020 in accordance with IFRS. See Note 18b of the Notes to our Consolidated Financial Statements for a discussion of assumptions made by us in determining the aggregate grant date fair value of our option awards. The amounts in this column do not represent the actual amounts paid to or realized by our directors during the year ended December 31, 2020.

(2) Include the incremental value of stock options granted in 2019, as a result of the 2020 Re-Pricing.

(3) Prof. Best is our Lead Independent Director and Chair of the HR and corporate governance committee.

(4) Of this amount, (i) \$2,040 represents the incremental value of stock options granted in 2019 to Prof. Best for his role and Interim President and CEO, as a result of the 2020 Re-Pricing. Prof. Best held such position from December 2018 to April 2019, and (ii) \$13,916 represents the aggregate of a reimbursement of 2017 and 2019 tax penalties with Canada Revenue Agency and 2017 tax penalties with Québec Revenue Agency.

(5) Dr. Bridger was member of the HR and corporate governance committee until June 8, 2020. Dr. Bridger was appointed chair of the science and technology committee on July 1st, 2020.

(6) This amount, paid in U.S. dollar, represents the compensation Dr. Bridger received pursuant to his consultancy agreement entered into in October 2019 with us, as amended from time to time.

(7) Mr. Klompas is Chair of the audit, risk and finance committee.

(8) Mr. Krstajic was appointed Chair of our Board on September 1, 2020 and member of the HR and corporate governance committee on September 17, 2020.

(9) Mr. Siklos was appointed on Board on September 1, 2020. He was member of the HR and corporate governance committee from September 1st to September 17, 2020. Mr. Siklos waived the compensation he is entitled to receive as director on our Board.

(10) Mr. Clulow resigned from our Board on September 1, 2020.

(11) Mr. Newton resigned from our Board on September 1, 2020.

The following table indicates the number of option awards outstanding for each current and former director as of December 31, 2020. No share awards were provided to directors during the year ended December 31, 2020.

Name	Options Outstanding (#)
<i>Current Directors</i>	
Simon Best ⁽³⁾	27,781
Gary Bridger ⁽⁵⁾	25,846
Neil A. Klompas ⁽⁷⁾	25,846
Alek Krstajic ⁽⁸⁾	20,000
Eugene Siklos ⁽⁹⁾	—
Timothy Steven Wach	25,846
<i>Former Directors</i>	
Stefan Clulow	313
Zachary Newton	129

Statement of Corporate Governance Practices

Compliance with corporate governance guidelines is a fundamental element of the manner in which the Company operates its business and seeks to enhance shareholder value. The Board is committed to high standards of corporate governance practices. Its practices are in line with those of similar Canadian companies in its sector of activity and are reviewed by the HR & Corporate Governance Committee, which makes recommendations to the Board as appropriate. The Board is of the opinion that these practices essentially comply with applicable corporate governance guidelines and ensure transparency and effective governance to the Company.

1 Board

1.1 Board Mandate

The Board is responsible for the stewardship and strategic direction of the Company. It does not actively manage but rather supervises the management of the Company's business and affairs, to ensure a consistent focus on increasing shareholder value. In exercising their powers and discharging their duties, the directors shall (a) act honestly and in good faith with a view to the best interests of the Company; and (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

To better discharge its responsibilities, the Board has established the two following standing committees: the Audit, Risk and Finance Committee and the HR & Corporate Governance Committee (collectively the "**Standing Committees**").

The responsibilities of the Board are fully described in the Board mandate attached as **Schedule "A"** to this Circular.

1.2 Independence

The Board determines the directors' independence according to *Regulation 58-101 respecting disclosure of corporate governance practices* as well as *Regulation 52-110 respecting audit committees*. Of the six nominees for election to the Board, four directors are independent being Prof. Simon Best, Neil A. Klompas, Alek Krstajic and Timothy S. Wach. The two non-independent directors are Dr. Gary Bridger and Mr. Eugene Siklos, for the following reasons:

- Dr. Gary Bridger entered into a consultancy agreement with Liminal BioSciences Limited, an indirect wholly owned subsidiary of the Company, in October 2019 as amended from time to time. Dr. Bridger is acting as Strategic Scientific Advisor to the Company.
- Mr. Eugene Siklos was designated by Structured Alpha LP ("**SALP**") to sit on the Board pursuant to an agreement related to the Restructuring Transaction (as defined below), which entitles SALP to designate two persons for election to the Company's Board.

While Mr. Alek Krstajic was also designated by SALP to sit on the Board, the Board determined that Mr. Krstajic is independent.

On an annual basis or as circumstance dictates, each director has to declare whether he is independent, and all such declarations are reviewed by the HR & Corporate Governance Committee, which then makes recommendations to the Board in respect of the Board's determination on the independence of the directors.

1.3 Chair of the Board & Lead Independent Director

Prof. Simon Best was appointed as Lead Independent Director on April 23, 2019 to ensure the effectiveness of the Board and that the Board functions with appropriate independence. Following the resignation of the Chair of the Board, Mr. Stefan Clulow, on September 1, 2020, Mr. Alek Krstajic was appointed Chair of the Board. Although Mr. Krstajic is an independent member, Prof. Best continued to fulfill his role as Lead Independent Director.

1.4 Directors Serving Together

For 2020, no directors of the Company served together on any other public company board.

1.5 Meetings

The Board holds regularly-scheduled meetings, special meetings and unofficial meetings to review specific matters when needed. Special meetings are held by the Board to discuss and act on matters that need attention before the following regular meeting is held or that requires additional time, such as financings, material transactions or other business concerns arising throughout the year. The number of meetings of the Board and its committees held during 2020 and members' attendance at these meetings is provided in the section "Nominees for Election to the Board."

1.6 Sessions without Management

As further described in the Board mandate (attached as **Schedule "A"** hereto), the directors also hold meetings without the presence of management at the end of each regularly scheduled Board or Standing Committee meeting or at other specified times during the year ("**in-camera session(s)**"). The directors may have in-camera session at the end of a special meeting as well, if necessary. These sessions are chaired by the Chair of the Board or the Lead Independent Director as deemed appropriate in the circumstances. There were three in-camera sessions held by the non-executive directors during the regularly scheduled meetings held during in 2020.

1.7 Sessions without Non-Independent Directors

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters discussed may involve persons having a conflict of interest or potential conflict of interest, that person may not participate in or be permitted to hear the discussion of the matter at any meeting of directors except to disclose material facts and respond to questions. A director having a conflict of interest or potential conflict of interest will be counted in determining the presence of a quorum for purposes of the vote as per the Company's articles of incorporation but will not vote on any resolution to approve such matter when the vote is taken. On occasions where it will be considered advisable, the Company's independent directors may hold meetings at which non-independent directors and members of management are not in attendance. The independent directors are able to exercise their responsibilities for independent oversight of management by virtue of forming a majority of the Board. During 2020, the independent members held one in-camera sessions during a regular Board meeting.

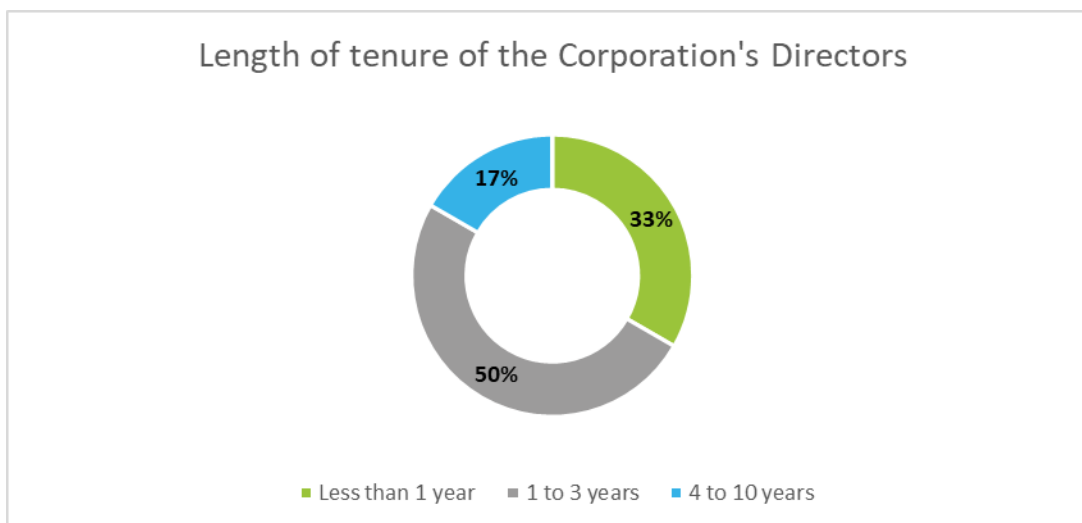
Board / Committees	Number of Meetings held during the 2020		Number of In-Camera Sessions ⁽¹⁾ held during the 2020
	Regular	Special	
Board	4 ⁽¹⁾	2	3
Audit, Risk and Finance Committee	4	-	4
HR & Corporate Governance Committee ⁽²⁾	4	-	3
Science and Technology Committee ⁽⁴⁾	2	-	-

(1) In-camera sessions without management.

(2) Consists of three regular meetings and one strategic planning session. In addition, the Board holds call updates on a regular basis between regular Board meetings.

Director Tenure

The Company has not instigated a board tenure policy because the Company determined that it was not appropriate in the context of the Company, notably given, as illustrated below, the average tenure of the director nominees standing for election to the Board is 1.5 years.



Nomination of Directors

All directors may submit a list of candidates for nomination as directors to the HR & Corporate Governance Committee of the Board. Its powers in relation to new candidates for board nomination are further described in the written mandate of the HR & Corporate Governance Committee, available on the Company's website at www.liminalbiosciences.com.

If a candidacy is endorsed by the HR & Corporate Governance Committee, said nominee is submitted to the Board. The size of the Board is considered, in conjunction with the diversity of background, experience and qualifications of the directors in order to ensure that the Board functions effectively. To encourage an objective nominating process, the HR & Corporate Governance Committee seeks the input of other directors and senior management on new nominees to the Board and reviews potential candidates in light of board effectiveness assessment results.

