

UNDERWRITING AGREEMENT

February 24, 2014

Concordia Healthcare Corp.
277 Lakeshore Road East, Suite 302
Oakville, ON Canada
L6J 1H9

Attention: Mark Thompson, President & CEO

Dear Sir:

We understand that Concordia Healthcare Corp. (the "**Company**") intends to sell 5,000,000 Common Shares (as defined herein) (the "**Initial Shares**") at a price of \$11.75 per Common Share (the "**Offering Price**") and, at the option of the Underwriters (as defined herein), up to an aggregate of 750,000 additional Common Shares (the "**Additional Shares**") at the Offering Price (the "**Over-Allotment Option**"). The Initial Shares and any Additional Shares sold upon exercise of the Over-Allotment Option, in accordance with Section 14 - of this underwriting agreement (the "**Agreement**"), are collectively referred to as the "**Offered Shares**". The offer and sale of the Initial Shares and the offer and sale of the Additional Shares, if any, is collectively referred to as the "**Offering**".

The Offered Shares may be distributed in each of the provinces of Canada other than the Province of Quebec by the Underwriters pursuant to the Prospectus (as defined herein) and in the United States or to U.S. Persons pursuant to Rule 144A (as defined herein) by the Underwriters through their U.S. Affiliates (as defined in Schedule "A") on a private placement basis pursuant to the U.S. Placement Memorandum (as defined herein) and Schedule "A" hereto. The Underwriters and the Company acknowledge that Schedule "A" forms a part of this Agreement. Subject to applicable law, including U.S. Securities Laws (as defined herein) and the terms of this Agreement, the Offered Shares may also be distributed outside Canada and the United States, in such jurisdictions as the Company and the Underwriters may agree, where they may be lawfully sold on a basis exempt from the prospectus, registration and similar requirements of any such jurisdictions.

Based upon the foregoing and on the basis of the representations, warranties, covenants and agreements contained herein and subject to the terms and conditions set out below, GMP Securities L.P. ("**GMP**"), as sole book-runner, together with Canaccord Genuity Corp. ("**Canaccord**"), as co-lead underwriters (the "**Lead Underwriters**") and Barclays Capital Canada Inc., Beacon Securities Limited and Cormark Securities Inc. (collectively with the Lead Underwriters, the "**Underwriters**" and, individually, each an "**Underwriter**") hereby severally offer to purchase from the Company in the respective percentages set out in Section 18.1 of this Agreement, and the Company hereby agrees to issue and sell to the Underwriters all, but not less than all, of the Initial Shares at the Offering Price per Initial Share, being an aggregate purchase price of \$58,750,000. After a reasonable effort has been made to sell all of the Initial Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time, provided that any such reduction in the Offering Price shall not affect the aggregate Offering Price less the applicable Commission (as defined herein) payable to the Company.

The Company agrees that each of the Underwriters will be permitted to appoint, at the sole cost and expense of the Underwriter so appointing, other registered dealers (or other dealers duly qualified in their respective jurisdictions) (each, a "**Selling Firm**") as their agents to assist in the Offering, and that the Underwriters may determine the compensation payable to such other dealers appointed by them, such compensation to be payable by the Underwriters. The Underwriters shall comply, and shall require that any Selling Firm shall agree with the Underwriters to comply, with all Applicable Securities Laws and with the covenants and obligations given by the Underwriters herein.

The Offering is conditional upon and subject to the additional terms and conditions set forth below:

Section 1 - Definitions

1.1 In this Agreement, unless otherwise defined herein, the following words and terms shall have the following meanings:

“**1933 Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“**1934 Act**” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

“**Additional Shares**” has the meaning ascribed thereto on the first page of this Agreement;

“**affiliate**” has the meaning ascribed thereto in the *Securities Act* (Ontario);

“**Agreement**” has the meaning ascribed thereto on the first page of this Agreement;

“**Ancillary Documents**” means all agreements, certificates, officer’s certificates, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering prior to the Closing Time and/or the Option Closing Time, as the case may be, whether pursuant to Applicable Securities Laws or otherwise;

“**Applicable Anti-Corruption Laws and Regulations**” has the meaning ascribed thereto in Subsection 7.1(qq) of this Agreement;

“**Applicable Securities Laws**” means the Canadian Securities Laws and the U.S. Securities Laws;

“**associate**” has the meaning ascribed thereto in the *Securities Act* (Ontario);

“**Assets and Properties**” with respect to any Person means all material assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise, and, in each case, wherever situated), including the goodwill related thereto, operated, owned or leased by or in the possession of such Person;

“**Auditors**” means Collins Barrow Toronto LLP, the auditors for the Company;

“**Beneficiaries**” has the meaning ascribed thereto in Section 15.3 of this Agreement;

“**Blue Sky**” has the meaning ascribed thereto on Schedule “A”;

“**Business Day**” means a day which is not a Saturday, a Sunday or a statutory or civic holiday in the City of Toronto, Ontario;

“**Canadian Securities Laws**” means, collectively, securities laws in each of the Qualifying Jurisdictions applicable in connection with the Offering and the respective rules and regulations made thereunder, together with applicable multilateral or national instruments, orders and rulings issued or adopted by each of the Securities Regulators;

“**Claims**” has the meaning ascribed thereto in Section 15.1 of this Agreement;

“**Clinical Trials**” has the meaning ascribed thereto in Subsection 7.1(ww) of this Agreement;

“Closing Date” means March 11, 2014 or such other date as may be permitted under Canadian Securities Laws and as the Company and GMP, on behalf of the Underwriters, may agree to in writing, each acting reasonably, but will in any event not be later than the date that is 42 days after the Final Passport System Decision Document is issued by the Securities Regulators;

“Closing Time” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date, as the Company and GMP, on behalf of the Underwriters, may agree;

“CMS” means The Centers for Medicare and Medicaid Services;

“Commission” has the meaning ascribed thereto in Section 10.1 of this Agreement;

“Common Shares” means the shares in the capital of the Company designated as common shares;

“Company” has the meaning ascribed thereto on the first page of this Agreement;

“Company’s Counsel” means the law firm of Fasken Martineau DuMoulin LLP, Canadian counsel to the Company;

“Company’s U.S. Counsel” means the law firm of Dorsey & Whitney LLP, U.S. counsel to the Company;

“Company Option Plan” means the stock option plan of the Company, as amended from time to time;

“Company Options” means options to acquire Common Shares issued under the Company Option Plan;

“Concordia Entity” means the Company or a Concordia Subsidiary;

“Concordia Subsidiaries” means, collectively, Concordia Healthcare Inc., Concordia Healthcare USA Inc., Concordia Pharmaceuticals Inc., Concordia Labs Inc., Concordia Laboratories, Inc., Complete Medical Homecare, Inc., Pinnacle Biologics, Inc., Compagnie Biologiques Pinnacle, Pinnacle Biologics BV, Pinnacle India Private Ltd. and Pinnacle Oncology LLC and **“Concordia Subsidiary”** means any one of them;

“Contact Letter” means a letter from a Governmental Authority notifying the Company or its representatives of a potential violation under a Health Care Law, which allows the Company or its representatives an opportunity to respond prior to the Governmental Authority taking further action;

“distribution” and **“distribution to the public”** shall have the respective meanings ascribed thereto in the Canadian Securities Laws;

“DMEPOS Supplier Standards” means those standards with which all Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Suppliers (DMEPOS) must comply in order to obtain and retain their billing privileges, as set forth at 42 C.F.R., part 424, section 57;

“DOJ” means the United States Department of Justice;

“Employee Plans” has the meaning ascribed thereto in Subsection 7.1(ii) of this Agreement;

“Environmental Laws” means all applicable laws currently in existence in the United States (whether federal, state or municipal) relating to the protection and preservation of the environment, occupational health and safety, product safety, product liability or hazardous substances;

“Environmental Permits” includes all orders, permits, certificates, approvals, consents, registrations and licences issued by any authority of competent jurisdiction under any Environmental Law;

"FDA" means the U.S. Food and Drug Administration of the U.S. Department of Health & Human Services;

"Federal Health Care Program" has the meaning specified in Section 1128B(f) of the Social Security Act and includes the Medicare, Medicaid and TRICARE programs;

"Final Passport System Decision Document" means a receipt for the Prospectus issued by the OSC as principal regulator pursuant to the Passport System and which also evidences the deemed receipt of the Securities Regulators (other than the OSC);

"Financial Statements" means, collectively, the financial statements included in the Preliminary Prospectus, the Prospectus or the Supplementary Material, as the case may be, including the audited financial statements for the Company for the years ended January 31, 2013 and January 31, 2012, the audited financial statements for the Company for the years ended January 31, 2012 and January 31, 2011, the audited financial statements of the Company for the year ended January 31, 2011 and for the period from January 20, 2010 to January 31, 2010, the unaudited interim financial statements of the Company as at, and for the nine months ended October 31, 2013, the unaudited interim financial statements of the Company as at and for the six months ended July 31, 2013, the audited financial statements for Concordia Private Co. for the period from December 5, 2012 and ended September 30, 2013, Global Medical Direct Group combined financial statements for the years ended December 31, 2012, 2011 and 2010 and the nine month period ended September 30, 2013, Pediatric Product Lines of Shionogi Inc. carve out financial statements for the years ended March 31, 2013 and March 31, 2012 and the 15 month period ended March 31, 2011 and Pinnacle Biologics, Inc. consolidated financial statements for the year ended December 31, 2012 and 2011 and for the nine months ended September 30, 2013 and 2012;

"Foreign Prospectus and Registration Requirements" has the meaning ascribed thereto in Section 3.3 of this Agreement;

"FSMA" has the meaning ascribed thereto in Section 3.5 of this Agreement;

"GMP" has the meaning ascribed thereto on the first page of this Agreement;

"Global Purchase Shares" means the estimated 603,774 Common Shares at \$6.25 per share and an assumed exchange rate of \$1.06CDN per \$1.00US as part of the consideration for the Company's purchase of the specialty healthcare distribution business in respect of which the Company agreed to issue up to US\$4.0 million of Common Shares in annual payments of shares for 5 years following closing at the market price of the shares at time of issue, based upon achieving specified earnings metrics;

"Governmental Authority" means any governmental authority and includes, without limitation, any national or federal government, province, state, municipality, or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"Health Care Laws" means any federal, state or local statutes, regulations, guidelines, ordinances, orders, standards, requirements, approvals, or consents, including but not limited to: Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh, including specifically and without limitation, the DMEPOS standards and conditions for Medicare payment, 42 C.F.R. § 424.57 and the Ethics in Patient Referrals Act, as amended, 42 U.S.C. § 1395nn; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 – 1396v; the Federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the Physician Self-Referral Law, 42 U.S.C. 1395nn; the False Claims Act, 31 U.S.C. §§ 3729-3733 (as amended); the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58; the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b; Mail and Wire Fraud, 18 U.S.C. §§ 1341-1343; False Statements Relating to Health Care Matters, 18 U.S.C. § 1035; Health Care Fraud, 18 U.S.C.

§ 1347; the Exclusion Laws, 42 U.S.C. § 1320a-7; the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. §§ 1320d-1329d-8; Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH) provisions of the American Recovery and Reinvestment Act of 2009, 42 U.S.C. §§17921-17954; 42 C.F.R. Part 410; the Transparency Reports and Reporting of Physician Ownership or Investment Interests Law (the "Sunshine Act"), 42 U.S.C. 1320a-7h; The Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301-399d (including the Orphan Drug Act), any implementing regulations pursuant to any of the foregoing, and all similar or related federal, state or local healthcare statutes and regulations applicable to the business of the Company, including but not limited to state laws concerning fee-splitting, kickbacks, corporate practice of medicine, disclosure of ownership, related party requirements, survey, certification, licensing, civil monetary penalties, self-referrals, or laws concerning the privacy and/or security of personal health information and breach notification requirements concerning personal health information;

"IFRS" means International Financial Reporting Standards as issued by the International Accounting Standards Board, which were adopted by the Canadian Accounting Board as Canadian generally accepted accounting principles applicable to publicly accountable enterprises;

"including" means including, without limitation;

"Indemnified Parties" and **"Indemnified Party"** have the meanings ascribed thereto in Section 15.1 of this Agreement;

"Initial Shares" has the meaning ascribed thereto on the first page of this Agreement;

"Intellectual Property" means any registered or unregistered trade-marks and trade-mark applications, trade names, certification marks, patents and patent applications, copyrights, domain names, industrial designs, trade secrets, know-how, formulae, processes, inventions, technical expertise, research data and other similar property, all associated registrations and applications for registration, and all associated rights, including moral rights;

"Knowledge of the Company" and similar phrases means the knowledge of any of Mark Thompson, President and Chief Executive Officer of the Company, and Leith Tessy, Chief Financial Officer and Secretary Treasurer of the Company, after having made reasonable inquiry of appropriate and relevant internal persons, consultants and other persons in a contractual relationship with the Company and/or a Concordia Subsidiary and documentation (which for greater certain shall exclude the Underwriters and any due diligence reports or materials prepared by the Underwriters or the Underwriters' Counsel);

"Leased Premises" has the meaning ascribed thereto in Subsection 7.1(ff) of this Agreement;

"Losses" has the meaning ascribed thereto in Section 15.1 of this Agreement;

"Material Adverse Effect" means any fact, effect, change (including a decision to implement such a change made by the board of directors or senior management who believe that confirmation of the decision by the board of directors is probable), event or occurrence that, alone or in conjunction with any other or others, could have an effect that is materially adverse to the results of operations, condition (financial or otherwise), business, assets (including intangible assets), properties, capital, liabilities (absolute, contingent or otherwise), cash flow, income, or operating results of the Company and its Subsidiaries, on a consolidated basis, whether or not arising in the ordinary course of business;

"Material Permits" has the meaning ascribed thereto in Subsection 7.1(rr) of this Agreement;

"misrepresentation", **"material fact"** and **"material change"** have the respective meanings ascribed thereto in the *Securities Act* (Ontario);

“NI 44-101” means National Instrument 44-101, *Short Form Prospectus Distributions* of the Canadian Securities Administrators;

“NI 51-102” means National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

“Offered Shares” has the meaning ascribed thereto on the first page of this Agreement;

“Offering” has the meaning ascribed thereto on the first page of this Agreement;