Position Descriptions

Chair of the Board and Committees Chairs

The roles and responsibilities of the Chair of the Board and each of its committees are provided in their written mandates. Each Chair is responsible for overseeing the Board's or the committee's work, as applicable, to ensure that the Board or the relevant committee fulfils its mandate, role and responsibilities as set out in its written mandate, that the structure and mandate of the Board or committee are appropriate and adequate to fulfill its role, that it has the resources and relevant current information to carry out its tasks and that the calendar, organization and procedures of meetings of the Board or committee allow adequate time to examine and discuss matters set before the Board, or one of its designated committees, as applicable. The Chair of a committee acts as intermediary with senior management and ensures that the committee reports to the Board at each subsequent meeting on the deliberations, decisions and recommendations of the committee.

Lead Independent Director

In May 2019, the Board has put in place a position description for the new Lead Independent Director. The primary role of the Lead Independent Director is to ensure that the Board functions with appropriate independence. Such description will be reviewed from time to time by the HR & Corporate Governance Committee and shall be approved by the Board.

Chief Executive Officer

A written position description for the Chief Executive Officer was developed, together with the Chief Executive Officer, involving the delineation of his responsibilities. Such description will be reviewed from time to time by the HR & Corporate Governance Committee and shall be approved by the Board. The Chief Executive Officer reports to the Board on a continuous and frequent basis in respect of any material developments, updated business strategy, as well as to provide regular financial and operating reports. Corporate objectives shall be agreed annually between the Chief Executive Officer and the Board. The Chief Executive Officer's performance shall be assessed annually against these objectives.

The positions descriptions/mandates are available on the Company's website at www.liminalbiosciences.com.

Orientation and Continuing Education

Once they have confirmed their interest in becoming directors of the Company, new potential nominees are invited to meet with the Chair of the Board, the chair of each Standing Committee (the Audit, Risk and Finance Committee and the HR & Corporate Governance Committee) and the CEO before their candidacy is submitted to the shareholders. An orientation package is available to the directors newly elected which includes full documentation on the business of the Company. In addition, members of management regularly inform directors of available resources that may be of interest to them in carrying out their roles as directors and brief them on relevant developments, during, as well as, outside Board and committee meetings at which members of management are present. This includes regular and frequent reports on the evolution of the business of the Company and implementation of its strategic plan. No educational session was held in during 2020.

2 Standing Committees

The Board carries out its mandate directly and through recommendations it receives from the Standing Committees, being the Audit, Risk and Finance Committee and the HR & Corporate Governance Committee.

Similarly, the Board also receives recommendations from management from time to time.

2.1 The Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee is mainly responsible for the four following fundamental matters:

- o the Company's financial reporting process and internal control systems;
- o the Company's process to identify and manage risks;
- o the internal and external audit process; and
- o the Company's communication system to provide an open avenue of communication among the external auditors, the financial and senior management, the internal auditing department (if any), and the Board.

The Audit, Risk and Finance Committee reviews the interim and annual consolidated financial statements, Management's Discussion and Analysis (MD&A) and other legally required public disclosure documents containing financial information.

During 2020, the Audit, Risk and Finance Committee reviewed certain positions relating to the accounting of:

- o assets impairments;
- o leases;
- o sales and acquisitions of entities;
- o stock option repricings;

- o equity and debt financings, and concurrent private placements;
- o going concern disclosures; and
- o inventory capitalization.

The Audit, Risk and Finance Committee also oversees the financial reporting processes and internal controls. This comprises keeping abreast of how management's addresses changes in the operations and transactions to ensure that they are appropriately reflected in the financial disclosure documents and the internal controls put in place to address these changes. As part of this, the Audit, Risk and Finance Committee reviews the activities of the internal audit department, including its organizational structure, resources and budget, the internal audit plan for the year and their report on their review and testing of Internal Controls over Financial Reporting ("**ICFR**") and disclosure controls. It also considers any recommendations made by the external auditors regarding internal controls. In addition, the Audit, Risk and Finance Committee reviews the quarterly internal reporting package prepared by management, understanding the key variances from budget and the impact on the financial condition.

Finally, in the accomplishment of its financial oversight, the Audit, Risk and Finance Committee reviews and discusses the Company's short and long-term financial plans, including financial results and the management of tax matters.

The Audit, Risk and Finance Committee is composed of Neil A. Klompas (Chair), Prof. Simon Best, and Timothy S. Wach.

The Board has determined that all the members of our Audit, Risk and Finance Committee qualify as "audit committee financial experts" as defined by SEC rules and have the requisite financial sophistication under the applicable rules and regulations of the Nasdaq. All of the members of the Audit, Risk and Finance Committee are independent as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of the Nasdaq Stock Market.

2.1.1 External Auditors

PricewaterhouseCoopers LLP ("**PwC**") was appointed as the Company's auditor on June 19, 2019. PwC is independent of the Company within the meaning of the *Code of Ethics of Chartered Professional Accountants* (Québec) and within the meaning of the U.S. Securities Act of 1933, as amended, and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States). Prior to the appointment of PwC, Ernst & Young LLP ("**EY**") had served as the Company's auditor since 2010.

In its oversight of the services rendered by the external auditors, which, as specified above, were performed by PwC for 2020, the Audit, Risk and Finance Committee (i) discusses with the external auditors their responsibilities in performing their audit, their determination of areas of significant audit risk and related risk mitigation procedures, and reviews and approves the annual audit plan and associated fees; (ii) discusses with the external auditors the key accounting risks and significant judgments made by management; (iii) receives written confirmation from the external auditors of their independence; (iv) pre-approves all additional engagements with the external auditors (including any non-audit services); and (v) assesses, annually, the external auditors' performance. The Audit, Risk and Finance Committee is also involved in the selection of the Company's external auditor.

The auditors' fees are set out in the Company's 2020 Form 20-F under Item 16C "*Principal Accountant Fees and Services*" which is available on SEDAR (www.sedar.com) as well as on the Company's website (www.liminalbiosciences.com).

2.2 The HR & Corporate Governance Committee

The HR & Corporate Governance Committee is responsible for assisting the Board in the discharge of its responsibilities regarding the recruitment, evaluation, compensation and succession planning for the Company's Chief Executive Officer and NEOs as well as for the development of the Company's approach to governance issues and for ensuring that such approach supports the effective functioning of the Company with a view to its best interests.

The HR & Corporate Governance Committee meets regularly throughout the year. At the end of each meeting or whenever deemed necessary, the HR & Corporate Governance Committee may hold an informal in-camera session without the presence of management. The Chair of the HR & Corporate Governance Committee presides over these sessions and informs management of the subjects discussed and any follow up action to be taken.

The primary responsibility of the HR & Corporate Governance Committee with respect to human resources and compensation is mainly to:

- o review short and long-term corporate objectives relevant to the compensation of the Chief Executive Officer and evaluate Chief Executive Officer performance in meeting these objectives;
- o review the compensation of the Chief Executive Officer, non-Chief Executive Officer officers and director compensation;
- o review the design and ensure implementation of incentive-compensation and equity-based plans;
- o ensure that appropriate mechanisms are in place regarding succession planning for the Chief Executive Officer; and
- o perform any other activities delegated by the Board consistent with the responsibilities and duties relating to compensation.

The primary responsibility of the HR & Corporate Governance Committee with respect to corporate governance is mainly to:

- o assess and establish the size and composition of the Board and its committees, and identify candidates with the right skills for the nomination of directors;
- o develop and review an appropriate procedure to periodically evaluate the performance of the Board, its committees and their members;
- o develop and monitor the continuing education programs for directors;
- o review the mandate of the Board and its Committees, of their Chairs and of the Lead Independent Director;
- o review annually the Code of Ethics and Business Conduct as well as any other policies of the Company as deemed appropriate; and
- o perform any other activities delegated by the Board consistent with the responsibilities and duties relating to corporate governance.

The HR & Corporate Governance Committee is composed of Prof. Simon Best (Chair), Alek Krstajic and Timothy S. Wach. All of the members of the HR & Corporate Governance Committee are independent as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of the Nasdaq Stock Market. The members on the HR & Corporate Governance Committee members have, to various degrees, experience in dealing with human resources and/or corporate governance matters:

Prof. Simon Best served as Chairman of the board and member on the Human Resources Committee of Entelos Inc., a London AIM listed company, and served as member of the Human Resources Committee of Ardana Plc, a United Kingdom LSE listed pharmaceutical company. As such, Prof. Best operated best practices in compensation setting long-term incentive plans taking into account industry benchmarking and external surveys to align the interests of management with financial investors and other shareholders.

Mr. Alek Krstajic has been a senior officer of many multibillion-dollar companies, both public and private where he has been exposed to a variety of different compensation plans and structures. Mr. Krstajic has also sat on the compensation committees of different boards.

Mr. Timothy S. Wach was Global Managing Director of Taxand from January 2015 to February 2020 with responsibility for compensation and HR matters relating to the global Taxand team. Mr. Wach has over 25 years of experience in private law practice at one of Canada's largest national law firms (and

one of its predecessors), including leadership and management roles (including executive committee and leading the national and Toronto tax practices), and five years as global managing director of Taxand EIG.

Board Assessments

The Company's HR & Corporate Governance Committee periodically evaluates the effectiveness and performance of the Board and its committees, the Chair of the Board, the Chair of the Committees, each director and the Chief Executive Officer.

The Company annually assesses the overall composition of the Board by considering the skills, competencies, knowledge, educational background, experience, qualifications and personal attributes that are beneficial for the Board to fulfill its responsibilities. During 2020, the Company used a competency matrix to identify the existing strengths of the Board and the needs of the Company.

The Company's disclosure of corporate governance practices is reviewed from time to time by the HR & Corporate Governance Committee. The HR & Corporate Governance Committee meets regularly throughout the year. At the end of each meeting or whenever deemed necessary, the HR & Corporate Governance Committee may hold an informal in-camera session without the presence of management. The Chair presides over these sessions and informs management of the subjects discussed and of follow-up actions to be taken, if any.