“Offering Price” has the meaning ascribed thereto on the first page of this Agreement;

“OIG” means the United States Department of Health and Human Services Office of Inspector General;

“Option Closing Date” has the meaning ascribed thereto in Section 14.2 of this Agreement;

“Option Closing Time” has the meaning ascribed thereto in Section 14.2 of this Agreement;

“OSC” means the Ontario Securities Commission;

“Over-Allotment Option” has the meaning ascribed thereto on the first page of this Agreement;

“Passport System” means the passport system procedures provided for under Multilateral Instrument 11-102 - *Passport System* and National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions* among the Securities Regulators;

“Permitted Encumbrances” means (i) any validly perfected security interest given by the Company in respect of any indebtedness; (ii) any other security given by the Company in connection with the operation of the business of the Company; (iii) liens against the Company or its assets for taxes, assessments or governmental charges or levies not due and delinquent; (iv) undetermined or inchoate liens and charges incidental to the current operations of the Company which have not been filed pursuant to law or which relate to obligations not due or delinquent; and (v) those otherwise disclosed to the Underwriters in writing or disclosed in the Preliminary Prospectus, Prospectus or any Supplementary Material;

“Person” means any individual, partnership, limited partnership, limited liability partnership, limited liability corporation, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

“Preliminary Passport System Decision Document” means a receipt for the Preliminary Prospectus issued by the OSC as principal regulator pursuant to the Passport System and which also evidences the deemed receipt of the Securities Regulators (other than the OSC);

“Preliminary Prospectus” means the preliminary short form prospectus of the Company, signed and certified in accordance with the Canadian Securities Laws, relating to the qualification for distribution of the Offered Shares under applicable Canadian Securities Laws in the Qualifying Jurisdictions, and the term **“Preliminary Prospectus”** shall be deemed to refer to and to include all the documents incorporated therein by reference;

“Preliminary U.S. Placement Memorandum” means the Preliminary Prospectus, together with the U.S. placement memorandum substantially in the form attached to the Preliminary Prospectus, which will be delivered to prospective United States purchasers of the Offered Shares under Rule 144A;

"Products" means the products currently sold by the Company and the Concordia Subsidiaries in the United States (i) under the trademark Kapvay™ pursuant to the authority granted by NDA Approval No. 22-331 (clonidine hydrochloride) extended release tablets, (ii) under the trademark Orapred ODT® pursuant to the authority granted by NDA Approval No. 21-959 (prednisolone sodium phosphate orally disintegrating tablets), (iii) under the trademark Orapred® OS pursuant to the authority granted by ANDA Approval No. 75-117 (prednisolone sodium phosphate oral solution), and (iv) under the trademark Ulesfia® pursuant to the authority granted by NDA Approval No. 22-129 (benzyl alcohol) 5% lotion;

"Prospectus" means the (final) short form prospectus of the Company, signed and certified in accordance with the Canadian Securities Laws, relating to the qualification for distribution of the Offered Shares under applicable Canadian Securities Laws in the Qualifying Jurisdictions, and the term **"Prospectus"** shall be deemed to refer to and include all the documents incorporated therein by reference;

"Qualified Institutional Buyer" means a "qualified institutional buyer" as that term is defined in Rule 144A;

"Qualifying Jurisdictions" means each of the provinces of Canada except Québec;

"Regulation D" means Regulation D adopted by the SEC under the 1933 Act;

"Regulation S" means Regulation S adopted by the SEC under the 1933 Act;

"Regulatory Authority" means the statutory or governmental bodies authorized under applicable laws to protect and promote public health through regulation and supervision of therapeutic drug candidates intended for use in humans, including, without limitation, the FDA and Health Canada;

"Rule 144A" means Rule 144A adopted by the SEC under the 1933 Act;

"SEC" means the United States Securities and Exchange Commission;

"Securities Regulators" means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

"Selling Firm" has the meaning ascribed thereto on the first page of this Agreement;

"Standard Listing Conditions" has the meaning ascribed thereto in Section 4.2(c) of this Agreement;

"Subsidiaries" means Concordia Healthcare USA Inc., Concordia Healthcare Inc., Concordia Pharmaceuticals Inc., Concordia Labs Inc., Complete Medical Homecare Inc., Pinnacle Biologics, Inc. and Pinnacle Biologics BV;

"subsidiary" has the meaning given to such term in National Instrument 45-106 – *Prospectus and Registration Exemptions*, as in force on the date of this Agreement, subject to the terms "person" and "issuer" in such instrument being ascribed the same meaning as the term "Person" in this Agreement;

"Supplementary Material" means any amendment to or amendment and restatement of the Preliminary Prospectus and/or the Prospectus that are required to be filed by the Company under the Canadian Securities Laws in connection with the Offering;

"Sunshine Act" has the meaning ascribed thereto in Subsection 7.1(kkk) of this Agreement;

"Tax Act" means the Income Tax Act (Canada) and the regulations thereunder, as amended;

"Taxes" has the meaning ascribed thereto in Subsection 7.1(q) of this Agreement;

“**TSX**” means the Toronto Stock Exchange;

“**UK**” means England, Wales, Scotland and Northern Ireland;

“**Underwriter Information**” means the information, facts and statements relating solely to the Underwriters and provided by or on behalf of the Underwriters in writing specifically for inclusion in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material;

“**Underwriters**” has the meaning ascribed thereto on the first page of this Agreement;

“**Underwriters’ Counsel**” means the law firm of Norton Rose Fulbright Canada LLP, counsel for the Underwriters;

“**United States**” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

“**U.S. Person**” means a “U.S. Person” as that term is defined in Regulation S;

“**U.S. Placement Memorandum**” means the Prospectus, together with the U.S. placement memorandum substantially in the form attached to the Prospectus, which will be delivered to prospective United States purchasers of the Offered Shares under Rule 144A; and

“**U.S. Securities Laws**” means the 1933 Act, the 1934 Act and any other laws of the United States or political subdivision thereof, including, in each case, the rules and regulations promulgated thereunder, applicable in connection with the offering for sale of the Offered Shares.

- 1.2 Any reference in this Agreement to any Section, Subsection or Schedule shall refer to a Section, Subsection or Schedule of this Agreement unless specifically referring to another source.
- 1.3 All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and/or pronoun.
- 1.4 Any reference in this Agreement to “\$” or to “dollars” shall refer to the lawful currency of Canada, unless otherwise specified.

Section 2 - Filing of Preliminary Prospectus and Prospectus

- 2.1 The Company shall:
 - (a) not later than:
 - (i) 3:00 p.m. (Toronto time) on the date that is four Business Days following February 18, 2014 have prepared and filed the Preliminary Prospectus and other required documents with the Securities Regulators under the Canadian Securities Laws, elected to use the Passport System and designated the OSC as the principal regulator thereunder; and
 - (ii) 5:00 p.m. (Toronto time) on the date that is four Business Days following February 18, 2014 have obtained a Preliminary Passport System Decision Document; and
 - (b) use its best efforts to resolve all comments of the Securities Regulators on the Preliminary Prospectus promptly after receipt of such comments. Forthwith after any

comments of the Securities Regulators with respect to the Preliminary Prospectus have been resolved but, in any event, not later than 5.00 p.m. (Toronto time) on March 11, 2014 (or such later date as may be agreed to in writing by the Company and GMP on behalf of the Underwriters), have prepared and filed, and obtained a Final Passport System Decision Document in respect of, the Prospectus, and otherwise fulfilled all legal requirements to enable the Initial Shares and Additional Shares to be offered and sold to the public in the Qualifying Jurisdictions through the Underwriters or any other dealer registered to transact such business in the applicable Qualifying Jurisdictions.

Section 3 - Qualification for Distribution and Compliance with the Securities Laws

- 3.1 The Company shall take all steps and proceedings as may be necessary for the Company to qualify the distribution of the Offered Shares in the Qualifying Jurisdictions by or through the Underwriters or any other registrant who complies with the relevant provisions of the Canadian Securities Laws. Until the date on which the distribution of the Offered Shares is completed, the Company will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under the Canadian Securities Laws to continue to qualify the distribution of the Offered Shares or, in the event that the Offered Shares have, for any reason, ceased to so qualify, to again qualify the Offered Shares for distribution in the Qualifying Jurisdictions in accordance with the Canadian Securities Laws.
- 3.2 The Underwriters covenant and agree that the Offered Shares shall be offered for sale by the Underwriters to the public in the Qualifying Jurisdictions in compliance with applicable laws, including Canadian Securities Laws, upon the terms and conditions set forth in the Prospectus and this Agreement. Each Underwriter shall require similar undertakings to be contained in any agreement with a Selling Firm. For the purposes of this Section 3.2, the Underwriters shall be entitled to assume that the Offered Shares are qualified for distribution in any Qualifying Jurisdiction where a Final Passport System Decision Document has been obtained, or deemed to have been obtained, from the applicable Securities Regulator, unless otherwise notified in writing.
- 3.3 The Underwriters covenant and agree that they will only offer to sell or sell the Offered Shares in the Qualifying Jurisdictions, in the United States pursuant to Section 3.4 of this Agreement, in the UK pursuant to Section 3.5 of this Agreement and in such other jurisdictions outside of Canada, the United States and the UK as the Company and the Underwriters may agree, in each case in accordance and compliance with the applicable laws of such jurisdictions and in such manner so as not to require registration of the Offered Shares or the filing of a prospectus, registration statement or any other notice or document with respect to the distribution of the Offered Shares (collectively, the **"Foreign Prospectus and Registration Requirements"**), under the laws of any such jurisdiction. The Underwriters shall require similar undertakings to be contained in any agreement with a Selling Firm.
- 3.4 Any offer or sales of Offered Shares in the United States will be made in accordance with the terms and conditions set out in Schedule "A" to this Agreement. The terms and conditions and the representations, warranties and covenants of the parties contained in Schedule "A" form part of this Agreement.
- 3.5 The Underwriters (i) have not offered or sold or communicated any invitation or inducement and will not offer or sell any Offered Shares or communicate any invitation or inducement to persons in the UK in contravention of section 21(1) of the UK Financial Services and Markets Act 2000, as amended from time to time ("**FSMA**"); or in circumstances which would require the production of an approved prospectus pursuant to section 85(1) of FSMA, and (ii) will only offer or sell the Offered Shares to persons in the UK who are (a) "qualified investors" within the meaning of section 86(7) of FSMA; and (b) "investment professionals" within the meaning of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, respectively.

- 3.6 The Company will not, during the distribution of the Offered Shares, knowingly and intentionally take any action in any jurisdiction outside Canada and the United States which would or would reasonably be expected to cause sales of the Offered Shares by the Underwriters in such jurisdiction, where they may be lawfully offered and sold on a basis exempt from the Foreign Prospectus and Registration Requirements of such jurisdiction, not to be lawfully made on a basis exempt from the Foreign Prospectus and Registration Requirements of such jurisdiction.
- 3.7 The Underwriters covenant and agree not to make any representation or warranty as to the Company or the Offered Shares other than as set forth in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material.
- 3.8 During the distribution of the Offered Shares, (i) other than the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, the press release announcing the Offering and the Term Sheet attached as Schedule "A" to the amendment dated February 19, 2014 to the letter agreement between the Company and GMP dated February 18, 2014 (which Term Sheet the Company and the Underwriters agree is a "standard term sheet" within the meaning of NI 44-101), the Underwriters shall not provide any potential investor with any materials or written communication in relation to the distribution of the Offered Shares; and (ii) the Underwriters shall not provide any potential investor with any materials or written communication that could constitute "marketing materials" (as defined in National Instrument 41-101 - *General Prospectus Requirements*) in relation to the distribution of the Offered Shares.
- 3.9 No Underwriter will be liable for any act, omission, default or conduct by another Underwriter or any Selling Firm appointed by another Underwriter (for greater certainty, an Underwriter shall be liable for any act, omission, default or conduct by it or any Selling Firm appointed by it).
- 3.10 The Underwriters, and any Selling Firm appointed hereunder, will use their reasonable best efforts to complete the distribution of the Offered Shares as promptly as possible after the Closing Time or the Option Closing Time, as the case may be. The Underwriters will notify the Company as soon as possible when, in the Underwriters' opinion, the Underwriters have ceased the distribution of the Offered Shares and, within 30 days after completion of the distribution, will provide the Company, in writing, with a breakdown of the number of Offered Shares distributed in each of the Qualifying Jurisdictions where that breakdown is required by a Securities Regulator for the purpose of calculating fees payable to, or making filings with, that Securities Regulator.

Section 4 - Deliveries Upon Filing and Related Matters

- 4.1 The Company shall deliver or cause to be delivered to the Underwriters, contemporaneously with or prior to the filing of the Preliminary Prospectus or Supplementary Material (if to be filed prior to the filing of the Prospectus), as the case may be:
- (a) a copy or electronic copy of the Preliminary Prospectus, including copies or electronic copies of documents incorporated by reference therein to the extent not already filed under the Company's profile at www.SEDAR.com, signed as required by the Canadian Securities Laws and a copy or electronic copy of the Preliminary U.S. Placement Memorandum or a copy or electronic copy of any Supplementary Material required to be filed by the Company under the Canadian Securities Laws, signed if and as required by the Canadian Securities Laws, as the case may be; and
 - (b) copies of all other documents directly resulting from or related to the Company taking all other steps and proceedings that may be necessary in order to qualify the Offered Shares for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a category permitting them to distribute the Offered

Shares under Canadian Securities Laws and who comply with such Canadian Securities Laws.

- 4.2 The Company shall deliver or cause to be delivered, to the Underwriters, contemporaneously with or prior to the filing of the Prospectus or any Supplementary Material (if to be filed subsequent to the filing of the Prospectus), as the case may be:
- (a) a copy or electronic copy of the Prospectus, signed as required by the Canadian Securities Laws, including copies or electronic copies of documents incorporated by reference therein to the extent not already filed under the Company's profile at www.SEDAR.com, and a copy or electronic copy of the U.S. Placement Memorandum or a copy or electronic copy of any Supplementary Material required to be filed by the Company under the Canadian Securities Laws, signed if and as required by the Canadian Securities Laws, as the case may be;
 - (b) a "long form" comfort letter in form and substance satisfactory to the Underwriters, acting reasonably, dated the date of the Prospectus or any Supplementary Material, as the case may be, from each of the Auditors and FGMK LLC and addressed to the Underwriters and the directors of the Company, in the case of the Auditors based on a review completed not more than two Business Days prior to the date of the letter, with respect to the applicable Financial Statements and other financial information of the Company and the Concordia Subsidiaries in the Prospectus or Supplementary Material, as the case may be;
 - (c) copies of correspondence demonstrating that the listing and posting for trading on the TSX of the Offered Shares has been approved subject only to the satisfaction by the Company of such customary and standard post-closing conditions imposed by the TSX in similar circumstances and set forth in a letter of the TSX addressed to the Company (the "**Standard Listing Conditions**"); and
 - (d) copies of all other documents directly resulting from or related to the Company taking all other steps and proceedings that may be necessary in order to qualify the Offered Shares for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a category permitting them to distribute the Offered Shares under Canadian Securities Laws and who comply with such Canadian Securities Laws.
- 4.3 The Company shall deliver or cause to be delivered to the Underwriters, without charge, as soon as possible and in any event not later than noon (Toronto time) on the first Business Day after the date that the Preliminary Passport System Decision Document or Final Passport System Decision Document is issued by the OSC, as the case may be, such number of commercial copies of the Preliminary Prospectus, the Preliminary U.S. Placement Memorandum, the Prospectus, the U.S. Placement Memorandum or Supplementary Material, as applicable, as the Underwriters reasonably require.
- 4.4 During the period commencing on the date hereof and until completion of the distribution of the Offered Shares, the Company will promptly provide to the Underwriters drafts of any press releases of the Company for review and comment by the Underwriters prior to issuance thereof, provided that any such review will be effected in a timely manner so as to permit the Company to issue press releases in compliance with applicable Canadian Securities Laws and the Company will incorporate in such press releases all reasonable comments of the Underwriters.

Section 5 - Notice of Material Change and Communications

- 5.1 During the period from the date hereof to the date upon which the Company has received the

notice that distribution of the Offered Shares has ceased as contemplated in Section 3.10 of this Agreement, the Company shall promptly notify the Underwriters in writing of the full particulars of:

- (a) any material change whether actual, anticipated, contemplated, threatened or proposed in the Company or any Concordia Subsidiary or in any of their respective businesses, affairs, operations, liabilities (contingent or otherwise), capital, Assets and Properties, condition (financial or otherwise) or results of operations or in the Offering;
- (b) any material fact that has arisen or has been discovered which would have been required to have been stated in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, as the case may be, had the fact arisen or been discovered on, or prior to, the date of such document; and
- (c) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, as the case may be, or the existence of any new material fact or the disclosure of a previously undisclosed material fact, which change in a material fact, new material fact or previously undisclosed material fact is, or may reasonably be expected to be of such a nature as:
 - (i) to render the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or the Supplementary Material misleading or untrue in any material respect;
 - (ii) would result in the Preliminary Prospectus, the Prospectus, or the Supplementary Material not complying with any Canadian Securities Laws or the Preliminary U.S. Placement Memorandum or the U.S. Placement Memorandum not complying with U.S. Securities Laws; or
 - (iii) would result in a misrepresentation in the Preliminary Prospectus, the Prospectus, the Supplementary Material, the Preliminary U.S. Placement Memorandum or the U.S. Placement Memorandum.

5.2 In any such case described in Section 5.1 of this Agreement, the Company shall promptly and, in any event within applicable time limitations set out in the Applicable Securities Laws, comply with all applicable requirements under the Applicable Securities Laws in order to allow for the continued distribution of the Offered Shares in the Qualifying Jurisdictions as contemplated hereunder and the sale of the Offered Shares in the United States in accordance with this Agreement; provided that the Company shall not, subject to the Company complying with the requirements of Applicable Securities Laws, file any Supplementary Material without first consulting with GMP with respect to the form and content thereof, it being understood and agreed that no Supplementary Material shall, subject to the overriding requirements of applicable laws, be filed with any Securities Regulator prior to the review thereof by the Underwriters and their counsel, acting reasonably.

5.3 If during the period of distribution of the Offered Shares there shall be any change in Applicable Securities Laws which, in the opinion of the Underwriters, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Underwriters, the Company shall, to the satisfaction of the Underwriters, acting reasonably, promptly prepare and file any such Supplementary Material with the appropriate Securities Regulators where such filing is required.

- 5.4 During the period from the date hereof to the date upon which the Company has received the notice that distribution has ceased as contemplated in Section 3.10 of this Agreement, the Company shall promptly notify the Underwriters in writing of the full particulars of:
- (a) any request of any Securities Regulators for any amendment to any of the Preliminary Prospectus, the Prospectus or the Supplementary Material or for any additional information in respect of the Offering or the Company;
 - (b) the receipt by the Company of any material communication, whether written or oral, from any Securities Regulator, the TSX or any other competent authority, relating to the Preliminary Prospectus, the Prospectus, the Supplementary Material or the distribution of the Offered Shares or the Company;
 - (c) any notice or other correspondence received by the Company from any Governmental Authority and any requests from such bodies for information, a meeting or a hearing relating to the Company, the Offering, the issue and sale of the Offered Shares or any other event or state of affairs that could have a Material Adverse Effect; or
 - (d) the issuance by any Securities Regulator, the TSX or any other competent authority, including any other Governmental Authority, of any order to cease or suspend trading or distribution of any securities of the Company or of the institution, threat of institution of any proceedings for that purpose or any notice of investigation that could reasonably be expected to result in an order to cease or suspend trading or distribution of any securities of the Company.
- 5.5 In addition to Sections 5.1, 5.2 and 5.4, the Company shall in good faith discuss with the Underwriters any event, fact or change in circumstances (actual or proposed) which is of such a nature that there is or could be reasonable doubt whether notice need be given to the Underwriters pursuant to this Section 5 - .

Section 6 - Regulatory Approvals

- 6.1 Prior to the filing of the Prospectus with the Securities Regulators, the Company shall file or cause to be filed with the TSX all necessary documents and shall take or cause to be taken all necessary steps to ensure that the Company has obtained all necessary approvals for the Offered Shares to be conditionally listed on the TSX subject only to the Standard Listing Conditions.
- 6.2 The Company will make all necessary filings and obtain all necessary regulatory consents and approvals (if any), and the Company will pay all filing, exemption and other fees required to be paid in connection with the Offering.

Section 7 - Representations and Warranties of the Company

- 7.1 The Company represents and warrants to each of the Underwriters and acknowledges that each of the Underwriters is relying upon such representations and warranties in connection with its execution and delivery of this Agreement, that:
- (a) the Company is a corporation incorporated and validly existing under the laws of the Province of Ontario and has all requisite corporate power and corporate capacity and is duly qualified to carry on its business as now conducted and to own, lease or operate its Assets and Properties and neither the Company nor, to the Knowledge of the Company, any other Person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing the Company's dissolution or winding up, and the Company has all

requisite corporate power and capacity to enter into this Agreement and to carry out its obligations hereunder;

- (b) other than the Concordia Subsidiaries, the Company has no direct or indirect subsidiaries nor any investment in any Person or any agreement, option or commitment to acquire any such investment;
- (c) the Company beneficially owns, directly or indirectly, all of the issued and outstanding shares in the capital of each of the Concordia Subsidiaries (other than Pinnacle Oncology LLC, which is 87.5% owned by the Company) and all other issued securities of the Concordia Subsidiaries, free and clear of all liens, claims or demands of any kind whatsoever other than the Permitted Encumbrances;
- (d) each of the Concordia Subsidiaries is a corporation incorporated and validly existing under the laws of its jurisdiction of incorporation and has all requisite corporate power and corporate capacity and is duly qualified to carry on the business as now conducted and to own, lease or operate its Assets and Properties;
- (e) the Company and each of the Concordia Subsidiaries has been, to the Knowledge of the Company, conducting its business as now conducted in compliance in all respects with all applicable laws and regulations of each jurisdiction in which it carries on its business and has not received a notice of material noncompliance, and, to the Knowledge of the Company, there are no facts that would give rise to a notice of material non-compliance with any such laws and regulations;
- (f) the Company is a reporting issuer in the Provinces of Ontario, Alberta and British Columbia, is not in default under the applicable Canadian Securities Laws of those Provinces and is not on the list of defaulting issuers maintained by the applicable Securities Regulators in the Provinces of Ontario, Alberta and British Columbia. As a result of filing the Prospectus with the Securities Regulators and upon obtaining the Final Passport System Decision Document therefor, the Company will become a reporting issuer in each of the other Qualifying Jurisdiction and will not at the Closing Time or the Option Closing Time, as the case may be, be in default under the Canadian Securities Laws of any of the Qualifying Jurisdictions and will not be on the list of defaulting issuers maintained by any Securities Regulator;
- (g) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority, Securities Regulator or other Person is required of the Company in connection with the execution and delivery of or with the performance by the Company of this Agreement except: (i) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under Applicable Securities Laws or the rules of the TSX, including in compliance with Canadian Securities Laws with regard to the distribution of the Offered Shares in the Qualifying Jurisdictions, and (ii) such post-Closing notice filings with Securities Regulators and the TSX as may be required in connection with the Offering, including under the U.S. Securities Laws and related notice filings under applicable U.S. Securities Laws as may be required in connection with the issue and sale of Offered Shares in the United States or to U.S. Persons;
- (h) each of the execution and delivery of this Agreement, the performance by the Company of its obligations hereunder, the issue and sale of the Offered Shares and the consummation of the transactions contemplated in this Agreement, do not and will not:
 - (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), (A) any statute, rule or regulation applicable to the Company or any Subsidiary,

including Applicable Securities Laws and the rules and regulations of the TSX; (B) the constating documents, by-laws or resolutions of the shareholders, directors or any committee of directors of the Company or any Subsidiary, which are in effect as at the date hereof; (C) any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Company or a Subsidiary is a party or by which it is bound; or (D) any judgment, decree or order binding the Company or its Assets and Properties or any Subsidiary or its Assets and Properties; or

- (ii) affect the rights, duties and obligations of the Company or any Subsidiary to any indenture, agreement or instrument to which the Company or any Subsidiary is a party, nor give a party the right to terminate any such indenture, agreement or instrument by virtue of the application of terms, provisions or conditions in such indenture, agreement or instrument;
- (i) the Company is in compliance with its timely and continuous disclosure obligations under the Canadian Securities Laws and the policies, rules and regulations of the TSX and, without limiting the generality of the foregoing, there has not occurred any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise), results of operations or control of the Company and the Subsidiaries taken as a whole since September 30, 2013 which has not been publicly disclosed on a non-confidential basis; all statements set forth in all documents publicly filed by or on behalf of the Company pursuant to Canadian Securities Laws were true, correct and complete in all material respects and did not contain any misrepresentation as of the date of such statements (except for any misrepresentation that has been superseded and corrected by a statement in a subsequent publicly filed document) and the Company has not filed any confidential material change report which remains confidential as at the date hereof;
- (j) at the Closing Time, this Agreement shall have been duly authorized and executed by the Company and upon such execution this Agreement shall constitute a valid and binding obligation of the Company and shall be enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (k) at the Closing Time, the Offered Shares will have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and when issued and delivered by the Company pursuant to the terms of this Agreement, against payment of the consideration set forth herein, the Offered Shares will be duly and validly issued and outstanding as fully paid and non-assessable shares in the capital of the Company. The Offered Shares conform and will conform to all statements relating thereto contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Offering Placement, the U.S. Placement Memorandum and the Supplementary Material. The issuance of the Offered Shares is not subject to the pre-emptive rights of any shareholder of the Company;
- (l) the Common Shares are listed and posted for trading on the TSX and prior to the Closing Time, all necessary notices and filings will have been made with and all necessary consents, approvals, authorizations will have been obtained by the Company from the TSX to ensure that, subject to fulfilling the Standard Listing Conditions, the Offered Shares will be listed and posted for trading on the TSX upon their issuance;

- (m) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by an Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the Knowledge of the Company, are pending, contemplated or threatened by a Governmental Authority;
- (n) except for discussions or negotiations in the ordinary course of business, the Company is not a party to any binding and outstanding agreement in respect of: (A) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any Assets and Properties or any interest therein currently owned, directly or indirectly, by the Company whether by asset sale, transfer of shares or otherwise; or (B) the change of control of the Company (whether by sale or transfer of shares or sale of all or substantially all of the Assets and Properties of the Company or otherwise);
- (o) the Financial Statements (other than pro forma financial statements included or incorporated by reference in the Financial Statements) have been prepared in accordance with IFRS or accounting standards generally accepted in the United States, as applicable, consistently applied throughout the periods referred to therein and present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise as required by IFRS or accounting standards generally accepted in the United States, as applicable) of the Company as at such dates and the results of its operations and its cash flows for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Company in accordance with IFRS or accounting standards generally accepted in the United States, as applicable, and there has been no change in accounting policies or practices of the Company since incorporation, except as disclosed in the Prospectus. Except as set out in the Financial Statements, the Company does not have any outstanding indebtedness or any liabilities or obligations including any unfunded obligation under any employee plan, whether accrued, absolute, contingent or otherwise as of the date of the applicable financial statements;
- (p) all pro forma financial statements or data included or incorporated by reference in the Financial Statements, together with the applicable related notes, present fairly in all material respects the consolidated financial position of the Company and the other entities referred to therein, as of the dates indicated, and the consolidated results of operations of the Company and such other entities referred to therein for the periods specified comply with the requirements of the Applicable Securities Laws, and the assumptions used in the preparation of such pro forma financial statements and data are reasonable, the pro forma adjustments used therein are appropriate to give effect to the transactions or circumstances described therein and the pro forma adjustments have been properly applied to the historical amounts in the compilation of those statements and data;
- (q) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable or required to be collected or withheld and remitted, by the Company and the Subsidiaries have been paid, collected or withheld and remitted as applicable. All tax returns, declarations, remittances and filings required to be filed by the Company have been filed with all appropriate Governmental Authorities, except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect, and all such returns, declarations, remittances and filings are complete in all material respects and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the Knowledge of the Company, no examination by a Governmental Authority of any tax return of the Company is currently in

progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Company. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Company;