2.3 Standing Committees' Charters

The texts of the above Standing Committees' charters are available on the Company's website at www.liminalbiosciences.com. Furthermore, a copy of the charters may be obtained upon request, which should be addressed to the Corporate Secretary of the Company at 440 Armand-Frappier Blvd., Suite 300, Laval, Québec, H7V 4B4 (Telephone: 450-781-0115 or Fax: 450-781-4457). The Company may require the payment of a reasonable charge if the request is made by a person other than a holder of securities of the Company.

3 Other Committees

3.1 The Science and Technology Committee

The Board created the Science and Technology Committee, effective on July 1, 2020 to review, monitor and advise the Board and the management of the Company on the science, technology, processes, procedures and infrastructure underlying the Company's research, discovery and clinical development programs.

4 Director Selection Process

The HR & Corporate Governance Committee together with the Chair of the Board and the Lead Independent Director is responsible for identifying new candidates to stand for election as directors and the slate of existing directors standing for re-election. In order to reflect the increasing diversity of the Company's activities and scope of operations, the Company selected a mix of directors proposed to be nominated at the Meeting for election as directors of the Company to reflect a complementary mix of professional skills and the broader geographic scope of its global activities.

5 Diversity

5.1 Board and Senior Management

The Company believes that drawing from a broad range and variety of perspectives is beneficial to the Company's success and helps it achieve its objectives in terms of efficiency for the benefit of its shareholders. Therefore, the Company is committed to increasing the range and variety of perspectives of its directors and senior management over time and, as such, supports initiatives aimed at identifying

candidates with a broad range and variety of skills, qualifications, capabilities, talents, insights and professional and life experiences. The Company has not adopted a written diversity policy or target quota relating to the identification and nomination of directors and members of senior management. Diversity encompasses gender, age, experience, education, ethnicity, religious and cultural backgrounds as well as other dimensions such as lifestyle choices and family responsibilities (the "**Designated Groups**"). The Company focuses on factors such as skills, qualifications, capabilities, insights, talents, personal attributes and professional and life experiences in the director and senior management identification and selection process. Recommendations for election and appointment are made on merit, in light of the skills, experience, independence and knowledge that the Company requires to be most effective with regards to the Company's current and future plans and objectives, as well as anticipated regulatory and market developments. The Company must retain the flexibility to add qualified directors and senior management. While consideration of the number of individuals from Designated Groups who are members of the Board and members of senior management will continue to be a component of the selection process, the necessity of obtaining the right synergy and balance among directors and senior management so as to optimize the Company's ability to meet the challenges it faces is paramount.

Although there are currently no women among the Board (0%), the Company has always encouraged the representation of women on the Board. In the last seven years, the Company has had between one and three women on its Board. There are currently three women among the six senior executive officers of the Company (50%) and no less than 15 women hold a leadership position, including 8 directors, one associate director and 6 senior directors, which represents 71% of our senior leadership, assuming management responsibilities. Furthermore, we are actively engaged in discussions with potential female candidates whom we are planning on adding to the slate of nominees for election to the Board next year.

The Board is committed to equality of opportunity and to the recruitment, retention, development and promotion of qualified female candidates among its workforce, including at the highest level. In that respect, the Company has adopted an Equal Opportunities Policy by virtue of which the Company is committed to and supports the principle of equal opportunities in employment.

There are at present no Aboriginal peoples, persons with disabilities or members of visible minorities as members of the Board or senior management of the Company (0%).

5.2 *Equal Opportunities Policy*

The Company is committed to and supports the principle of equal opportunities in employment. The Company opposes to all forms of unlawful or unfair direct or indirect discrimination on the grounds of sex, ethnic or national origins, religion or political beliefs, disability, marital status, age and sexual orientation. The Company believes that it is in the best interest of the Company and all those who work for the Company to ensure that the talents and skills of people throughout the community are considered when employment opportunities arise.

The Company takes every step to ensure that individuals are treated equally and fairly, and decisions on recruitment and selection, training, secondment, promotion, career development and employee relations are taken solely on job-related criteria.

6 Succession Planning

The succession planning the Company is currently developing aims to ensure that there is a pipeline of leaders in the organization to drive both short-term and long-term performance and the right talent in the right roles to execute on the Company's business strategy. While the Company's succession planning used to focus more on emergency planning in case of unforeseen circumstances, such as the departure of an officer in a key leadership role, the efforts have been recently focused on developing a new succession planning program which would identify and develop key talent at the executive level in a timely manner, analyze the succession pipeline from an expertise and diversity perspective and initiate action plans to address actual or future potential gaps. The succession planning of the Company is intrinsically a continuous and evolving process.

7 Code of Ethics and Business Conduct

The Board has adopted a Code of Ethics and Business Conduct (the "**Code**") applicable to all directors, officers, employees and consultants of the Company and members of its group. The Code is available on request to the Corporate Secretary of the Company at its principal business office and is posted on the Company's website at www.liminalbiosciences.com as well as under the Company's profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. The Board has the overall responsibility to monitor compliance with the Code. It generally outlines standards of conduct that must be met in carrying out one's functions, including in relation to (i) general conduct and behavior (loyalty, ethics and respectful behavior), (ii) directors' fiduciary duties, (iii) the integrity of books and records, (iv) conflict of interest principles and procedures, (v) harassment and discrimination, (vi) compliance with laws, rules and regulations including the Foreign Corrupt Practices Act, (vii) donations and contributions, (viii) the protection of intellectual property, (ix) social networks, (x) our compliance program, (xi) complaints procedures and reporting code violations, (xii) sanctions and consequences of departures from the Code, and (xiii) monitoring and waivers.

The Code contains standards of conduct to avoid or properly declare conflicts of interest. In addition, in the event that a director may have a material interest in transactions and agreements, such director is expected to declare his/her interest and otherwise act as prescribed by the CBCA, and as circumstances warrant, to abstain from voting on the approval of such transactions and agreements. The Audit, Risk and Finance Committee and the HR & Corporate Governance Committee may grant waivers of provisions of the Code to directors and senior officers, while certain members of management may grant waivers to employees. The Code is supplemented by a complaint reporting policy and a whistleblowing policy, pursuant to which persons in charge of the administration of the policy report annually to the Chair of the Audit, Risk and Finance Committee on complaints relating to accounting, audit and internal control matters and to the Chair of the HR & Corporate Governance Committee on complaints relating to other matters. During 2020, no complaints related to the Code were received, and there were no material change reports filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code.

8 Shareholder Proposals

The CBCA provides, in effect, that a registered holder or non-registered holder of Common Shares entitled to vote at an annual meeting of the Company may submit to the Company notice of any matter that the person proposes to raise at the Meeting (the "**Proposal**") and discuss at the Meeting any matter in respect of which the person would have been entitled to submit a Proposal. The CBCA further provides, in effect, that the Company must set out the Proposal in its management information circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Company will not be required to set out the Proposal in its management information circular or include a supporting statement if, among other things, the Proposal is not submitted to the Company at least ninety (90) days before the anniversary date of the Notice of Meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Company. The deadline for submitting a proposal to the Company in connection with the next annual meeting of shareholders is February 3, 2022.

The foregoing represents a summary of certain applicable CBCA provisions and is qualified in its entirety by the full text of the CBCA. Shareholders should carefully review the provisions of the CBCA relating to any Proposals and consult with their own legal advisor with regards to such Proposals.

9 Interest of Informed Persons and Others in Material Transactions

Restructuring Transactions

In April and June 2019, we entered into a series of arrangements to restructure our outstanding indebtedness, reduce our interest and certain other payment obligations, and raise sufficient cash to

build a robust balance-sheet for the next phase of our development (the "**Restructuring Transaction**").

On April 23, 2019, we completed transactions pursuant to a debt restructuring agreement we entered into on April 15, 2019 with SALP and certain of our subsidiaries (the "**Restructuring Agreement**"). Upon execution of the Restructuring Agreement, (i) SALP acquired 15,050,312 of our Common Shares (the "**New Common Shares**") at a price per Common Share of \$15.21 (the "**Transaction Price**")¹, for a total purchase price of \$228.9 million, which was satisfied by the cancellation of outstanding indebtedness in such amount owed by us to SALP, and (ii) certain warrants to purchase our Common Shares held by SALP were amended, with new warrants being issued (the "**New Warrants**"), exercisable for 168,735 Common Shares at a price per-share exercise price equal to the Transaction Price.

In connection with the Restructuring Transactions, in the event that SALP owns less than a majority of our issued and outstanding Common Shares, SALP was granted the right to (i) nominate the number of our directors to our Board that represents the same percentage of the total number of directors to be elected as the percentage of our issued and outstanding Common Shares owed by SALP at the record date for the applicable meeting of our shareholders, and (ii) nominate two directors to our Board for so long as it owns at least 10% of our issued and outstanding Common Shares. Our directors Alek Krstajic and Eugene Siklos were nominated pursuant to this right.

Debt Conversion

The New Common Shares have been issued to SALP in connection with the Restructuring Agreement. Under the Restructuring Agreement, all but \$10 million of the outstanding debt we owed to SALP in the aggregate amount of \$238,887,948 was converted into Common Shares. We also entered into a consolidated loan agreement with SALP on April 23, 2019, relating to future indebtedness secured against our assets (the "**Consolidated Loan Agreement**").

Warrant Amendments

The New Warrants have been issued to SALP in connection with the Restructuring Agreement. Prior to the closing of the transactions described above, SALP owned the following Warrants:

- 100,000 warrants, each of which entitled SALP to acquire one Common Share upon the payment of an exercise price equal to \$520 per Warrant ("**Warrants 1**");
- 20,277 Warrants, each of which entitled SALP to acquire one Common Share upon the payment of an exercise price equal to an aggregate of \$15,653,138 or the satisfaction of the loan made by SALP to us on September 10, 2013 in the principal amount of \$10 million (plus interest accrued thereon) ("**Warrants 2**");
- 128,057 Warrants, each of which entitled SALP to acquire one Common Share upon the payment of an exercise price equal to \$1,000 per Warrant ("**Warrants 8**"); and
- 19,402 Warrants, each of which entitled SALP to acquire one series A preferred share of ours, or a Series A Preferred Share, upon the payment of an exercise price equal to \$156.36 per Warrant ("**Warrants 9**").