- (r) the Company and the Subsidiaries have each established on its books and records reserves that are adequate for the payment of all Taxes not yet due and payable and there are no liens for Taxes on the Assets and Properties of the Company and the Subsidiaries, and to the Knowledge of the Company, there are no audits pending of the tax returns of the Company or the Subsidiaries (whether federal, state, provincial, local or foreign) and there are no claims which have been or may be asserted relating to any such tax returns, which audits and claims, if determined adversely, would result in the assertion by any governmental agency of any deficiency;
- (s) the Company has established and maintains a system of disclosure controls and procedures and internal control over financial reporting, and has: (i) designed such disclosure controls and procedures, or caused them to be designed under management's supervision, to provide reasonable assurance that material information relating to the Company and the Subsidiaries is made known to management by others, particularly during the period in which the financial statements are being prepared; and (ii) designed such internal control over financial reporting, or caused it to be designed under management's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS;
- (t) the Company's Auditors who audited the audited consolidated financial statements of the Company for the financial period ended September 30, 2013 are independent public accountants and there has never been a reportable event (within the meaning of NI 51-102) between the Company and the Auditors and the Company's audit committee's responsibilities and composition comply with National Instrument 52-110 - *Audit Committees* of the Securities Regulators;
- (u) the authorized capital of the Company consists of an unlimited number of Common Shares of which 18,089,787 Common Shares are issued and outstanding as fully paid and non-assessable shares in the capital of the Company as of the date hereof;
- (v) no holder of Common Shares is entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Company and, other than Company Options to purchase 1,805,000 Common Shares, 140,820 compensation options to purchase 140,820 Common Shares, 2,080 options issued to former directors of the Company to purchase 2,080 Common Shares and the Global Purchase Shares, no rights to acquire, or instruments convertible into or exchangeable for, any shares in the capital of the Company are outstanding;
- (w) no legal or governmental actions, suits, judgments, investigations or proceedings are pending to which the Company or any Subsidiary, or to the Knowledge of the Company, the directors, officers or employees of the Company or a Subsidiary are a party or to which the Assets and Properties of the Company or a Subsidiary is subject and, to the Knowledge of the Company, no such proceedings have been threatened against or are pending with respect to the Company or a Subsidiary, or with respect to its Assets and Properties and none of the Company or any Subsidiary is subject to any judgment, order, writ, injunction, decree or award of any Governmental Authority, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect;

- (x) neither the Company nor any Subsidiary is in violation of its constating documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract to which it is a party or by which it or its Assets and Properties may be bound, except where such default would not reasonably be expected to have a Material Adverse Effect;
- (y) except as (i) would not have a Material Adverse Effect or (ii) set forth in the Preliminary Prospectus, Prospectus or any Supplementary Material, and other than Permitted Encumbrances, the Company and each Subsidiary owns or has the right to use all Assets and Properties owned or used in its business as now conducted free and clear of any actual, pending, or to the Knowledge of the Company, threatened claims, liens, charges, options, set-offs, free-carried interests, royalties, encumbrances, security interests or other interests whatsoever, including: (a) all contracts that are material to its business; and (b) all Assets and Properties necessary to enable the Company and the Subsidiaries to carry on its business as now conducted and as presently proposed to be conducted;
- (z) except for the Permitted Encumbrances or except as described in the Preliminary Prospectus, the Prospectus or any Supplementary Material, no third party has any ownership right, title, interest in, claim in, lien against or any other right to the Assets and Properties owned by the Company or any written or oral agreement, option, understanding or privilege capable of becoming such;
- (aa) all contracts to which the Company and/or any Subsidiary are a party that are material to its business are in good standing in all respects and in full force and effect;
- (bb) none of the Company, any Subsidiary or, to the Knowledge of the Company, any other party thereto is in default or breach of any material contract to which the Company or any Subsidiary is a party and, except as set forth in the Preliminary Prospectus, Prospectus or Supplementary Material, to the Knowledge of the Company, there exists no condition, event or act which, with the giving of notice or lapse of time or both would constitute a default or breach under any such contract which would give rise to a right of termination on the part of any other party to such contract;
- (cc) the Company and/or the Subsidiaries, as applicable, own or have the right to use all of the Intellectual Property owned or used by the business of the Company as of the date hereof free and clear of all liens, except for Permitted Encumbrances. All registrations, if any, and filings necessary to preserve the rights of the Company and/or the Subsidiaries, as applicable, in the Intellectual Property have been made and are in good standing. There are no defaults in the prosecution of the patent applications of either the Company or a Subsidiary. To the Knowledge of the Company, neither the Company nor any Subsidiary has any pending action or proceeding, nor any threatened action or proceeding, against any Person with respect to the use of the Intellectual Property, and, to the Knowledge of the Company, there are no circumstances which cast doubt on the validity or enforceability of the Intellectual Property owned or used by the Company or a Subsidiary. The conduct of the business of the Company does not, to the Knowledge of the Company, infringe upon the intellectual property rights of any other Person. Neither the Company nor any Subsidiary has any pending action or proceeding, nor, to the Knowledge of the Company, is there any threatened action or proceeding against it with respect to the Company and the Subsidiaries' use of the Intellectual Property. Neither the Company nor any Subsidiary has received any written charge, complaint, claim, demand or notice alleging any infringement or misappropriation of Intellectual Property including any claim that it must license or refrain from using any Intellectual Property. Neither the Company nor any Subsidiary has granted any exclusive license to any other person with respect to any Intellectual Property;

- (dd) each of the Company and the Subsidiaries has taken reasonable steps to protect and maintain each item of Intellectual Property that is deemed by the Company to be a trade secret. To the Knowledge of the Company, all Persons who contributed Intellectual Property to either the Company or a Subsidiary have entered into binding, written agreements whereby such persons have assigned to the Company or a Subsidiary, as applicable, any ownership interest and right they may have in the Intellectual Property and acknowledge the exclusive ownership of such assets by the Company or a Subsidiary, as applicable;
- (ee) the Company is not a party to any agreement which in any manner affects the voting control of any of the securities of the Company;
- (ff) with respect to each premises of the Company and each of the Subsidiaries which is material to the business of the Company and which the Company or a Subsidiary occupies as tenant (the "**Leased Premises**"), the Company or a Subsidiary occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Company or a Subsidiary occupies the Leased Premises is in good standing and in full force and effect in all respects;
- (gg) neither the Company nor any Subsidiary is a party to or bound by any collective agreement and is not currently conducting negotiations with any labour union or employee association;
- (hh) the Company and each Subsidiary is in compliance in all material respects with all laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages and has not and is not engaged in any unfair labour practice;
- (ii) certain of the Concordia Entities have agreements, plans or practices relating to the payment of any management, consulting, service or other fees or any bonuses, pensions, share of profits or retirement allowance, insurance, health or other employee benefits or any plan for retirement, stock purchase, profit sharing, stock option (including the Company Option Plan), deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by a Concordia Entity for the benefit of any current or former director, officer, employee or consultant of a Concordia Entity (each an "**Employee Plan**"). Concordia has made available to the Underwriters the opportunity to review true and complete copies of documents, contracts and arrangements relating to each such Employee Plan. Each Employee Plan has been established, operated in the ordinary course and administered in all material respects in accordance with their terms and applicable laws;
- (jj) there has not been in the last two years and there is not currently any labour disruption that would reasonably be expected to have a Material Adverse Effect;
- (kk) except as disclosed in the Preliminary Prospectus, the Prospectus or the Supplementary Material, none of the directors, officers or employees of the Company, the Subsidiaries or any associate or affiliate of any of the foregoing has any interest, direct or indirect, in any transaction with the Company or any Subsidiary that materially affects, is material to or will materially affect the Company or any Subsidiary;
- (ll) except for wages, salaries and other compensation-related payments in the ordinary course, neither the Company nor any Subsidiary is indebted to: (i) any director, officer or shareholder of the Company or a Subsidiary; (ii) any individual related to any of the foregoing by blood, marriage or adoption; or (iii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in this Subsection (ll). None

of those Persons referred to in this Subsection (ll) is indebted to the Company or a Subsidiary. Neither the Company nor a Subsidiary is currently a party to any material contract, agreement or understanding with any officer, director, employee, shareholder or any other Person not dealing at arm's length with the Company or the Subsidiaries other than employment agreements;

- (mm) the Company and each Subsidiary's insurance policies are valid and enforceable and in full force and effect, are underwritten by unaffiliated and reputable insurers, are sufficient for all applicable requirements of law and provide insurance, including liability and product liability insurance, in such amounts and against such risks as is customary for corporations engaged in businesses similar to that carried on by the Company and the Subsidiaries. Neither the Company nor any Subsidiary is in default in any material respect with respect to the payment of any premium or compliance with any of the provisions contained in any such insurance policy and has not failed to give any notice or present any claim within the appropriate time therefor. There are no circumstances under which the Company or any Subsidiary would be required to or, in order to maintain its coverage, should give any notice to the insurers under any such insurance policy which has not been given. Neither the Company nor any Subsidiary has received notice from any of the insurers regarding cancellation of such insurance policy;
- (nn) copies of the minute books and records of the Company and the Subsidiaries made available to Underwriters' Counsel in connection with the due diligence investigation of the Company and the Subsidiaries for the period from the date of incorporation to the date hereof are all of the minute books of the Company and the Subsidiaries and contain copies of all proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Company and the Subsidiaries to the date hereof and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Company or the Subsidiaries to the date hereof not reflected in such minute books;
- (oo) (A) the Company, the Subsidiaries and each of their respective Assets and Properties and the operation of their respective businesses, have been and are, to the Knowledge of the Company, in compliance in all material respects with all Environmental Laws; (B) the Company and each of the Subsidiaries has complied in all material respects with all reporting and monitoring requirements under all Environmental Laws; and (C) neither the Company nor any Subsidiary has ever received any notice of any non-compliance in respect of any Environmental Laws and (D) there are no Environmental Permits necessary to conduct the business of the Company;
- (pp) other than the Underwriters, there is no Person acting or purporting to act at the request or on behalf of the Company that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement;
- (qq) the Company and the Subsidiaries and their directors, officers, employees and other representatives are familiar with and have conducted all transactions, negotiations, discussions and dealings in full compliance with anti-bribery and anti-corruption laws and regulations applicable in any jurisdiction in which they are located or conducting business (collectively "**Applicable Anti-Corruption Laws and Regulations**"). Neither the Company nor a Subsidiary has made any offer, payment, promise to pay, or authorization of payment of money or anything of value to any government official, or any other person while having reasonable grounds to believe that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a government official, for the purpose of (i) assisting the parties in obtaining, retaining or directing business; (ii) influencing any act or decision of a government official in his or its official capacity; (iii) inducing a government official to do or omit to do any act in violation of his or its lawful duty, or to use his or its influence with a government or instrumentality thereof to affect or

influence any act or decision of such government or department, agency, instrumentality or entity thereof; or (iv) securing any improper advantage;

- (rr) each of the Company and the Subsidiaries holds all of the permits, licenses, registrations, qualifications, consents and like authorizations necessary or required for it to carry on its business in each jurisdiction where such business is carried on that are material to the conduct of the business of the Company, including, but not limited to, permits, licenses, registrations, and like authorizations from Regulatory Authorities (collectively, the "**Material Permits**"); all such Material Permits are valid and subsisting and in good standing and none of the same contains any term, provision, condition or limitation which has or would reasonably be expected to affect or restrict in a material adverse manner the operation of the business of the Company or any of the Subsidiaries, as now carried on or proposed to be carried on, as set out in the Preliminary Prospectus, the Prospectus or any Supplementary Material, and each of the Company and the Subsidiaries is not in breach thereof or in default with respect to filings to be effected or conditions to be fulfilled in order to maintain such Material Permits in good standing, except where any such breach or default would not reasonably be expected to result in a Material Adverse Effect;
- (ss) no Material Permits issued by the FDA or any Governmental Authority or Regulatory Authority have been limited, suspended, or revoked, and, to the Knowledge of the Company, neither the FDA nor any Governmental Authority or Regulatory Authority is considering such action;
- (tt) each of the Company and the Subsidiaries is in compliance in all material respects with each Material Permit held by it and is not in violation of, or in default under applicable laws of Regulatory Authorities, except where such violation or default would not reasonably be expected to result in a Material Adverse Effect;
- (uu) there is no false or misleading information or significant omission in any product application or other submission to the FDA or any comparable Regulatory Authority;
- (vv) all Products developed, tested, investigated, manufactured, stored, distributed, marketed, or sold by or on behalf of the Company and the Subsidiaries that are subject to the jurisdiction of the FDA or any comparable Regulatory Authority have been and are being developed, tested, investigated, manufactured, stored, distributed, marketed, and sold in material compliance with FDA legal requirements or any other applicable legal requirement, including those regarding non-clinical testing, clinical research, establishment registration, device listing, pre-market notification, good manufacturing practices, labeling, advertising, record-keeping, adverse event reporting and reporting of corrections and removals;
- (ww) the clinical, pre-clinical and other studies and tests conducted by or on behalf of or sponsored by the Company or any Subsidiaries that are described or referred to in the Preliminary Prospectus and the Prospectus (collectively, the "**Clinical Trials**") were and, if still pending, are being conducted, in all material respects, in accordance with all experimental protocols; procedures and controls; accepted professional scientific standards; and applicable laws, including applicable laws administered by Regulatory Authorities. The descriptions of the result of the Clinical Trials described or referred to in the Preliminary Prospectus and the Prospectus are accurate and complete in all respects and fairly present the published data derived from the Clinical Trials and neither the Company nor any Subsidiary has knowledge of other studies or tests the results of which are inconsistent with or otherwise call into question the results described or referred to in the Preliminary Prospectus or the Prospectus. Neither the Company nor any Subsidiary has received any notices or written correspondence from any Governmental Authority or

Regulatory Authority with respect to any Clinical Trial requesting information about or requiring the termination or suspension of such Clinical Trial;