Pursuant to the Restructuring Agreement, (i) the exercise price of Warrants 1, 2, 8 and 9 was amended to be the Transaction Price, and (ii) the terms of Warrant 9 were amended so that each Warrant 9 becomes exercisable for a Common Share instead of a Series A Preferred Share. The New Warrants may be exercised in whole or in part at SALP's option until April 23, 2027, at the Transaction Price per New Warrant.

¹ Such number of Common Shares and subscription price are presented following the Consolidation.

Loan Agreement

Under the Consolidated Loan Agreement, all indebtedness we owed to SALP was reduced to a principal amount of \$10 million of secured indebtedness to be used by us for the purpose of providing short-term working capital, paying transaction expenses, general corporate purposes and certain specified permitted debt payments.

On November 11, 2019, we entered into an amendment to our Consolidated Loan Agreement with SALP to provide us with a non-revolving \$75.0 million secured line of credit, or the LOC. The Consolidated Loan Agreement between SALP and us dated as of April 23, 2019 has been amended to incorporate the terms of the LOC. As a result of the sale of Prometic Bioseparations Ltd, in November 2019 the LOC was reduced to \$29.1 million. In September 2020, we drew down the available balance of \$29.1 million under the LOC. The principal amount of \$29.1 million borrowed under the LOC bears a stated interest of 10%, payable quarterly, and matures on April 23, 2024.

Registration Rights Agreement

*Consonance Capital Management LP ("**Consonance**")*

On April 23, 2019, we entered into a registration rights agreement with Consonance in connection with a private placement (the "**Private Placement**") of 4,931,161 Common Shares at a subscription price of \$15.21 per Common Share for gross proceeds of \$75 million². Pursuant to the registration rights agreement, we agreed to use our commercially reasonable efforts to have a registration statement registering the Common Shares purchased by Consonance in the Private Placement declared effective. We also agreed, among other things, to cause such registration statement to remain effective and to assist Consonance with offerings of such securities. On March 17, 2020, we amended the registration rights agreement to provide that we will use reasonable best efforts to have a registration statement declared effective by the SEC. We filed with the SEC a registration statement on Form F-1 to register the Common Shares held by Consonance Capital Master Account LP and P Consonance Opportunities Ltd., which was declared effective by the SEC on September 30, 2020. We also filed with the SEC a post-effective amendment no. 1 on Form F-3 to registration statement on Form F-1, which was effective on December 7, 2020.

We have also agreed, among other things, to indemnify each of Consonance from certain liabilities and to bear all fees and expenses incident to the registration of our Common Shares purchased by Consonance in the Private Placement, including fees, charges and disbursements of counsel to Consonance.

*SALP and Armistice Capital Master Fund Ltd. ("**Armistice**")*

On October 29, 2020, we, SALP and Armistice entered into a securities purchase agreement, as amended in November 2020, and a registration right agreement. We agreed to file a resale registration statement with the SEC within 30 days of the closing of the offering for purposes of registering the resale of the Common Shares issuable in connection with the offering and the Common Shares underlying the warrants and pre-funded warrants issuable in the offering. We filed with the SEC a registration statement on Form F-3 to register the Common Shares held by SALP and Armistice, which was declared effective by the SEC on December 9, 2020.

Share Purchase Agreement with Fairhaven Pharmaceuticals Inc. ("Fairhaven**")**

In July 2020, we acquired all of the issued and outstanding shares in the capital of Fairhaven, a company with a preclinical research program of small molecule antagonists, and completed a concurrent private placement with each of Genesys, AmorChem LP and AmorChem II of \$2.4 million aggregate principal amount of secured convertible debentures.

² Such number of Common Shares and subscription price are presented following the Consolidation.
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Under the terms of the acquisition, we will satisfy the aggregate purchase price of up to \$8 million by the issuance of our Common Shares all to the shareholders of Fairhaven, being Genesys, AmorChem LP, MSBi Valorisation Inc. and The Royal Institution for the Advancement of Learning/McGill University subject to the achievement of certain pre-determined milestones. Investigational therapies developed in this program target a key chemoattractant and activator of eosinophils, which play a key role in Type 2 inflammation-driven diseases through tissue repair and resolution of inflammation, or the Fairhaven R&D Program.

In July 2020, we issued an aggregate of 202,308 of our Common Shares, representing \$3.6 million of the aggregate purchase price, to the sellers, at a price per share equal to the five-trading day VWAP of our Common Shares on the Toronto Stock Exchange (the "**TSX**"). The remainder of the aggregate purchase price payable by us to the sellers is issuable upon, and subject to, the achievement of certain pre-determined research and development milestones prior to the fifth anniversary of the closing date of the acquisition, including \$1.3 million upon the selection by us of a compound for development and \$3.1 million upon the first dosing of a human in a Phase 1 clinical trial with a compound subject to the acquisition agreement. Any future shares to be issued as part of the milestone payments will be issued at a price per share equal to the five-trading day VWAP of our common shares prior to the achievement of such milestone events.

The acquisition constitutes a "related party transaction" within the meaning of Regulation 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**Regulation 61-101**"). We relied on the exemptions from the valuation and minority shareholder approval requirements contained in sections 5.5(a) and 5.7(1)(a) of Regulation 61-101 in respect of related party participation in the acquisition, as neither the fair market value of the shares distributed to, nor the consideration paid by, related parties, exceeded 25% of our market capitalization.

Each of Mr. Kenneth Galbraith and Mr. Gary Bridger, served on the board of directors of both the Company and Fairhaven prior to the closing of the acquisition. In addition, Mr. Kenneth Galbraith and Mr. Gary Bridger are officers of, and owned all of the shares in the capital of, Five Corners Capital Inc. ("**FCC**"), a former shareholder of Fairhaven immediately prior to the closing of the acquisition. Pursuant to a corporate reorganization of Fairhaven which occurred prior to the closing of the acquisition, Fairhaven repurchased all of the shares held by FCC in the capital of Fairhaven, such that FCC was no longer a shareholder of Fairhaven on the date of closing of the acquisition. Our independent directors reviewed and unanimously approved the acquisition.

Share Purchase Agreement with SALP and Armistice

On October 29, 2020, we, SALP and Armistice entered into a securities purchase agreement (the "**Purchase Agreement**"), as amended in November 2020, and a registration rights agreement, as part of a private placement. Pursuant to the Purchase Agreement, the selling shareholders purchased in a private placement an aggregate of (i) 5,757,894 Common Shares, (ii) prefunded warrants to purchase up to 557,894 Common Shares at an exercise price of US\$0.001 per share and (iii) warrants to purchase up to 7,894,734 Common Shares at an exercise price of US\$5.50 per share. The warrants are subject to a beneficial ownership limitation of 4.99% (subject to the right of the selling shareholder to increase or decrease such beneficial ownership limitation upon notice to us, provided that such limitation cannot exceed 9.99% and provided that such increase shall not be effective until 61 days after such notice is delivered), which does not permit Armistice to exercise that portion of the warrants that would result in Armistice and its affiliates owning, after exercise, a number of common shares in excess of the beneficial ownership limitation.

10 Interest of Certain Persons in Matters to be Acted Upon

Other than as disclosed elsewhere in this Circular, no person or company who is, or at any time during the financial year ended December 31, 2020, was, one of our directors, director nominees, executive officers or any associates or affiliates of these persons has any material interest, direct or indirect, by

way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than election of directors.

11 Aggregate Indebtedness of Directors and Officers

As at the date of this Circular, the Company had not made any loans to officers, directors, employees or former officers, directors and employees of the Company or any of its subsidiaries.

12 Additional Information

The Company is a reporting issuer under the securities acts of all provinces of Canada and is thereby required to file financial statements and management information circulars with the various securities commissions in such provinces. The Company also files an annual information form annually with such securities commissions. Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for its most recently completed financial year. Copies of the Company's latest annual information form, latest audited financial statements, interim financial statements filed since the date of the latest audited financial statements, latest Management's Discussion and Analysis, and latest management information circular may be obtained upon request or under the Company's profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov in the United States. Requests should be addressed to the Corporate Secretary of the Company at 440 Armand-Frappier Blvd., Suite 300, Laval, Québec, H7V 4B4 (Telephone: 450-781-0115 or Fax: 450-781-4457). The Company may require the payment of a reasonable charge when the request is made by a person other than a holder of securities of the Company. Additional information relating to the Company may be found under the Company's profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

13 Directors' Approval

The Board has approved the content of this Circular including any attached schedules hereto and the sending of it to each shareholder entitled to receive the Notice of the Meeting, to each director and to the auditors of the Company.

(s) *Marie Iskra*

Marie Iskra
General Counsel
Laval, Québec, April 19, 2021.

Schedule "A" Board of Directors Mandate

Purpose

The Board of Directors (the "**Board**") of Liminal BioSciences Inc. (the "**Company**") is ultimately responsible for the stewardship of the Company and its subsidiaries as a whole. It does not actively manage but rather supervises the management of the Company's business and affairs, to ensure a consistent focus on increasing shareholder value. In exercising their powers and discharging their duties, the directors shall (a) act honestly and in good faith with a view to the best interests of the Company and all stakeholders; and (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

In accordance with the *Canada Business Corporations Act*, the Board may delegate certain responsibilities to the Board committees as well as the prior analysis and development of options and recommendations regarding any issues it is responsible for. However, such delegation does not remove the Board's general oversight responsibilities of the Company. The Board shall establish the two (2) following standing committees: (i) the Audit, Risk and Finance Committee, and (ii) HR and Corporate Governance Committee.

The Board has delegated the approval of certain matters to the Management of the Company pursuant to its Delegation of Authority, as amended from time to time.

In discharging its mandate, the Board may engage the services of outside advisors at the expense of the Company. The Board also allows any Board committee or director to engage the services of an outside advisor at the expense of the Company, to adequately carry out such Committee's duties, where the circumstances so warrant. Any Board committee or director shall obtain Board's written approval before engaging the services of an outside advisor.

Mandate

To fulfill its mandate, the Board assumes responsibility for the following matters:

Strategy Development

Initially adopt and annually review a strategic planning process and strategic directions arising therefrom, taking into account, among other things, the opportunities and risks of the business of the Company, as well as review annually the critical assessment of these directions, of the actions taken to achieve them and the results of such actions.

Human Resources, Compensation and Performance Assessment

1. Oversee succession planning, including the appointment, training and monitoring of the Chair, the Lead Independent Director, the directors, the Chief Executive Officer ("**CEO**") and other executive officers of the Company.
2. Together with the CEO, approve corporate goals and objectives that the CEO is responsible for meeting and assess the CEO against these goals and objectives.
3. With input from a committee of the Board and the Lead Independent Director review the adequacy and form of the compensation of the Chair, executive officers and directors, with such compensation realistically reflecting the responsibilities and risks of such positions and comparison with a relevant group of peer companies in Canada, the USA and the UK.
4. On an annual basis, (i) designate the senior executive officers of the Company, (ii) select and appoint as executive officers fully competent persons to such offices to manage the business and affairs of the Company, and (iii) assess the performance of the CEO.
5. Ensure that processes are implemented by the CEO to assess the executive officers.

6. Together with the CEO, develop position descriptions for the Chair of the Board, the Lead Independent Director, the Chair of each committee of the Board and for the CEO.

Financial Matters, Risk Management and Internal Control

1. Identify the principal risks inherent in the activities of the Company and assessing the implementation of appropriate systems to manage these risks.
2. Oversee the integrity of internal controls and management information technology systems.
3. Adopt budgets and financial results of the Company, monitor compliance with accounting standards and the integrity and adequacy of financial information disclosure.
4. Upon the Audit, Risk and Finance Committee's recommendation, (i) select the external auditors to be nominated for appointment by the shareholders of the Company, and (ii) approve fees and other compensation to be paid to the external auditors.
5. Determine the appropriateness of declaring dividends and the declaration of dividends, where appropriate.
6. Agree annual internal audit objectives with the Chief Financial Officer (CFO), receive internal audit reports and ensure that any remedial actions or adoption of new control measures are implemented effectively.

Corporate Governance Matters

1. To the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization.
2. Establish and review annually corporate communication policies with respect to the following: (i) how the Company interacts with analysts, investors, other key stakeholders and the public; (ii) measures for the Company to comply with its continuous and timely disclosure obligations and to avoid selective disclosure and (iii) tipping and the purchase and sale of securities of the Company by insiders and other persons with a special relationship with the Company.
3. Adopt and annually review a written code of business conduct and ethics for the Company that governs the behavior of directors, officers and employees with standards reasonably designed to promote integrity and deter wrongdoing, monitor compliance with the code and grant any waivers from compliance with the code for directors and executive officers.
4. Implement structures and procedures that ensure that the Board can function independently of management.
5. During a Board meeting, ensure that the Lead Independent Director intervene should the Board consider the Chair's independent judgment is biased, to ensure that the Board will successfully carry out its duties.
6. For each member of the Board, act as representatives of the Company in: (i) enhancing the organization's public image, firm reputation and credibility, (ii) providing contacts/network to the Company, (iii) being loyal to the Company, (iv) supporting the decisions of the majority the Board, and (v) identifying, evaluating and carrying out profitable business opportunities for the Company, as well as providing the Company with information on the market in which it operates.
7. Appoint committees of the Board, determine their mandates and select their members and chair.
8. Adopt and annually review mandates for each of the Board's committees.

9. Assign to a committee of directors, including the Lead Independent Director, the general responsibility for developing the Company's approach to governance issues, including developing a set of corporate governance principles, guidelines and practices that are specifically applicable to the Company.
10. Assess as advisable and in a timely manner, the effectiveness of the Board, the committees of the Board, the Chair of the Board, the Lead Independent Director as well as the directors.
11. Ensure that all new directors receive comprehensive orientation to fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors) and the nature and operation of the Company's business and the industry within which it operates.
12. Examine annually the size and composition of the Board and its Committees, with a view to having a diversity of gender, geography, background and skills to ensure a wide-variety of perspectives, experience and expertise to achieve effective stewardship and facilitate effective decision-making and ensure the planned retirement of directors as necessary to maintain an optimal mix of skills, competencies, recent experience and contact-networks.
13. Perform and carry out any other duties assigned to the Board pursuant to the Company's statutes, by-laws, governing law and other applicable statutes, regulations, rules and norms as amended from time to time.
14. Keep records of its activities, meetings, etc. at the office of the Corporate Secretary.

Composition

The Board is comprised of a minimum of three (3) directors and a maximum of fifteen (15) in accordance with the articles of the Company and applicable laws, but its quorum must at all times be comprised of at least two independent directors.

The Board should be constituted with a majority of individuals who qualify as independent directors. A director is independent if such director has no material relationship with the Company, as defined in s. 1.4 of *Regulation 52-110 respecting Audit Committees* as amended from time to time. If the Company has a significant shareholder, the Board should include in addition a number of directors who do not have interests in or relationships with either the Company or the significant shareholder (i.e. a shareholder with the ability to exercise a majority of the votes for the election of the Board) and which fairly reflects the investment in the Company by shareholders other than the significant shareholder.

The application of the definition of "independent director" to the circumstances of each individual director, for the purposes of and as defined in the preceding paragraph, is the responsibility of the Board. The Board is also required to identify which directors are independent and obtain and provide a description of the material relationship between each director who is not independent and the Company.

Meetings

To efficiently discharge its duties, the Board meets periodically (at least once per quarter), and the committees of the Board meet between these meetings as circumstances dictate.

The Board holds, at least once a year, an informal meeting without management being present. Such meetings can be held, if the Board so wishes, at the end of each meeting of the Board or at other specified times during the year ("**in-camera session(s)**"). During an in-camera session, a secretary should be designated amongst the directors present at said session in order to record any decision made by the directors. The CEO must be invited at the end of an in-camera session to be informed of any such decision and have the opportunity to comment thereon, in the event that a decision was taken. If further discussions between the directors are needed following the CEO's comments, the CEO must leave the session and must be informed of the final decision immediately thereafter.

Schedule "B" **Summary of the Omnibus Incentive Plan**

The Company has put in place an omnibus incentive plan which is administered by the Board (the "**Omnibus Incentive Plan**") on May 7, 2019, which said Omnibus Incentive Plan was approved by the Shareholders on June 19, 2019, in replacement of the Company's stock option plan and restricted share unit plan (collectively with the stock option plan, the "**Prior Plans**", the terms of which are summarized in **Schedule "C"** and **Schedule "D"** to this Management Information Circular) in respect of future awards, and no new awards will be granted under such Prior Plans. Outstanding awards granted pursuant to the Prior Plans will continue to be governed by the terms of such Prior Plans until such awards are exercised, expire, or are otherwise terminated or cancelled.

The Omnibus Incentive Plan is a long-term incentive plan that permits the grant of stock options, restricted share units ("**RSUs**") and performance share units ("**PSUs**," and together with the stock options and the RSUs, "**awards**") to directors, executive officers, employees and consultants of the Company and its subsidiaries (collectively, the "**Eligible Participants**"). The purpose of the Omnibus Incentive Plan is to grant awards to Eligible Participants, subject to certain conditions, in order to (a) provide a means through which the Company or a subsidiary may attract, retain and motivate qualified and able persons to advance its strategy; (b) provide an incentive to such Eligible Participants to continue their services for the Company or a subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a subsidiary are necessary or essential to its success, image, reputation or activities; and (c) reward Eligible Participants for their performance of services while working for the Company or a subsidiary. All awards granted under the Omnibus Incentive Plan are subject to the clawback provision.

Limitation

- i. The total number of Common Shares reserved for issuance, in the aggregate, under the Omnibus Incentive Plan is 3,749,714³, except that Common Shares will not be deemed to have been issued pursuant to the Omnibus Incentive Plan with respect to any portion of an award that is settled in cash;
- ii. No award that can be settled in Common Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Common Shares underlying awards made under the Omnibus Incentive Plan to exceed the number of Common Shares reserved for issuance; and
- iii. The aggregate number of Common Shares issuable to insiders, within the meaning of Part 1 of the TSX Company Manual ("**Insiders**"), at any time under the Omnibus Incentive Plan and any other proposed or established share compensation arrangements, shall not exceed 10% of the issued and outstanding Common Shares, and the aggregate number of Common Shares issued to Insiders and their associates under the Omnibus Incentive Plan and any other proposed or established share compensation arrangements within any one-year period shall not exceed 10% of the issued and outstanding Common Shares.

Stock Options

The Board of the Company has the authority under the Omnibus Option Plan to establish the option price at the time each option is granted, which shall not be less than the market price of the Common Shares on the date of the grant. For purposes of the Omnibus Incentive Plan, the market price of the Common Shares as at a given date shall be the volume weighted average trading price on the TSX for the five trading days before such date.

Subject to any vesting conditions set forth in a participant's grant agreement, an option shall be exercisable during a period established by the Board which shall not be more than ten years from the grant of the option. Should the expiration of the term of an option or the exercise period fall within a period during which the option holder cannot trade the Common Shares pursuant to the Company's

³ Such number of Common Shares was determined following the one thousand for one consolidation of the Common Shares of the Company completed on July 5, 2019 (the "**Consolidation**"). The corresponding figure before the Consolidation became effective was 3,749,714,100 Common Shares.

policies (including the Company's insider trading policy) which are in effect at that time, the Omnibus Incentive Plan provides that such expiration date or exercise period shall be automatically extended without any further act or formality to that date which is the tenth (10th) business day after the end of the blackout period, such tenth (10th) business day to be considered the expiration of the term of such option for all purposes under the Omnibus Incentive Plan, and said "ten business day period" may not be extended by the Board.

RSUs and PSUs

Under the Omnibus Incentive Plan, the Board has the authority to grant RSUs and PSUs and to determine the terms and conditions of such grants, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these awards, all of which will be set out in the participant's grant agreement.

RSUs generally become vested, if at all, following a period of continuous employment, while the vesting of PSUs is generally, in whole or in part, conditioned on the attainment of specified performance metrics as may be determined by the Board.