- (xx) each of the Company and the Subsidiaries has filed with the applicable Regulatory Authority all material filings, declarations, listings, registrations, reports, updates and submissions that are required to be so filed. All such filings were in compliance in all material respects with applicable laws when filed and no deficiencies have been asserted by any Regulatory Authority with respect to any such filings, declarations, listings, registrations, reports, updates or submissions;
- (yy) except as would not have a Material Adverse Effect, neither the Company nor the Subsidiaries have received any Form FDA-483, notice of adverse finding, FDA warning letters, notice of violation or "untitled letters," or notice of FDA action for import detentions or refusals or any other written correspondence from any Regulatory Authority alleging or asserting noncompliance with any applicable legal requirements or registrations. Except as would not have a Material Adverse Effect, neither the Company nor the Subsidiaries are subject to any obligation arising under an administrative or regulatory action, inspection, warning letter, notice of violation letter, or other written notice, response or commitment made to or with any Regulatory Authority, and, to the Knowledge of the Company, no such proceedings have been threatened. The Company and the Subsidiaries have made all material notifications, submissions and reports required by FDA legal requirements;
- (zz) except as would not have a Material Adverse Effect, there has not been, nor, to the Knowledge of the Company, is there currently under consideration by the Company, any Subsidiary, or any Governmental Authority or Regulatory Authority, any seizure, withdrawal, recall, field, notification, detention, field correction, safety alert, or suspension of manufacturing relating to any Product; a change in labeling of any such Product; or a termination, seizure, or suspension of marketing of any such Product;
- (aaa) the Company, the Subsidiaries and their respective officers, directors, and employees, and to the Knowledge of the Company, their representatives, contractors, and agents, have been and are currently in compliance in all material respects with all applicable Health Care Laws including, without limitation, the Company's and all Subsidiaries' actions regarding coupon programs, discount programs, co-pay assistance programs, lead generation programs, marketing efforts, and requirements pertaining to mail-order pharmacies such as change of ownership requirements, licensing requirements, inspection requirements, and generic substitution laws, and, to the Knowledge of the Company, neither the Company nor its respective officers, directors, or employees, have engaged in any act or omission that violates or would violate any Health Care Laws in any material respect including, without limitation, misbranding, adulteration, or off-label promotion;
- (bbb) other than the Settlement Agreement dated October 17, 2013 with the United States of America, acting through the DOJ and the Office of Inspector General of the Department of Health and Human Services, pursuant to which the Company is obligated to make certain payments to the United States, the Company, the Subsidiaries and their respective officers, directors, and employees (a) are not and have not been a party to, or bound by, any order, individual integrity agreement, corporate integrity agreement or other formal agreement with any Governmental Authority concerning compliance with Health Care Laws; (b) have not made any filings pursuant to the OIG or CMS self-disclosure protocol; (c) have not been a defendant in any action, or received a threat of any action, brought under a federal or state whistleblower statute, including without limitation the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.); and (d) have not been served with or received any written search warrant, subpoena (other than those related to

actions against third parties), civil investigative demand or contact letter from a Governmental Authority or Regulatory Authority;

- (ccc) neither the Company nor any Subsidiary has presented or caused to be presented to any government or any other Person any claim for payment for an item or service in violation of, or that would be the basis for liability under, the False Claims Act, 31 U.S.C. § 3729 — 3733, any similar state false claims act, the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b, the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812, any other Health Care Laws, or the common law or administrative theories of recoupment, payment by mistake, unjust enrichment, disgorgement, conversion, breach of contract, or fraud. The Company and each Subsidiary has submitted all claims for reimbursement to Federal Health Care Programs in accordance with all applicable Health Care Laws;
- (ddd) neither the Company nor any Subsidiary has received notice of any action by any Governmental Authority or Regulatory Authority to terminate, suspend, limit, withdraw, or forfeit the participation of the Company or any Subsidiary in any Federal Health Care Program;
- (eee) neither the Company nor any Subsidiary has any knowledge of any current inquiry or investigation relating to any Federal Health Care Program-related offense of which the Company or any Subsidiary is a target or subject, or any other actual or threatened enforcement actions by any Governmental Authority or Regulatory Authority;
- (fff) to the Knowledge of the Company, neither the Company nor any Subsidiary has presented or caused to be presented to any Federal Health Care Program or any other Person any claim for payment for an item or service provided or performed pursuant to: (A) the federal anti-kickback statute, 42 U.S.C. § 1320a-7b(b) or similar state anti-kickback statute; or (B) a prohibited referral under 42 U.S.C. § 1395nn or the regulations promulgated thereunder at 42 C.F.R. § 411.351 — 411.389;
- (ggg) to the Knowledge of the Company, neither the Company nor any Subsidiary has (A) offered, authorized, promised, made or agreed to make gifts of money, other property, other value or similar benefits or contributions to, or entered into any fee-splitting arrangement with, any actual or potential patient, health care provider, actual or potential business partner, governmental employee, or other Person in a position to assist or hinder the Company or any Subsidiary in connection with any actual or proposed transaction, or to any political party, political party official or candidate for federal, state or local public office in violation of any applicable law or (B) maintained any unrecorded fund or asset of the Company or any Subsidiary for any improper purpose or made any false entries on its books and records for any reason;
- (hhh) neither the Company nor any Subsidiary has any material liability for any refund, overpayment, discount, or adjustment under any Federal Health Care Program, other than adjustments made lawfully in the normal course of business;
- (iii) to the Knowledge of the Company and other than the Company's retention of Mark Franz for duties unrelated to any Federal Health Care Programs, no Persons who have engaged in any activity that is in violation of, or have been convicted of, charged with, or investigated for, a felony or a criminal offense under any Health Care Law, or who are excluded, suspended, debarred, prohibited from providing services under, or otherwise ineligible to participate in any government program, or who have been threatened with exclusion, debarment or being otherwise ineligible to participate in any government program, or who have committed any act or have engaged in any activity that is permissive or mandatory grounds for exclusion, debarment, suspension, or other ineligibility to so participate, are either employed by, under a consulting contract with, or

agents of the Company or any Subsidiary or provide items or services on behalf of the Company or any Subsidiary;

- (jjj) except in respect of certain materials inadvertently delivered to a business partner of the Company, neither the Company nor any Subsidiary has ever notified, either voluntarily or as required by a Health Care Law or other applicable law, any affected individual, any Governmental Authority, or the media about, or is otherwise aware of, any breach or unauthorized acquisition, access, use, or disclosure of protected health information or any other breach in violation of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), 42 U.S.C. §§ 1320d-1329d-8; Health Information Technology for Economic and Clinical Health Act (HITECH); or implementing regulations; including a breach of any business associate agreement (within the meaning of HIPAA); nor, to the Knowledge of the Company, is the Company or any Subsidiary aware of any investigation by any Governmental Authority for a violation of HIPAA, HITECH, or any other legal requirement applicable to the Company or any Subsidiary's use and dissemination of any personally-identifiable information concerning individuals, including receiving any written notices from the United States Department of Health and Human Services Office of Civil Rights relating to any such violations;
- (kkk) the Company and the Subsidiaries have recorded all of the information required to be recorded under the Transparency Reports and Reporting of Physician Ownership or Investment Interests Law (the "**Sunshine Act**"), 42 U.S.C. 1320a-7h and will report such information in March 2014 as required;
- (lll) the Company and the Subsidiaries, in conducting the business of the Company, do not participate in, directly or through any broker, distributor or similar party, any arrangement pursuant to which customers of the business receive, directly or indirectly, a reduction in the purchase price or other benefits, monetary or otherwise, other than normal and legal customary trade practices and incidental business-related entertainment;
- (mmm) other than in respect of certain intellectual property licence agreements entered into in the ordinary course, the Company and the Subsidiaries are the sole legal and beneficial owners of, have good and marketable title to, and own all right, title and interest in the Products;
- (nnn) the Company and the Subsidiaries' billing practices to all third party payors, including private insurance companies, have been true, current, and complete in all material respects and in compliance in all material respects with all applicable laws and the policies of those third party payors;
- (ooo) to the extent the Company or any Subsidiary provides to customers or others reimbursement coding or billing advice regarding products offered for sale by any Company or Subsidiary and procedures related thereto, such advice is: (a) true, accurate and complete in all material respects, and (b) in compliance in all material respects with all Health Care Laws;
- (ppp) the Company and the Subsidiaries maintain and operate in material compliance with a compliance program in accordance with the criteria established by the OIG; the current U.S. Federal Sentencing Guidelines standards for effective compliance programs; the code of the Pharmaceutical Research and Manufacturers of America on Interactions with Health Care Professionals; and other similar laws;
- (qqq) all statements made in the Preliminary Prospectus describing the Offered Shares and the attributes thereof are accurate in all material respects;

- (rrr) the Offered Shares qualify as eligible investments as described in the Preliminary Prospectus under the heading “Eligibility for Investment” and the Company will not take or permit any action within its control which would cause the Offered Shares to cease to be qualified, during the period of distribution of the Offered Shares, as eligible investments to the extent so described in the Prospectus;
- (sss) the form and terms of the certificate representing the Common Shares have been approved and adopted by the board of directors of the Company and the form and terms of the certificate representing the Common Shares do not conflict with any applicable laws or the rules of the TSX;
- (ttt) Equity Financial Trust Company, at its principal offices in Toronto, Ontario, has been duly appointed as the registrar and transfer agent for the Common Shares;
- (uuu) all forward-looking information and statements of the Company contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum and the assumptions underlying such information and statements, subject to any qualifications contained therein, including any forecasts and estimates, expressions of opinion, intention and expectation, as at the time they were or will be made, were or will be made on based on assumptions that are reasonable;
- (vvv) the statistical, industry and market related data included in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum are derived from sources which the Company reasonably believes to be accurate, reasonable and reliable, and such data agrees with the sources from which it was derived;
- (www) the Company is eligible to file a short form prospectus in each of the Qualifying Jurisdictions pursuant to applicable Canadian Securities Laws and on the date of and upon filing of the Prospectus there will be no documents required to be filed under applicable Canadian Securities Laws of the Qualifying Jurisdictions in connection with the Offering that will not have been filed as required;
- (xxx) the Company has not withheld and will not withhold from the Underwriters prior to the Closing Time, any material facts relating to the Company, any of the Subsidiaries or the Offering;
- (yyy) the acquisitions of the respective businesses and/or companies disclosed in the Preliminary Prospectus, Prospectus, Preliminary U.S. Placement Memorandum and U.S. Placement Memorandum were effected in compliance in all material respects with all applicable laws, and no payments will accrue, be owing or be payable by, the Company or any Subsidiary to any person in connection with any such acquisition, except as disclosed therein; and
- (zzz) the Company has not completed any “significant acquisition”, “significant disposition” nor is it proposing any “probable acquisitions” (as such terms are used in NI 44-101 and NI 51-102) that would require the inclusion of any additional financial statement or any pro forma financial statements other than as already set forth in the Preliminary Prospectus and the Prospectus pursuant to the Canadian Securities Laws.

Section 8 - Representations and Warranties Regarding the Prospectus, the U.S. Placement Memorandum and the Supplementary Material

- 8.1 The delivery to the Underwriters of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material

shall, in each case, constitute:

- (a) the representation and warranty of the Company to the Underwriters that, at the time of such delivery, the information and statements contained and incorporated by reference therein (except the Underwriter Information and except for any information or statement in or incorporated by reference in such document that has been superseded by any subsequent information or statement in or incorporated by reference in such document):
 - (i) are true and correct in all material respects;
 - (ii) constitute full, true and plain disclosure of all material facts relating to: (i) the Company and the Concordia Subsidiaries on a consolidated basis; (ii) the Offered Shares; and (iii) the Common Shares; and
 - (iii) contain no misrepresentation.
- (b) the representation and warranty of the Company to the Underwriters that the Preliminary Prospectus, the Prospectus or the Supplementary Material, as applicable, comply in all material respects with the Canadian Securities Laws, including without limitation NI 44-101 (except with respect to the Underwriter Information) and that the Preliminary U.S. Placement Memorandum or the U.S. Placement Memorandum, as applicable, comply in all material respects with the U.S. Securities Laws; and
- (c) the Company's consent to the use of the Preliminary Prospectus, the Prospectus or the Supplementary Material, as the case may be, by the Underwriters, for the purpose of offering and selling the Offered Shares in the Qualifying Jurisdictions in accordance with the Canadian Securities Laws as contemplated herein and the consent to the use of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum by the Underwriters for the purpose of selling the Initial Shares as contemplated in Schedule "A" of this Agreement.

Section 9 - Covenants of the Company

9.1 The Company covenants and agrees with each of the Underwriters that:

- (a) the Company will advise the Underwriters, promptly after receiving notice thereof, of the time when the Preliminary Prospectus, the Prospectus or any Supplementary Material has been filed and that the Preliminary Passport System Decision Document and the Final Passport System Decision Document has been issued by the applicable Securities Regulator, and will provide evidence satisfactory to the Underwriters of any such filing or document;
- (b) the Company will, until the end of the distribution of the Offered Shares, advise the Underwriters, promptly after receiving notice or obtaining knowledge of: (i) the issuance of any order suspending or preventing the use of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; (ii) the imposition of cease trading or similar order affecting the Offered Shares, the Common Shares or any other securities of the Company, or the institution, threatening or contemplation of any proceeding for any such purpose; (iii) any request made by any Securities Regulator to amend or supplement the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; or (iv) the receipt by the Company of any material communication, whether written or oral, from any Securities Regulator or any stock exchange, relating to the distribution of the Offered Shares, and the Company will use its commercially reasonable efforts to prevent the

issuance of any such order referred to in clauses (i) or (ii) and, if any such order is issued, to obtain the withdrawal thereof as soon as possible;

- (c) the Company will not, and will cause its Subsidiaries not to, make any offer or sale of securities of the Company of any class if, as a result of the doctrine of “integration” referred to in Rule 502 under the 1933 Act, such offer or sale would render invalid (for the purpose of (i) the sale of the Offered Shares by the Company to the Underwriters or (ii) the resale of the Offered Shares by the Underwriters to subsequent purchasers) the exemption from the registration requirements of the 1933 Act provided by Section 4(a)(2) thereof or by Rule 144A;
- (d) for a period of 12 months following the Closing Date the Company will use its commercially reasonable efforts to remain, and to cause each of the Concordia Subsidiaries to remain a corporation validly subsisting under the laws of its jurisdiction of incorporation or amalgamation, and to be duly licensed, registered or qualified as an extra-provincial or foreign corporation or entity in all jurisdictions where the character of its properties owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and to carry on its business in the ordinary course and in compliance in all material respects with all laws, rules and regulations of each such jurisdiction, provided that the Company shall not be required to comply with this Section 9(d) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be an “offering corporation” (within the meaning of the Business Corporations Act (Ontario)) or in connection with the sale or disposition of any Assets and Properties and/or any Concordia Subsidiaries in the ordinary course of business;
- (e) will use its commercially reasonable efforts to maintain its status as a “reporting issuer” (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws of the Qualifying Jurisdictions and will comply with all of its obligations under applicable laws for a period of 12 months following the Closing Date, provided that the Company shall not be required to comply with this Section 9 - (e) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be an “offering corporation” (within the meaning of the *Business Corporations Act* (Ontario));
- (f) will use its commercially reasonable efforts (including, without limitation, making application to the Securities Regulators of each Qualifying Jurisdiction for all consents, orders and approvals necessary) to maintain the listing of the Common Shares on the TSX or such other recognized stock exchange or quotation system as GMP, on behalf of the Underwriters, may approve, acting reasonably, for a period of 12 months following the Closing Date, provided that the Company shall not be required to comply with this Section 9(f) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be an “offering corporation” (within the meaning of the *Business Corporations Act* (Ontario));
- (g) will use its commercially reasonable efforts to ensure that the Offered Shares are, when issued, listed and posted for trading on the TSX upon their date of issuance;
- (h) will apply the net proceeds from the issue and sale of the Offered Shares in accordance with the disclosure set out under the heading “Use of Proceeds” in the Prospectus;
- (i) will forthwith notify the Underwriters of any breach of any covenant of this Agreement by the Company, or upon it becoming aware that any representation or warranty of the Company contained in this Agreement is or has become untrue or inaccurate in any material respect;

- (j) will not, at any time prior to the closing of the Offering, halt the trading of the Common Shares on the TSX without the prior consent of GMP, on behalf of the Underwriters;
 - (k) will make management of the Company reasonably available for meetings with investors as scheduled by GMP at the discretion of GMP, acting reasonably; and
 - (l) will promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Underwriters may reasonably require from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably required within its power to implement to the full extent the provisions, and to satisfy the conditions, of this Agreement.
- 9.2 The Company will not, directly or indirectly, issue, announce an intention to issue, sell, or agree or offer to sell, any Common Shares or any securities convertible into or exchangeable for or exercisable to acquire Common Shares from the date hereof until 90 days after the Closing Date without the prior written consent of GMP, on behalf of the Underwriters (which consent shall not be unreasonably withheld or delayed), except in connection with: (i) the issuance and sale of the Additional Shares (if the Over-Allotment Option is exercised); (ii) the grant or exercise of the Company Options and other similar issuances pursuant to the Company Option Plan and other share compensation arrangements outstanding as of the date hereof including, for greater certainty the sale of any Common Shares issued thereunder and the issuance of Common Shares pursuant to outstanding compensation options and options granted to former directors of the Company; (iii) the issuance of securities in connection with property, share and/or asset acquisitions, and (iv) the issuance of the Global Purchase Shares.
- 9.3 The Company shall use its commercially reasonable efforts to cause each of the directors and officers of the Company and their respective associates to execute agreements, in favour of the Underwriters, agreeing not to, for a period ending on the date that is 90 days following the Closing Date, directly or indirectly (i) offer, sell, contract to sell, transfer, assign, secure, pledge, lend or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, any Common Shares or other securities of the Company owned, directly or indirectly, by such officers or directors or their associates, or (ii) make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement or agreement that transfers any of the economic consequences of ownership of any Common Shares or securities of the Company, or (iii) otherwise publicly announce any intention to do any of the restricted activities, whether through the facilities of a stock exchange, by private placement or otherwise, unless (A) the prior written consent of GMP on behalf of the Underwriters (such consent not to be unreasonably withheld or delayed) has been obtained, or (b) there is a take-over bid or similar transaction involving a change of control of the Company generally made to all shareholders of the Corporation to which such persons will tender their Common Shares.

Section 10 - Commission

- 10.1 In consideration of the agreement of the Underwriters to purchase the Initial Shares and, if applicable, the Additional Shares, and for the Underwriters' services in:
- (a) assisting in the preparation of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and the Supplementary Material;
 - (b) forming and managing banking, selling or other groups in connection with the distribution of the Offered Shares; and
 - (c) all other matters in connection with the sale of the Offered Shares;

the Company agrees to pay to the Underwriters by certified cheque, wire transfer or as may be otherwise agreed by the Company and GMP, on behalf of the Underwriters, the following (collectively, the “**Commission**”): (i) at the Closing Time, a cash commission of \$3,525,000 being a commission equal to 6.0% of the aggregate gross proceeds payable to the Company in respect of the Initial Shares purchased by the Underwriters pursuant to this Agreement and (ii) at the Option Closing Time, if any, a cash commission of up to \$528,750 being a commission equal to 6.0% of the aggregate gross proceeds payable to the Company in respect of any Additional Shares purchased by the Underwriters pursuant to this Agreement.

Section 11 - Closing Procedures

11.1 The closing of the purchase and sale of the Initial Shares shall be completed at the Closing Time at the offices of the Company’s Counsel in the Province of Ontario or at such other place as the Underwriters and the Company may agree. At the Closing Time, the Company will:

- (a) deliver to GMP, on behalf of the Underwriters, or as GMP may direct one or more definitive share certificate(s) evidencing, in aggregate, such quantity of Initial Shares as GMP, on behalf of the Underwriters, may direct the Company in writing not less than one Business Day prior to the Closing Date, registered in the name of “CDS & Co.” and/or in such other name or names as GMP, on behalf of the Underwriters, may direct the Company in writing not less than one Business Day prior to the Closing Date;
- (b) effect or cause to be effected one or more electronic deposit(s) pursuant to the non-certificated issue system maintained by CDS Clearing & Depository Services Inc. representing, in aggregate, such quantity of Initial Shares as GMP, on behalf of the Underwriters, may direct the Company in writing not less than one Business Day prior to the Closing Date; and
- (c) deliver to the Underwriters such further documentation as may be contemplated herein;

against payment by the Underwriters to the Company of the aggregate Offering Price for the Initial Shares being issued and sold under this Agreement, less the applicable amount of the Commission and subject to any applicable deductions pursuant to Section 12.2, by certified cheque, bank draft or wire transfer payable to or as directed by the Company not less than one Business Day prior to the Closing Time.

11.2 The Company shall pay all fees and expenses payable to or incurred by the transfer agent and registrar of the Company in connection with the preparation, delivery and certification of the definitive share certificates contemplated by this Section 11 - and the fees and expenses payable to or incurred by the transfer agent and registrar of the Company in connection with such additional transfers required in the course of the distribution of the Initial Shares and any Additional Shares.

11.3 The obligation of the Underwriters to complete the purchase of the Additional Shares under this Agreement, upon the exercise of the Over-Allotment Option, is subject to the receipt by the Underwriters of those documents contemplated, and the satisfaction of those conditions set forth, in Section 14.5.

Section 12 - Expenses

12.1 Except as otherwise provided herein, the Company agrees to pay all reasonable fees and expenses (including applicable taxes) in connection with the Offering, whether or not the transactions contemplated by this Agreement are consummated, including, without limitation:

- (a) all expenses of or incidental to the sale or distribution of the Offered Shares and the filing of the Preliminary Prospectus and the Prospectus;

- (b) all costs incurred in connection with the preparation and printing of documentation relating to the Offering;
- (c) the fees and expenses of the Company's Counsel;
- (d) the fees and expenses of the Company's U.S. Counsel;
- (e) the fees and expenses of Underwriters' Counsel in an amount not to exceed Cdn.\$110,000 (plus applicable taxes and disbursements);
- (f) the fees and expenses of the Auditors and any other experts or advisors retained by the Company in connection with the Offering; and
- (g) all "out-of-pocket expenses" of the Underwriters.

12.2 All fees and expenses incurred by the Underwriters or on their behalf shall be payable by the Company immediately upon receiving an invoice therefor from the Underwriters and shall be payable whether or not the transactions contemplated by this Agreement are consummated. At the option of the Underwriters, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Company at the Closing Time and Option Closing Time, as applicable.

Section 13 - Conditions of the Underwriters' Obligations

The obligations of the Underwriters to purchase and pay for the Initial Shares shall be subject to the satisfaction of the following additional conditions at or prior to the Closing Time:

- (a) the Underwriters shall have received favourable legal opinions from the Company's Counsel and from local counsel (only in respect of matters governed by laws of the Qualifying Jurisdictions where the Company's Counsel is not qualified to practice), dated the Closing Date and addressed to the Underwriters and Underwriters' Counsel, in form and substance satisfactory to Underwriters' Counsel acting reasonably, with respect to the following matters:
 - (i) the Company is a reporting issuer under the Canadian Securities Laws of the Qualifying Jurisdictions and is not noted on a list maintained by the Securities Regulators as being in default of any requirement of the Canadian Securities Laws of each of the Qualifying Jurisdictions (other than in respect of British Columbia, for which jurisdiction such opinion shall not be required);
 - (ii) the Company is a corporation incorporated and existing under the laws of Ontario and has the power and capacity to own, lease or operate its properties and assets and carry on its activities or business as currently conducted;
 - (iii) as to the authorized and issued capital of the Company;
 - (iv) the Company has the necessary corporate power and capacity: (a) to execute, deliver and perform its obligations under this Agreement; (b) to offer, issue and sell the Initial Shares; and (c) to create and grant the Over-Allotment Option and issue and sell the Additional Shares issuable upon exercise of the Over-Allotment Option;
 - (v) all necessary corporate action has been taken by the Company to authorize the execution and delivery of each of the Preliminary Prospectus, the Prospectus

and any Supplementary Material and the filing thereof with the Securities Regulators;

- (vi) the Initial Shares have been validly and duly authorized and, at the Closing Time, the Initial Shares will be duly and validly issued as fully paid and non-assessable Common Shares in the capital of the Company;
- (vii) the Over-Allotment Option has been duly created, authorized and issued by the Company and the Additional Shares issuable upon the exercise of the Over-Allotment Option have been duly allotted and reserved for issuance by the Company and, upon the exercise of the Over-Allotment Option, the Additional Shares will have been validly authorized and issued and will be outstanding as fully-paid and non-assessable shares in the capital of the Company;
- (viii) the form and terms of the definitive certificate representing the Common Shares have been approved by the directors of the Company and comply in all material respects with the *Business Corporations Act* (Ontario) and the articles and by-laws of the Company;
- (ix) the Company has duly authorized, executed and delivered, this Agreement and the performance of its obligations under this Agreement, including the offering, issue, sale and delivery of the Initial Shares, the creation and grant of the Over-Allotment Option and the offering, issue, sale and delivery of the Additional Shares upon exercise of the Over-Allotment Option, and this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to customary qualifications and limitations;
- (x) none of the execution and delivery by the Company of this Agreement, or the performance by the Company of its obligations hereunder, result in any breach of: (a) the articles or by-laws of the Company or any resolutions of the directors or shareholders of the Company; or (b) any laws of general application in the Province of Ontario or the Laws of Canada applicable to the Company;
- (xi) as to the accuracy of the statements contained in the Prospectus under the heading "Eligibility for Investment";
- (xii) all necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled by the Company under the Canadian Securities Laws in order to qualify the Offered Shares for distribution to the public in each of the Qualifying Jurisdictions through persons who are registered in the appropriate category of registration under the Canadian Securities Laws in the Qualifying Jurisdictions and who have complied with the relevant provisions of such applicable Canadian Securities Laws;
- (xiii) Equity Financial Trust Company is the duly appointed registrar and transfer agent for the Common Shares;
- (xiv) subject only to the Standard Listing Conditions, the Initial Shares and the Additional Shares have been conditionally listed or approved for listing on the TSX; and
- (xv) the rights, privileges, restrictions and conditions attaching to the Common Shares are in all material respects accurately summarized in the Prospectus.

In giving their opinions, the Company's Counsel shall be entitled to rely, as to matters of fact, upon certificates of officers of the Company, the Company's registrar and transfer agent, certificates of public officials and lists published by the Securities Regulators;

- (b) the Underwriters shall have received legal opinions from legal counsel to, and duly qualified to practice law in the jurisdiction of existence of, each Subsidiary, addressed to the Underwriters and legal counsel to the Underwriters with respect to: (i) the existence of each Subsidiary; (ii) the issued and outstanding securities of each Subsidiary and the securities thereof held by the Company or a Subsidiary; (iii) the power and capacity of each Subsidiary to carry on its business and activities and to own and lease its property and assets; each such opinion to be in form and substance, acceptable in all reasonable respects to the Underwriters and their legal counsel;
- (c) the Underwriters shall have received a favourable legal opinion from the Company's U.S. Counsel, dated the Closing Date and addressed to the Underwriters, in form and substance satisfactory to Underwriters' Counsel acting reasonably, to the effect that, assuming the accuracy of the parties' representations and warranties and the compliance by the parties with the agreements contained in this Agreement, and assuming compliance with the offering and transfer procedures and restrictions described in this Agreement, it is not necessary in connection with the offer, sale and delivery of the Offered Shares to the Underwriters or the offer and initial resale of the Offered Shares in the United States or to, or for the account or benefit of, U.S. Persons in the manner contemplated by this Agreement, the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum to register the Offered Shares under the 1933 Act, it being understood that such counsel need not express any opinion as to any subsequent resale of any Offered Shares (provided that no such legal opinion shall be required unless Offered Shares are sold to persons in the United States or a U.S. Person). In providing such opinion, such counsel shall be entitled to (i) assume (A) that the representations and warranties of the Company and the Underwriters set forth in this Agreement are true and correct and (B) compliance by the Company and the Underwriters with their respective obligations under this Agreement, and (ii) rely upon certificates of the Underwriters to be delivered pursuant to Schedule "A" of this Agreement and any other certificates delivered pursuant to the procedures set forth in the Preliminary U.S. Placement Memorandum and as contemplated in Schedule "A" of this Agreement;
- (d) the Underwriters shall have received a certificate, or certificates, dated as of the Closing Date and executed by each of the Chief Executive Officer and the Chief Financial Officer of the Company, on behalf of the Company, without personal liability, to the effect that, after having made due enquiries:
 - (i) the Final Passport System Decision Document has been issued, or deemed to have been issued, by each of the Securities Regulators, and no order, ruling or determination having the effect of suspending or preventing the use of the Prospectus, the U.S. Placement Memorandum or any Supplementary Material, or cease trading the Offered Shares or any other securities of the Company has been issued, and no proceedings for that purpose have been instituted or threatened by any Securities Regulator;
 - (ii) the Prospectus and the U.S. Placement Memorandum, as amended by any Supplementary Material, do not contain, as of the Closing Time, any untrue statement of material fact or omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (other than in respect of the Underwriter Information);