The participant is entitled to receive, with respect to such portion of the RSUs or PSUs which has vested, (i) Common Shares (issued from treasury or purchased on the open market), (ii) cash based on the value of Common Shares or (iii) a combination thereof, as the case may be, all pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant. The payout of an RSU or PSU will generally occur on the settlement date.

Dividend Equivalents

If, as the case may be, dividends (other than share dividends) are paid on the Common Shares, additional share unit equivalents will be automatically granted to each participant who holds RSUs or PSUs on the record date for such dividends, and be subject to the same vesting or other conditions applicable to the related RSUs or PSUs, as applicable.

Tax

Under the Omnibus Incentive Plan, each participant shall be responsible for paying all taxes, social security contributions (including, if the terms of the participant's option agreement so provide, and if lawful, employer social security contributions) and other liabilities arising out of or in connection with any awards or the acquisition, holding or disposal of Common Shares.

Effect of Termination

The provisions of the Omnibus Incentive Plan provide that:

- i. upon a participant's ceasing to be an Eligible Participant as a result of his or her termination for cause (which includes gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's code of business conduct and ethics and any other reason determined by the Company to be cause for termination in accordance with applicable law), any awards granted to such participant, whether vested or unvested on the termination date, shall terminate automatically and become void immediately on the termination date;
- ii. upon a participant ceasing to be an Eligible Participant as a result of his or her resignation from the Company or a subsidiary, as applicable, or in the case of his or her termination without cause, (i) a portion of the PSUs and/or RSUs granted to such participant under the Omnibus Incentive Plan will immediately vest and be settled (based on the vesting terms up to the termination date, as determined in the final and sole discretion of the Board), (ii) all unvested options will be forfeited on the termination date, and (iii) vested options will remain exercisable until the earlier of (A) thirty (30) days after the termination date or the expiry date of the options, after which time all options will expire, in the case of the individual's resignation or (B) ninety (90) days after the termination date or the expiry date of the options, after which time all options will expire, in the case of termination without cause; and

- iii. upon a participant's termination of employment as a result of death or disability, (i) all rights, title and interest in options granted to such participant under the Omnibus Incentive Plan, which are unvested on the termination date, will continue to vest in accordance with the terms of this Omnibus Incentive Plan and the participant's grant agreement for a period of up to two years, subject to the underlying options' expiry date, (ii) vested options (including such options that vest during the period following the termination date) will remain exercisable until the earlier of (A) two years after the termination date and (B) the expiry date of the options, after which time all options will automatically expire, and (iii) a portion of PSUs and/or RSUs granted to the participant under the Omnibus Incentive Plan will immediately vest on the termination date and be settled.

Change of Control

A participant's grant agreement or any other written agreement between a participant and the Company may provide, where applicable, that unvested awards be subject to acceleration of vesting and exercisability in certain circumstances, including in the event of a Change of Control. The Board may at its discretion accelerate the vesting, where applicable, of any outstanding awards notwithstanding the previously established vesting schedule, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration or, subject to applicable regulatory provisions and shareholder approval, extend the expiration date of any award, provided that the period during which an option is exercisable does not exceed ten years from the date such option is granted or that the period relating to RSUs and PSUs does not exceed three years. Similarly, in the event of a Change of Control, the Board will have the power, in its sole discretion, to modify the terms of the Omnibus Incentive Plan and/or the awards granted thereunder (including to cause the vesting of all unvested awards) to assist the participants to tender into a take-over bid or any other transaction leading to a Change of Control. In such circumstances, the Board shall be entitled to, in its sole discretion, provide that any or all awards shall terminate, provided that any such outstanding awards that have vested shall remain exercisable until consummation of such Change of Control, and/or permit participants to conditionally exercise awards, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control).

For purposes of the Omnibus Incentive Plan, unless otherwise defined in the employment agreement, if any, between a participant and the Company or a subsidiary, and unless otherwise defined in the participant's grant agreement or otherwise determined by the Board, "**Change of Control**" means the happening, in a single transaction or in a series of related transactions, of any of the following events:

- i. any acquisition by a person (other than a non-arm's length party), or a combination of persons acting jointly or in concert of the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company's equity incentive plans;
- ii. the sale or disposition of all or substantially all of the Company's assets, or consummation of any transaction, or series of related transactions, having similar effect;
- iii. other than as a result of a solicitation by management of the Company, a change in the composition of the Board, which occurs at a single meeting of the shareholders or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board;
- iv. the dissolution, liquidation or winding up of the Company; or
- v. an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving

or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction.

Non-Assignability of Awards

Each award granted under the Omnibus Incentive Plan is personal to the participant and shall not be assignable or transferable by the participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased participant.

No award granted shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.

Amendments, Suspension and Discontinuation of the Omnibus Incentive Plan

The Board is entitled to suspend or terminate the Omnibus Incentive Plan at any time, or from time to time amend or revise the terms of the Omnibus Incentive Plan or of any granted award, provided that no such suspension, termination, amendment or revision will be made, (i) except in compliance with applicable law and with the prior approval, if required, of the shareholders, the TSX or any other regulatory body having authority over the Company, and (ii) if it would adversely alter or impair the rights of any participant, without the consent of the participant except as permitted by the terms of the Omnibus Incentive Plan, provided however, subject to any applicable rules of the TSX, the Board may from time to time, in its absolute discretion and without the approval of shareholders, make, amongst others, the following amendments to the Omnibus Incentive Plan or any outstanding award:

- o any amendment to the vesting provisions, if applicable, or assignability provisions of awards;
- o any amendment to the expiration date of an award that does not extend the terms of the award past the original date of expiration for such award;
- o any amendment regarding the effect of termination of a participant's employment or engagement;
- o any amendment to the terms and conditions of grants of awards, the quantity, type of award, grant date, vesting periods, settlement date and other terms and conditions with respect to the awards;
- o any amendment which accelerates the date on which any award may be exercised or payable under the Omnibus Incentive Plan;
- o any amendment to the definition of an eligible participant under the Omnibus Incentive Plan;
- o any amendment necessary to comply with applicable law or the requirements of the TSX or any other regulatory body;
- o any amendment of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Omnibus Incentive Plan, correct or supplement any provision of the Omnibus Incentive Plan that is inconsistent with any other provision of the Omnibus Incentive Plan, correct any grammatical or typographical errors or amend the definitions in the Omnibus Incentive Plan;
- o any amendment regarding the administration of the Omnibus Incentive Plan;
- o any amendment to add a provision permitting the grant of awards settled otherwise than with Common Shares issued from the treasury;
- o any amendment to add a cashless exercise feature or net exercise procedure;
- o any amendment to add a form of financial assistance; and

- o any other amendment that does not require the approval of the holders of Common Shares pursuant to the amendment provisions of the Omnibus Incentive Plan.

For greater certainty, the Board shall be required to obtain shareholder approval to make the following amendments:

- o any increase in the maximum number of Common Shares that may be issuable pursuant to the Omnibus Incentive Plan;
- o except for adjustments permitted by the Omnibus Incentive Plan, any reduction in the exercise price of an award or any cancellation of an award and replacement of such award with an award with a lower exercise price, to the extent such reduction or replacement benefits an insider;
- o any extension of the term of an award beyond its original expiry time to the extent such amendment benefits an insider;
- o any increase in the maximum number of Common Shares that may be issuable to insiders pursuant to the insider participation limit;
- o any amendment which increases the maximum number of common shares that may be issuable upon exercise of options intended to meet the requirements of Section 422 of the United States Internal Revenue Code of 1986 (the "**Incentive Stock Options**") or modifies the definition of Eligible Participant used for purposes of determining eligibility for the grant of an Incentive Stock Option; and
- o any amendment to the amendment provisions of the Omnibus Incentive Plan.

Adjustment to Common Shares Subject to Outstanding Awards

In the event of any subdivision, consolidation, reclassification, reorganization or any other change affecting the Common Shares, or any merger or amalgamation with or into another corporation, or any distribution to all security holders of cash, evidences of indebtedness or other assets not in the ordinary course, or any transaction or change having a similar effect, the Board shall in its sole discretion, subject to the required approval of any stock exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the participants in respect of awards under the Omnibus Incentive Plan, including, without limitation, adjustments to the exercise price, the number and kind of securities subject to unexercised awards granted prior to such change and/or permitting the immediate exercise of any outstanding awards that are not otherwise exercisable.

The Company currently does not provide any financial assistance to participants under the Omnibus Incentive Plan.

The foregoing represents a summary of certain applicable CBCA provisions and is qualified in its entirety by the full text of the Company's Omnibus Incentive Plan, which can be found on SEDAR at www.sedar.com.

Schedule "C" Summary of the Stock Option Plan

The Company has put in place a stock option plan (the "**Option Plan**") for the benefit of eligible directors, officers, employees and service providers of the Company and its subsidiaries, as designated from time to time by the board of directors of the Company (the "**Beneficiaries**"), so as to encourage them to promote the business and affairs of the Company to the best of their abilities. Under the Option Plan, the Beneficiaries are granted, by means of stock options, the right to purchase common shares of the Company ("**Common Shares**") for cash. The Option Plan provides that the Board may grant options to Beneficiaries on terms that the Board may determine within the limitations defined in the Option Plan, including terms with respect to the vesting of options granted.

The maximum number of shares reserved for issuance under the Option Plan is 40,634,585⁴, which represents approximately 5% of the total number of Common Shares issued and outstanding as of December 31, 2018.

On August 7, 2018, the board of directors of the Company (the "**Board**") modified the Option Plan to (i) mainly clarify the dispositions related to the beneficiaries' retirement, and (ii) delegate to Liminal's Chief Executive Officer the ability to determine the number of options to be granted and grant such options to new hires and employees holding a position below the vice-president level, subject to respecting Liminal's guidelines on the number of options to be granted for each such position. Shareholder approval is not required for such amendments given that the Board has the full power and authority to amend the Option Plan with respect to any limitation of conditions on participation in the Option Plan as well as any amendment to any terms upon which options may be granted.