- (iii) the constating documents of the Company attached to the certificate are a true and complete copy and in full force and effect, unamended, on the date of such certificate;
 - (iv) the resolutions of the board of directors of the Company relating to the Offering attached to the certificate are full, true and correct copies thereof and have not been modified or rescinded as of the date of such certificate;
 - (v) the incumbency and signatures of authorized signatories of the Company attached to the certificate are true and accurate as of the date of such certificate;
 - (vi) subsequent to the respective dates as of which information is given in the Prospectus, the U.S. Placement Memorandum and any Supplementary Material, there has not been any material change or any change in a material fact, in respect of the Company and its Subsidiaries, on a consolidated basis;
 - (vii) subsequent to the respective dates as of which information is given in the Prospectus the U.S. Placement Memorandum and any Supplementary Material, no transaction material to the Company and the Concordia Subsidiaries on a consolidated basis, has been entered into by the Company or the Concordia Subsidiaries or has been approved by the management of any of them;
 - (viii) the representations and warranties of the Company contained in this Agreement are, in each case, true and correct (subject to all materiality and other qualifications contained therein) as of the Closing Time, with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement (other than such representations and warranties that are made as of a specified date, which shall be true and correct as of such date); and
 - (ix) the Company has duly complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;
- (e) the Underwriters shall have received a certificate of status or the equivalent dated within one Business Day of the Closing Date, in respect of the Company and each Concordia Subsidiary;
 - (f) the representations and warranties of the Company contained in this Agreement shall be, in each case, true and correct (subject to all materiality and other qualifications contained therein) as of the Closing Time, with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;
 - (g) the Company shall have duly complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;
 - (h) the Underwriters shall have received from each of the Auditors and FGMK LLP a comfort letter, in form and substance satisfactory to Underwriters' Counsel, acting reasonably, bringing forward the comfort letter delivered to the Underwriters by each of the Auditors and FGMK LLP pursuant to Section 4.2(b) of this Agreement to a date not more than two Business Days prior to the Closing Date;

- (i) the Underwriters shall have received copies of correspondence indicating that the Company has obtained all necessary approvals for the issuance of the Offered Shares to be listed on the TSX, subject only to the Standard Listing Conditions;
- (j) the Company shall have delivered the definitive certificate or certificates, as the case may be, and/or effected an electronic deposit pursuant to the non-certificated issue system maintained by CDS Clearing & Depository Services Inc. representing, in aggregate, the quantity of Initial Shares so specified in Section 11 of this Agreement;
- (k) the Underwriters shall have received the Commission in the manner specified in Section 10 - of this Agreement; and
- (l) the Underwriters shall have received a certificate from Equity Financial Trust Company as to the number of Common Shares issued and outstanding as at the date immediately prior to the Closing Date.

Section 14 - Over-Allotment Option

- 14.1 The Over-Allotment Option is exercisable by the Underwriters at or before 5:00 p.m. (Toronto time) on the date that is 30 days after the Closing Date. The Over-Allotment Option may be exercised in whole or in part at any time and from time to time prior to its expiry in accordance with the provisions of this Agreement. The Underwriters shall be under no obligation whatsoever to exercise the Over-Allotment Option in whole or in part.
- 14.2 The Over-Allotment Option is exercisable by the Underwriters by written notice to the Company from GMP, on behalf of the Underwriters, which notice will specify the number of Additional Shares to be purchased by the Underwriters and the date (the “**Option Closing Date**”) and time (the “**Option Closing Time**”) on and at which such Additional Shares are to be delivered and purchased. Any such Option Closing Date may be the same as (but not earlier than) the Closing Date and will not be earlier than two Business Days nor later than five Business Days after the date of delivery of such a notice. Upon the furnishing of such a notice, the Underwriters will be committed to purchase, in the respective percentages set forth in Section 18.1 of this Agreement, and the Company will be committed to sell in accordance with and subject to the provisions of this Agreement, the number of Additional Shares indicated in the notice. Additional Shares may be purchased by the Underwriters only for the purpose of satisfying their over-allocation position made in connection with the Offering.
- 14.3 In the event that the Over-Allotment Option is exercised by the Underwriters and any of the Additional Shares are purchased by the Underwriters, payment of the aggregate Offering Price for and delivery of any definitive share certificate(s) evidencing, in aggregate, such quantity of Additional Shares as GMP, on behalf of the Underwriters, may direct the Company in writing not less than one Business Day prior to the Option Closing Date, registered in the name of “CDS & Co.” and/or some other name or names as GMP, on behalf of the Underwriters, may direct the Company in writing not less than one Business Day prior to the Option Closing Date, will be made at the offices noted in Section 11 of this Agreement, or at such other place as may be agreed by the Underwriters and the Company, on the Option Closing Date.
- 14.4 At the Option Closing Time, the Company shall effect or cause to be effected one or more electronic deposit(s) pursuant to the non-certificated issue system maintained by CDS Clearing & Depository Services Inc. representing, in aggregate, such quantity of Additional Shares as GMP, on behalf of the Underwriters, may direct the Company in writing not less than two Business Days prior to the Option Closing Date, against payment by the Underwriters to the Company of the aggregate Offering Price per Additional Share in respect of which the Underwriters are exercising the Over-Allotment Option, less the applicable amount of the Commission and subject to any applicable deductions pursuant to Section 12.2, by certified cheque, bank draft or wire transfer

payable to or as directed by the Company not less than 48 hours prior to the Option Closing Time.

- 14.5 The several obligations of the Underwriters to purchase the Additional Shares, if any, hereunder are subject to, at the Option Closing Time:
- (a) the delivery to GMP, on behalf of the Underwriters, of the officer's certificate contemplated in Section 13(d) of this Agreement, dated the Option Closing Date;
 - (b) satisfaction of the conditions set forth in Section 13(f), Section 13(g), Section 13(i) and Section 13(k); and
 - (c) the Company shall have delivered the definitive certificate or certificates, as the case may be, and/or effected an electronic deposit pursuant to the non-certificated issue system maintained by CDS Clearing & Depository Services Inc. representing, in aggregate, the quantity of Additional Shares so specified in Section 14.4 of this Agreement;

provided that any reference in this Agreement to the Initial Shares, Closing Date and Closing Time shall be deemed, for the purposes of this Section 14.5, to refer to the Additional Shares, Option Closing Date and Option Closing Time, respectively.

- 14.6 In the event that the Company shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the exercise price and to the number of Additional Shares issuable on exercise thereof such that the Underwriters are entitled to arrange for the sale of the same number and type of securities that the Underwriters would have otherwise arranged for had they exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

Section 15 - Indemnification

- 15.1 The Company shall indemnify and save harmless each of the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders, partners, advisors and agents and each other person, if any, controlling any of the Underwriters or their affiliates (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") from and against any and all liabilities, claims (including securityholder actions, derivative or otherwise), actions, losses (excluding loss of profits), costs, damages (excluding special and consequential damages) and expenses (including the aggregate amount paid in settlement of any action, suit, proceeding, investigation or claim) and the reasonable fees and expenses of their counsel (collectively, "**Losses**") that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**" and individually, a "**Claim**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Losses and/or Claims relate to, are caused by, result from, arise out of, or are in connection with, directly or indirectly:
- (a) the breach of any representation or warranty of the Company made in any Ancillary Document or the failure of the Company to comply with any of its obligations in any Ancillary Document or any omission or alleged omission to state in any Ancillary Document any fact required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made;
 - (b) any information or statement (except any Underwriter Information) containing or being alleged to contain a misrepresentation or being or being alleged to be untrue, or based

upon any omission or alleged omission (except any omission or alleged omission in connection with the Underwriter Information) to state in any of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material any material fact required to be stated in those documents or necessary to make any of the statements therein not misleading in light of the circumstances in which they were made;

- (c) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority, stock exchange or by any other competent authority, based upon any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (except a statement, omission or misrepresentation relating to or in connection with the Underwriter Information) contained in any of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material or any other document or material filed or delivered on behalf of the Company pursuant to this Agreement, preventing or restricting the trading in or the sale or distribution of the Offered Shares or any other securities of the Company;
 - (d) the non-compliance by the Company with any Applicable Securities Laws or other regulatory requirements or the rules of the TSX (including the Company's non-compliance with any statutory requirement to make any document available for inspection) in respect of the Offering;
 - (e) any statement contained in the Company's disclosure record filed under Canadian Securities Laws which at the time and in the light of the circumstances under which it was made, contained or is alleged to have contained a misrepresentation or untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make any statement therein not misleading in light of the circumstances in which they were made, except to the extent that such misrepresentation, untrue statement or omission has been corrected in a superseding statement contained in the Company's disclosure record filed under Canadian Securities Laws;
 - (f) any misrepresentation or alleged misrepresentation by the Company relating to the Offering, whether oral or written and whether made during and in connection with the Offering, where such misrepresentation may give or gives rise to any other liability under any statute in any jurisdiction which is in force on the date of this Agreement;
 - (g) any failure or alleged failure to make timely disclosure of a material change by the Company, where such failure or alleged failure occurs during the Offering or during the period of distribution or where such failure relates to the Offering or the Offered Shares and gives rise to any liability under any statute in any jurisdiction which is in force on the date of this Agreement; or
 - (h) any breach of any representation or warranty of the Company contained herein or the failure of the Company to comply with any of its covenants or other obligations contained herein or to satisfy any conditions contained herein required to be satisfied by the Company.
- 15.2 Promptly after receipt of notice of the commencement of any Claim against the Indemnified Parties or after receipt of notice of the commencement of any Claim, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Indemnified Party will promptly notify the Company in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Company, will keep the Company advised of the progress thereof and will discuss with the Company all significant actions proposed. The omission so to notify the Company shall not relieve the Company of any liability which the Company may have to the Indemnified Party except

only to the extent that any such delay in giving or failure to give notice as herein required prejudices the defence of such Claim or results in any increase in the liability which the Company would otherwise have under this indemnity had the Indemnified Party not so delayed in giving or failed to give the notice required hereunder. The Company shall, subject as hereinafter provided, be entitled (but not required) to assume the defence on behalf of the Indemnified Party of any such Claim; provided that the defence shall be through legal counsel selected by the Company and acceptable to the Indemnified Party, acting reasonably. An Indemnified Party shall have the right to employ separate counsel in any such Claim and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless:

- (a) the Company fails to assume the defence of such Claim on behalf of the Indemnified Party within ten days of receiving notice of such suit;
- (b) the employment of such counsel has been authorized by the Company; or
- (c) the named parties to any such Claim (including any added or third parties) include the Indemnified Party and the Company and the Indemnified Party shall have been advised by counsel that representation of the Indemnified Party by counsel for the Company is inappropriate as a result of the potential or actual conflicting interests of those represented or that there may be legal defences available to the Indemnified Party or Indemnified Parties which are different from or in addition to those available to the Company or that the subject matter of the Claim may not fall within the foregoing indemnity;

in each of cases (a), (b) or (c), the Company shall not have the right to assume the defence of such Claim on behalf of the Indemnified Party and the Company shall be liable to pay the reasonable and documented fees and disbursements of counsel for such Indemnified Parties as well as the reasonable and documented costs and out-of-pocket expenses of the Indemnified Party (including an amount to reimburse the Underwriter or Underwriters at their normal per diem rates for time spent by their respective directors, officers, employees or shareholders). Notwithstanding anything set forth herein, in no event shall the Company be liable for the fees or disbursements of more than one firm of legal counsel to an Indemnified Party in a particular jurisdiction in respect of any particular Claim or related set of Claims.

Neither the Company nor any Indemnified Party will, without the other party's prior written consent, such consent not to be unreasonably withheld or delayed, admit any liability, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder unless in connection with any settlement, compromise or consent by the Company, such settlement, compromise or consent (i) includes an unconditional release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim (if an Indemnified Party is a party to such action) and (ii) does not include a statement as to, or an admission of fault, culpability or a failure to act by or on behalf of an Indemnified Party.

15.3 The Company hereby acknowledges and agrees that, with respect to Sections 15 and 16 hereof, the Underwriters are contracting on their own behalf and as agents for their affiliates, directors, officers, employees, partners, shareholders, advisors, agents and each other person, if any, controlling any of the Underwriters or their affiliates, and their respective directors, officers, employees, advisors and agents (collectively, the "**Beneficiaries**"). In this regard, each of the Underwriters shall act as trustee for the Beneficiaries of the covenants of the Company under Sections 15 and 16 hereof with respect to the Beneficiaries and accepts these trusts and shall hold and enforce such covenants on behalf of the Beneficiaries.

15.4 The Company agrees to waive any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity. The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the

Company or any person asserting Claims on behalf of or in right of the Company for or in connection with the Offering except to the extent any Losses suffered by the Company are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the negligence, fraud, illegality or wilful misconduct of such Indemnified Party.

- 15.5 Notwithstanding anything to the contrary contained herein, the foregoing indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such Losses to which the Indemnified Party may be subject were caused solely by the negligence, fraud, illegality or wilful misconduct of the Indemnified Party.
- 15.6 The Underwriters shall not be entitled to the rights of indemnity and contribution contained in this Section 15 - and Section 16 - in connection with any Claim, if the Corporation has complied with the provisions of Sections 4.1 and 4.2 and, if applicable Section 5, and the person asserting such Claim for which indemnity would otherwise be available was not delivered a copy of the Prospectus or the U.S. Placement Memorandum or was not provided with a copy of any Supplementary Material (or in the case of the U.S. Placement Memorandum, such applicable supplementary materials) which corrects any misrepresentation contained in the Prospectus and/or the U.S. Placement Memorandum which is the basis for such Claim and which Prospectus, U.S. Placement Memorandum or Supplementary Material (or in the case of the U.S. Placement Memorandum, such applicable supplementary materials) is required under Applicable Securities Laws or this Agreement to be delivered to such person by the Underwriters or members of any Selling Firm.
- 15.7 The Company agrees that in case any legal proceeding shall be brought against the Company and/or the Underwriters by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, shall investigate the Company and/or the Indemnified Parties shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Company by the Underwriters, the Indemnified Parties shall have the right to employ their own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Underwriters for time spent by the Indemnified Parties in connection therewith) and out-of-pocket expenses incurred by Indemnified Parties in connection therewith shall be paid by the Company as they occur. The Company agrees to reimburse the Underwriters for the time spent by their personnel in connection with any Claim at their normal per diem rates.
- 15.8 The rights to indemnification provided in this Section 15 - shall be in addition to and not in derogation of any other rights which the Underwriters may have by statute or otherwise at law.