Limitation

- i. The total number of Common Shares to be optioned under the Option Plan to any one individual shall not exceed five percent (5%) of the total of the issued and outstanding Common Shares;
- ii. The total number of Common Shares to be optioned shall not exceed the number of Common Shares reserved for issuance under the Option Plan;
- iii. The total number of Common Shares i) issued to Insiders of Liminal within any one-year period, and ii) issuable to Insiders of Liminal, at any time, under the Option Plan or when combined with all other security based compensation arrangements of Liminal (collectively, the "**Share-Based Plans**"), cannot exceed ten percent (10%) of the issued and outstanding Common Shares; and
- iv. The total number of Common Shares issued to any one Insider under the Share-Based Plans (less Common Shares already issued as compensation to Insiders) within a one-year period shall not exceed five percent (5%) of the Common Shares outstanding on the date of issuance of such Shares.

⁴ On a pre-Consolidation basis.

Granting Procedures

Under the Compensation Policy, options to purchase Common Shares are granted to all new employees, including executives, on commencement of employment. The number of options so granted will vary depending on the Beneficiary's position and responsibilities within the Company.

Subject to the number of Common Shares available for issuance under the Option Plan and to applicable regulations, stock options are granted annually to executives by the Board based upon recommendation by the HR & Corporate Governance Committee. The purpose of these annual grants is i) to motivate and retain executives, to sustain a commitment to long-term profitability and to maximize shareholder value and ii) to recognize and reward individual performance.

The Chief Executive Officer assists the HR & Corporate Governance Committee in determining the number of options granted to Beneficiaries. The number of options granted is determined based on the Beneficiary's position and responsibility level in the Company and the Chief Executive Officer's assessment of the overall performance of each Beneficiary for the previous financial year, without taking into account the number of options already held by such Beneficiary.

The number of options to be granted to the Chief Executive Officer is recommended by the HR & Corporate Governance Committee and approved by the Board.

The strike price, the vesting conditions and the terms of options are determined by the Board at the time of the grant each year, upon recommendation by the HR & Corporate Governance Committee.

Option Price

The Board of the Company has the authority under the Option Plan to establish the option price at the time each option is granted, which may not be less than the volume-weighted average trading price of the Common Shares on the TSX, or another stock exchange where the majority of the trading volume and value of the Common Shares occurs, for the last five (5) trading days immediately preceding the day on which the option is granted, which is outside of a blackout period. The volume-weighted average trading price of the Common Shares is calculated by dividing the total value by the total volume of Common Shares traded for the relevant period.

Vesting and Term

Under the Option Plan, the period during which an option is exercisable shall not, subject to the provisions of the Plan, exceed ten (10) years from the date the option is granted. In the absence of any other specifications made by the Board at the time of the grant, an option shall expire five (5) years following its date of grant.

Should the expiration of the term of an option or the exercise period fall within a period during which the option holder cannot trade the Common Shares pursuant to the Company's insider trading policy which is in effect at that time, the Option Plan provides that such expiration date or exercise period shall be automatically extended without any further act or formality to that date which is the tenth (10th) business day after the end of the blackout period, such tenth (10th) business day to be considered the expiration of the term of such option for all purposes under the Option Plan, and said "ten business day period" may not be extended by the Board.

November 2012 to May 2017

All options granted by the Company between November 12, 2012 and May 18, 2017 under the Option Plan have a five-year term. These options granted under the Option Plan may be exercised in whole or in part within the periods stipulated by the Board or, failing such stipulation, on a cumulative basis staggered over a five-year period at a rate of twenty-five percent (25%) per annum calculated from the date the options are granted.

Since May 2017

All options granted by the Company after May 18, 2017 under the Option Plan have a ten-year term to better reflect the long-term developing cycle of our therapeutics and provide an ability for executives to focus on longer-term value creation.

Tax

Under the Option Plan, each optionee shall be responsible for paying all income and other taxes applicable to transactions involving the options, including, without limitation, any taxes payable on exercise of the options, the sale or other disposition of the Company's Shares, or other distributions paid on the Common Shares.

Effect of Termination

The provisions of the Option Plan provide that:

- i. upon a Beneficiary's employment being terminated for cause or upon a Beneficiary ceasing to be a director or an officer by reason of his being removed or becoming disqualified for cause from being a director or officer by law, any vested and unvested option granted to him shall terminate forthwith;
- ii. upon a Beneficiary's employment being terminated by the Company not for cause, any option vested at the time of such termination or cessation may be exercised by the Beneficiary. Such option shall be exercisable prior to the expiration of the term of the option;
- iii. upon a Beneficiary's resignation of employment before being eligible for retirement, any option vested at the time of such resignation may be exercised by the Beneficiary within ninety (90) days after such resignation or prior to the expiration of the term of the option, whichever occurs earlier;
- iv. if a Beneficiary resigns while being eligible for retirement (as defined in the Option Plan) (a) for grants under which options are fully vested at the retirement date, vested options are eligible for exercise by the Beneficiary and shall expire at the term determined at the grant date; (b) for grants under which options are partially vested at the retirement date, vested options are eligible for exercise by the Beneficiary. Unvested options which are scheduled to vest during the one-year period following the retirement date may be exercised by the beneficiary after that vesting date. In both cases, such options shall expire at the 5th anniversary of the grant date. Any stock options granted in the calendar year during which the retirement occurs shall be cancelled;
- v. if a Beneficiary dies while employed or while serving as an officer, any option vested at the time of death may be exercised by a legal successor of such Beneficiary. Such option shall be exercisable prior to the expiration of the term of the option;
- vi. if an Beneficiary ceases to be a director by reason of retirement, removal, disqualification by law or death, other than by reason of his being removed or becoming disqualified for cause from being a director, and other than by reason of resignation, any option vested at the time of such termination may be exercised the Beneficiary, or by a legal successor of such Beneficiary, prior to the expiration of the term of the option on the understanding that all options granted to directors vest, pro rata to his time served on the Board, on a quarterly basis and become fully vested after a year; and
- vii. if a Beneficiary is a service provider to the Company, the service agreement pursuant to which the services are to be rendered to the Company shall govern the conditions upon which his options may terminate.

Non-assignability of Options

Each option granted hereunder is personal to the optionee and shall not be assignable or transferable by the optionee, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased optionee.

No option granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity; each option granted hereunder may be exercised only the optionee.

Amendments, Suspension and Discontinuation of the Option Plan

The Board shall have full power and authority to amend, suspend or discontinue the Option Plan at any time, or the terms of any previously granted option, without obtaining shareholder approval, including without limitations, the following type of amendments:

- i. any limitation of conditions on participation in the Option Plan (other than to the eligibility for participation);
- ii. any amendment to any terms upon which options may be granted and exercised, including but not limited to, the terms relating to the amount and payment of the option price, vesting, expiry and adjustment of options, or the addition or amendment of terms relating to the provision of financial assistance to optionees or of any cashless exercise features;
- iii. any amendment to the Option Plan to permit the granting of deferred or restricted share units under the Plan or to add or to amend any other provisions which would result in Beneficiaries receiving securities of the Company while no cash consideration is received by the Company;
- iv. any change that is necessary or desirable to comply with applicable laws, rules or regulations or any stock exchange on which the shares of the Company are listed;
- v. any correction or rectification of any ambiguity, defective provision, error or omission in the Option Plan;
- vi. any amendment to the definitions contained in the Option Plan and any other amendments of a clerical nature; and
- vii. any amendment to the terms relating to the administration of the Option Plan

provided that such amendments to the terms of any previously granted option may not lead to significant or unreasonable dilution in the Company's outstanding securities or provide additional benefits to eligible Beneficiaries, especially insiders, at the expense of the Company and its existing security holders, in which case approval of the shareholders of the Company must be obtained.

The prior approval of the holders of a majority of the votes attached to all shares of the Company is required if the amendments relate to the following:

- i. any amendment to increase the maximum number of Common Shares issuable under the Option Plan, except for adjustments in the event that such Common Shares are subdivided, consolidated, converted or reclassified by the Company or that any other action of a similar nature affecting such Common Shares is taken by the Company;
- ii. any amendment to the aggregate value of the participation in equity compensation plans of any one non-executive director;
- iii. any amendment to reduce the exercise price or purchase price of any option;
- iv. any amendment to extend the term of any option;
- v. any amendment to make a change to the class of persons eligible to participate under the Option Plan; and
- vi. any amendment which would permit any option granted under the Option Plan to be transferable or assignable other than by will or under succession laws (estate settlement);
- vii. any amendment to the amendment provisions

provided that Common Shares held directly or indirectly by insiders benefiting from the amendments in (ii) and (iii) shall be excluded when obtaining such shareholder approval.

Adjustment to Common Shares Subject to the Option Plan

In the event the Company proposes to amalgamate, merge or consolidate with any other corporation (other than with a wholly-owned subsidiary of the Company) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the Common Shares or any part thereof shall be made to all holders of Common Shares, Company shall have the right, upon written notice thereof to each optionee holding options under the Option Plan, to permit the exercise of all such options within the thirty day period next following the date of such notice and to determine that upon the expiration of such thirty day period, all rights of optionees to such options or to exercise same (to the extent not therefore exercised) shall *ipso facto* terminate and cease to have any further force or effect whatsoever.

The text of the Company's Stock Option Plan can be found on SEDAR at www.sedar.com.

Schedule "D" Summary of the RSU Plan

The Company has put in place a restricted share unit plan (the "**RSU Plan**") to enhance the Company's ability to attract and retain talented individuals to serve as executive officers or in key management positions within the Company and of its Subsidiaries, to reward these participants and to promote an alignment of interests between such participants and the shareholders of the Company. The Restricted Share Units ("**RSUs**") granted under the RSU Plan may vest solely based on time or on the achievement of future performance conditions. The performance-based RSUs are tied to achievement of certain strategic objectives over a three-year period. The three-year period starts from the 1st day of the financial year during which a grant is made to the last day of the second financial year following the financial year during which a grant has been made (a "**Cycle**"). In 2018, 75% of the RSUs granted under the RSU Plan were based on performance conditions and 25% were time-based.

The maximum number of shares reserved for issuance under the RSU Plan is 38,360,248, which represents approximately 5% of the total number of Common Shares issued and outstanding as of December 31, 2018.

On March 20, 2019, the board of directors of the Company (the "**Board**") modified the RSU Plan to mainly clarify the dispositions related to the Participants' retirement, Shareholder approval is not required for such amendment given that the Board has the full power and authority to amend the RSU Plan with respect to any limitation of conditions on participation in the Plan as well as any amendment to any terms upon which RSUs may be granted and exercised, including the vesting conditions. Other minor amendments were brought to the RSU Plan to clarify certain dispositions, which do not require shareholders' approval as per the provisions related to the amendments of the plan under the RSU Plan.

Eligible Participants

Under the RSU Plan, the "Participants" are the, Chief Executive Officer, the chief operating officer, the chief financial officer, the chief legal officer, the chief medical officer, any vice-presidents, employee directors or employee director-level executives and any other officers or management members of the Company, or of a Subsidiary, who have been granted RSUs as designated in writing by the HR & Corporate Governance committee, upon the recommendation of the Chief Executive Officer and subject to the Board's approval. Non-executive members of the Board are not eligible to be Participants for the purposes of the RSU Plan.

The Board shall have, at all times, the power to cancel, annul, rescind or otherwise remove a participant's designation or position as qualifying as a Participant under the RSU Plan. For greater certainty, such action by the Board shall not affect any RSUs already credited to such individual's account.

Limitation

The maximum percentage of Common Shares issuable to Insiders (as such term is defined in the RSU Plan) under the RSU Plan and any other share compensation arrangements of the Company, at any time, is ten percent (10%) of the issued and outstanding Common Shares. The percentage of Common Shares issued to insiders of the Company within any one-year period, under all security-based compensation plans, cannot, in the aggregate, exceed ten percent (10%) of the issued and outstanding Common Shares of the Company.

Vesting and Term

Time-Based Vesting. Each RSU may vest and may be eligible for conversion and release at the rate of 33 1/3 % on each December 31st within the Cycle. The Board may, in its discretion, permit the immediate vesting, and conversion, of all or any portion of an unvested RSU.

Conditions-Based Vesting: RSUs granted prior to May 10, 2017. At each regular Board meeting, the Board shall determine which vesting conditions of any previously granted RSUs were achieved. The relevant RSUs for which the vesting conditions were deemed to be achieved by the Board will become

vested, in whole or in part, based on the level of achievement of said vesting conditions, and will be eligible for conversion and release.

Conditions-Based Vesting: RSUs granted on or after May 10, 2017. At the end of each Cycle, the Board shall determine which vesting conditions of RSUs granted were achieved. The relevant RSUs for which the vesting Conditions were deemed to be achieved by the Board will become vested, in the percentage determined by the Board based on the level of achievement of said vesting conditions, and will be eligible for conversion and release.

Regardless of the timing when RSUs were granted, the Board has until the 31st day of March following the end of a Cycle, or 90 days following an Expiration Date (as defined in the RSU Plan), to determine which vesting conditions were achieved under the relevant Cycle or grant period (if the RSUs were granted outside of a Cycle). RSUs in respect of which the vesting conditions are not deemed to be met by these deadlines shall be automatically cancelled, unless determined otherwise by the Board.

Conversion and Release

The Participant is entitled to receive, with respect to such portion of the RSU which has vested, an amount equal to one Common Share for each RSU (the "**Payout Amount**"). The Payout Amount shall be satisfied by the issuance from treasury of a number of Common Shares equal to the Payout Amount, subject to any required regulatory authorities' approval. Said Common Shares may be sold on the open market at the Participant's discretion.

Tax

Each Participant shall be responsible for paying all income and other taxes applicable to transactions involving the RSUs held by the Administrative agent (as defined in the RSU Plan) on his or her behalf, including, without limitation, any taxes payable on conversion and release of the RSUs, the sale or other disposition of the Common Shares, and dividends (whether cash or otherwise) or other distribution paid on the Common Shares.

Effect of Termination

The provisions of the RSU Plan provide that:

- i. in the case of a Participant's Termination (as defined in the RSU Plan) before the end of a Cycle or before the Expiration Date (as defined in the RSU Plan), other than a Participant's death, Retirement or Long-Term Disability (as defined in the RSU Plan) and other than for just cause or by resignation of a Participant, all vested RSUs shall be converted and released no later than 90 days following the termination date. All unvested RSUs shall be cancelled as at the date of termination;
- ii. in the case of a Participant's Termination because of Retirement (as defined in the RSU Plan):
 - (a) after the end of the second year of a Cycle or before the Expiration Date, the RSUs will continue to remain in force until the end of the Cycle, or until the Expiration Date, and will be eligible for vesting and ultimately for conversion and release for a period of 90 days following the end of such Cycle or such Expiration Date, provided that the Vesting Conditions have been met at the end of such Cycle or at such Expiration Date;
 - (b) after the end of the first year of a Cycle but before the end of the second year of a Cycle, (i) vesting of RSUs subject to time-based vesting will stop one full year after the Participant's last day of employment, and (ii) two-thirds (2/3rds) of RSUs subject to performance-based vesting will remain in force until the end of the Cycle, or until the Expiration Date, and will be eligible for vesting and ultimately for conversion and release for a period of 90 days following the end of such Cycle or such Expiration Date, provided that the Vesting Conditions have been met at the end of such Cycle or at such Expiration Date;
 - (c) All other unvested RSUs shall be cancelled as at the date of termination.

- iii. in the case of Participant who is deemed to be on Long-Term Disability after the end of the second year of such Cycle, or before such Expiration Date, or in case of a Participant's death after the end of the second year of a Cycle or before the Expiration Date, the RSUs will continue to remain in force until the end of the Cycle, or until the Expiration Date, and will be eligible for vesting and ultimately for conversion and release for a period of 90 days following the end of such Cycle or such Expiration Date, provided that the Vesting Conditions have been met at the end of such Cycle or at such Expiration Date. In case of Participant who is deemed to be on Long-Term Disability or a Participant's death, within the first two years of a Cycle, all RSUs will be treated as per a Termination for just cause.
- iv. in the case of a Participant's Termination for just cause or a Participant resigning from his position, all RSUs shall be cancelled immediately as of the date on which the Participant is advised of the Termination, or as of the Participant's effective resignation date, without taking into account any applicable notice period or severance payments made in lieu of such notice.

Transferability of RSUs

The rights and interests of a Participant in respect of the RSUs held in such Participant's account shall not be transferable or assignable other than by will or the laws of succession to the executor, liquidator, administrator or trustee of the estate of the Participant or, subject to applicable law, to a dependent or relation, including without limitation a spouse of the Participant.

Successors and Assigns

The RSU Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the estate of such Participant and the executor, liquidator, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

Amendments, Suspension and Discontinuation of the RSU Plan

The Board shall have full power and authority to amend, suspend or discontinue the RSU Plan at any time, or the terms of any previously granted RSUs, without obtaining shareholder approval (except as indicated below), including without limitations, the following type of amendments:

- i. any limitation of conditions on participation in the RSU Plan (other than relating to the eligibility for participation);
- ii. any amendment to any terms upon which RSUs may be granted and exercised, including but not limited to, the vesting conditions; any change that is necessary or desirable to comply with applicable laws, rules or regulations or any stock exchange on which the Common Shares of the Company are listed;
- iii. any correction or rectification of any ambiguity, defective provision, error or omission in the RSU Plan;
- iv. any amendment to the definitions contained in the RSU Plan and any other amendments of a clerical nature; and
- v. any amendment to the terms relating to the administration of the RSU Plan

provided that such amendments to the terms of any previously granted RSUs may not lead to significant or unreasonable dilution in the Company's outstanding Common Shares or provide additional benefits to eligible Participants, especially insiders, at the expense of the Company and its existing security holders, in which case approval of the shareholders of the Company must be obtained.

The prior approval of the holders of a majority of the votes attached to all Common Shares of the Company is required if the amendments relate to the following:

- i. any amendment to increase the maximum number of Common Shares issuable under the RSU Plan, except for adjustments in the event that such Common Shares are subdivided, consolidated, converted or reclassified by the Company or that any other action of a similar nature affecting such Common Shares is taken by the Company;

- ii. any amendment to make a change to the class of persons eligible to participate under the RSU Plan; and
- iii. any amendment which would permit any RSUs granted under the RSU Plan to be transferable or assignable other than by will or under succession laws (estate settlement)

provided that Common Shares held directly or indirectly by insiders benefiting from the foregoing amendments shall be excluded when obtaining such shareholder approval.

Adjustment to Common Shares to the RSU Plan

In the event the Company proposes to amalgamate, merge or consolidate with any other corporation (other than with a wholly-owned Subsidiary of the Company) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the Common Shares or any part thereof shall be made to all holders of Common Shares, the Company shall have the right, upon written notice thereof to each Participant holding RSUs under the RSU Plan, to permit the conversion and release of all such RSUs within the thirty (30) day period next following the date of such notice and to determine that upon the expiration of such thirty (30) day period, all rights of Participants to convert such RSUs shall *ipso facto* terminate and cease to have any further force or effect whatsoever.

The text of the Company's RSU Plan can be found on SEDAR at www.sedar.com.

Schedule "E"
Articles of Amendment

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. pursuant to Section 173(1) of the *Canada Business Corporations Act*, the Company is authorized to amend its articles to change the province in which its registered office is situated, from the province of Québec to the province of Ontario;
2. any officer or director of the Company is authorized to execute and deliver all such documents and to do and perform all acts and things deemed necessary or advisable to give effect to this special resolution at the time determined, in the Board's sole discretion, to be in the best interest of the Company, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination;
3. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the Board is authorized, at its sole discretion and without further approval of or notice to the shareholders of the Company, to revoke this resolution before it is acted on in whole or in part if determined, in the Board's sole discretion, to be in the best interest of the Company; and
4. any director or officer be and is authorized and directed to execute and deliver, or to cause to be delivered, all such other documents, agreements and instruments, including articles of amendment, and to do and to cause to be done all such other acts or things deemed necessary or advisable to carry out the intent of this special resolution, including compliance with all securities laws and regulations."



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