Section 16 - Contribution

- 16.1 In order to provide for just and equitable contribution in circumstances in which the indemnity provided in Section 15 - hereof would otherwise be available in accordance with its terms but is, for any reason held to be illegal, unavailable to or unenforceable by the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Company and the Underwriters shall contribute to the aggregate of all Losses of the nature contemplated in Section 15 - hereof and suffered or incurred by the Indemnified Parties (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters on the other hand, from the distribution of the Offered Shares, or (ii) if the allocation provided by (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in respect of such Losses; provided that the Company shall in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any excess of such amount over the amount actually received by the Underwriters or

any other Indemnified Party under this Agreement and further provided that the Underwriters shall not in any event be liable to contribute, in the aggregate, any amount in excess of such total Commission or any portion thereof actually received by the Underwriters. However, no party who has engaged in any negligence, fraud, fraudulent misrepresentation or wilful misconduct shall be entitled to claim contribution from any person who has not engaged in such negligence, fraud, fraudulent misrepresentation or wilful misconduct.

- 16.2 The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same ratio as the total proceeds from the Offering of the Offered Shares (net of the Commission payable to the Underwriters but before deducting expenses) received by the Company is to the Commission actually received by the Underwriters. The relative fault of the Company, on the one hand, and of the Underwriters, on the other hand, shall be determined by reference to, among other things, whether the matters or things referred to in Section 15 - which resulted in such Claims and/or Losses relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Company or to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 15 - . The amount paid or payable by an Indemnified Party as a result of the Claims and/or Losses referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claims and/or Losses, whether or not resulting in an action, suit, proceeding or claim. The parties to this Agreement agree that it would not be just and equitable if contribution pursuant to this Section 16 - were determined by any method of allocation which does not take into account the equitable considerations referred to in this Section 16 - .
- 16.3 If the Company may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at law, the Company shall be limited to contribution in an aggregate amount not exceeding the lesser of:
- (a) the portion of the full amount of the Losses giving rise to such contribution for which the Underwriters are responsible, as determined in Section 15.1(a); and
 - (b) the amount of the aggregate Commission actually received by the Underwriters from the Company under this Agreement.
- 16.4 The rights to contribution provided in this Section 16 - shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law.
- 16.5 If an Indemnified Party has reason to believe that a claim for contribution may arise, the Indemnified Party shall give the Company notice thereof in writing, but failure to so notify shall not relieve the Company of any obligation which it may have to the Indemnified Party under this Section 16 - provided that the Company is not prejudiced by such failure, and the right of the Company to assume the defence of such Indemnified Party shall apply as set out in Section 15 - hereof, mutatis mutandis.

Section 17 - Survival

All representation, warranties, covenants and agreements herein contained or contained in any documents delivered pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive the purchase and sale of the Offered Shares and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriters and/or the Company, as the case may be, in accordance with applicable law, regardless of any subsequent disposition of the Offered Shares or any investigation by or on behalf of the Underwriters with respect thereto for a period ending on the later of: (i) the date that is two years following the Closing Date, and (ii)

the latest date under the Canadian Securities Laws relevant to a substituted purchaser of the Offered Shares (non-residents of Canada being deemed to be resident in the Province of Ontario for such purposes) that a substituted purchaser may be entitled to commence an action or exercise a right of rescission, with respect to a misrepresentation contained in the Prospectus or, if applicable, any Supplementary Material. Notwithstanding the foregoing, the provisions contained in this Agreement in any way related to indemnification or contribution obligations shall survive and continue in full force and effect, indefinitely subject to the limitation requirements of applicable law.

Section 18 - Obligations of the Underwriters

18.1 Subject to the terms hereof, the obligations of the Underwriters to purchase the Initial Shares at the Closing Time or, if the Over-Allotment Option is exercised, the Additional Shares at the Option Closing Time shall be several and their respective obligations and rights in this regard shall be in the following percentages:

GMP Securities L.P.	40.0%
Canaccord Genuity Corp.	30.0%
Barclays Capital Canada Inc.	15.0%
Beacon Securities Limited	10.0%
Cormark Securities Inc.	5.0%

18.2 If one or more of the Underwriters fails to purchase its applicable percentage of the total number of Initial Shares (or the Additional Shares, if the Over-Allotment Option is exercised), the remaining Underwriters shall be obligated severally to purchase such Offered Shares which the defaulting Underwriter or Underwriters have failed to purchase on a *pro rata* basis (or on such other basis as may be agreed to by the remaining Underwriters); provided, however, that in the event that the percentage of the total number of the Offered Shares which one or more of the Underwriters has failed to purchase exceeds 10% of the total number of the Offered Shares to be purchased at such time, the remaining Underwriters shall not be obligated to purchase such Offered Shares; however, the remaining Underwriters shall have the right, exercisable at their option, to purchase on a *pro rata* basis (or on such other basis as may be agreed to by the remaining Underwriters) all, but not less than all, of the Offered Shares which would otherwise have been purchased by the defaulting Underwriter or Underwriters and the remaining Underwriters shall also have the right, by notice in writing to the Company, to postpone the Closing Date (or, if applicable, Option Closing Date) for a period not exceeding five Business Days in order to determine whether or not to exercise such right to purchase. In the event that such right to purchase is not exercised, the Underwriter or Underwriters which are able and willing to purchase shall be relieved of all obligations to the Company on submission to the Company of reasonable evidence of its or their ability and willingness to fulfil its or their obligations hereunder at the Closing Time (or, if applicable, Option Closing Time) and the Company shall be relieved of all obligations to the Underwriters.

18.3 Nothing in this Section 18 - shall oblige the Company to sell to any or all of the Underwriters less than all of the Initial Shares (or, if applicable, the Additional Shares) agreed to be purchased by the Underwriters pursuant to this Agreement or shall relieve any of the Underwriters in default hereunder from liability to the Company or to any non-defaulting Underwriters in respect of its default hereunder.

Section 19 - Termination

19.1 In addition to any other remedies which may be available to the Underwriters, each Underwriter shall be entitled, without liability, to terminate its obligations under this Agreement in respect of any Offered Shares not then purchased under this Agreement by written notice to the Company given at or prior to the Closing Time or at or prior to the Option Closing Time, as applicable, if:

- (a) there shall be any material change in the affairs of the Company which, in the reasonable opinion of the Underwriters (or any of them), has or would be expected to have a significant adverse effect on the market price or value of the Common Shares;
 - (b) (i) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX or any securities regulatory authority or any law or regulation is enacted or changed which in the sole opinion of the Underwriters (or any of them), acting reasonably, could operate to prevent or materially restrict the trading of the Common Shares or materially and adversely affects or will materially and adversely affect the market price or value of the Common Shares; or (ii) if there should develop or occur or come into effect or existence any event, action, state, condition or major financial occurrence or national or international consequence or any law or regulation which in the sole opinion of the Underwriters seriously adversely affects or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Company and its Subsidiaries taken as a whole;
 - (c) the Company is in breach of any material term, condition or covenant of this Agreement or any material representation or warranty given by the Company in this Agreement is or becomes false; or
 - (d) any Underwriter and the Company agree in writing to terminate this Agreement in relation to such Underwriter.
- 19.2 If this Agreement is terminated by any of the Underwriters pursuant to Section 19.1, there shall be no further liability on the part of such Underwriter, or on the part of the Company to such Underwriter except in respect of any liability which may have arisen or may thereafter arise under the provisions of Section 15 - , Section 16 - and Section 12 - .
- 19.3 The rights of termination contained in this Section 19 - may be exercised by the Underwriters (or any of them) and are in addition to any other rights or remedies the Underwriters (or any of them) may have in respect of any default, act or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. A notice of termination given by an Underwriter under this Section 19 - shall not be binding upon the other Underwriters. In the event that one or more, but not all of the Underwriters shall exercise the right of termination herein, the other Underwriter(s) shall have the right, but shall not be obligated, to purchase all of the Offered Shares which would otherwise have been purchased by the Underwriter(s) which has so terminated. Nothing in this Section 19 - shall oblige the Company to sell to the Underwriters less than all of the Initial Shares and Additional Shares (upon exercise of the Over-Allotment Option).
- 19.4 All terms and conditions of this Agreement shall be construed as conditions, and any breach or failure by the Company to comply with any such conditions shall entitle the Underwriters (or any of them) to terminate their obligations to purchase the Offered Shares by notice to that effect given to the Company at or prior to the Closing Time. The Underwriters may waive in whole or in part or extend the time for compliance with any of such conditions without prejudice of the Underwriters' rights in respect of any other such conditions or any other or subsequent breach or non-compliance, except that to be binding on an Underwriter any such waiver or extension must be in writing and signed by such Underwriter. No act of the Underwriters in offering the Offered Shares or in assisting in the preparation or joining in the execution of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material that may be filed on behalf of the Company under Canadian Securities Laws shall constitute a waiver or estoppel against the Underwriters.

Section 20 - Due Diligence

Prior to the filing of the Preliminary Prospectus, the Prospectus and any Supplementary Material, and thereafter during the period of distribution of the Offered Shares, the Company shall allow the Underwriters, and their counsel, to participate fully in the preparation of, and approve the form and content of, the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and such Supplementary Material, respectively, and shall allow the Underwriters to conduct all due diligence investigations which the Underwriters may reasonably require in order to fulfil their obligations as underwriters and in order to enable the Underwriters to responsibly execute the certificate required to be executed by the Underwriters in the Preliminary Prospectus, Prospectus and any Supplementary Material. Without limiting the generality of the foregoing, the Company shall make available its directors and senior management and use its commercially reasonable efforts to make available the Auditors to answer any questions which the Underwriters may have and to participate in one or more oral due diligence sessions to be held prior to the Closing Time. The Underwriters shall distribute a list of written questions to be answered in advance of each such due diligence session.

Section 21 - Over-Allotment

In connection with the distribution of the Offered Shares, the Underwriters and members of the Selling Firm (if any) may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels above those which might otherwise prevail in the open market, in compliance with Canadian Securities Laws. Those stabilizing transactions, if any, may be discontinued at any time.

Section 22 - Notices

22.1 All notices and other communications hereunder shall be in writing and shall be faxed or delivered to:

in the case of the Company:

Concordia Healthcare Corp.
277 Lakeshore Road East, Suite 302
Oakville, ON Canada
L6H 1J9

Attention: Mark Thompson
Facsimile No.: (905) 842-5154

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

Fasken Martineau DuMoulin LLP
Suite 2400 – 333 Bay Street
Toronto, ON Canada
M5H 2T6

Attention: Rubin Rapuch
Facsimile No.: (416) 366-7813

And in the case of notice to the Underwriters, be addressed and sent to:

GMP Securities L.P.
145 King Street West
Suite 300
Toronto, ON Canada

M5H 1J8

Attention: Steve Ottaway
Facsimile No.: (416) 943-6160

Canaccord Genuity Corp.
Brookfield Place
161 Bay Street, Suite 3100
Toronto, ON Canada
M5K 1H1

Attention: James Merkur
Facsimile No.: (416) 869-3876

Barclays Capital Canada Inc.
333 Bay Street, Suite 4910
Toronto, ON Canada
M5H 2R2

Attention: Bruce Rothney
Facsimile No.: (416) 863-8925

Beacon Securities Limited
66 Wellington Street West, Suite 4050
Toronto, ON Canada
M5K 1H1

Attention: Alistair Maxwell
Facsimile No.: (416) 646-3379

Cormark Securities Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2800
Toronto, ON Canada
M5J 2J2

Attention: Marwan Kubursi
Facsimile No.: (416) 943-6496

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

Norton Rose Fulbright Canada LLP
200 Bay Street, Suite 3800
Royal Bank Plaza, South Tower
Toronto, ON Canada
M5J 2Z4

Attention: Paul Fitzgerald
Facsimile No.: (416) 216-3930

- 22.2 The parties may change their respective addresses and facsimile numbers for notice, by notice given in the manner aforesaid. Any such notification shall be deemed to be effective when faxed or delivered, if faxed or delivered to the recipient on a Business Day and before 3:00 p.m. (local time) on such Business Day, and otherwise shall be deemed to be given at 9:00 a.m. (local time) on the next following Business Day.

Section 23 - Authority of GMP

GMP is hereby authorized by each of the other Underwriters to act on its behalf and the Company shall be entitled to and shall act on any notice given in accordance with this Agreement or any agreement entered into by or on behalf of the Underwriters by GMP which represents and warrants that they have irrevocable authority to bind the Underwriters, except in respect of any consent to a settlement pursuant to Section 15 - of this Agreement, which consent shall be given by the Indemnified Party, or a notice of termination pursuant to Section 19 - of this Agreement, which notice may be given by any of the Underwriters, or a notice of waiver or extension pursuant to Section 19 - , which must be signed by the Underwriter in order to be binding on such Underwriter. GMP shall consult with the other Underwriters concerning any matter in respect of which it acts as representative of the Underwriters.

Section 24 - No Advisory or Fiduciary Responsibility

The Company acknowledges and agrees that: (i) the purchase and sale of the Offered Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other; (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company; (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favour of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is concurrently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement; and (iv) the Company has consulted its own legal and financial advisors to the extent they deemed appropriate. the Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company in connection with such transaction or the process leading thereto.

Section 25 - Miscellaneous

- 25.1 This Agreement shall enure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and legal representatives and nothing expressed or mentioned in this Agreement, other than pursuant to Section 15.3, is intended or shall be construed to give any other Person any legal or equitable right, remedy or claim under or in respect of this Agreement, or any provisions herein contained, and all conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and for the benefit of no other Person.
- 25.2 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any suit, action or proceeding against any party hereto or any of its assets arising out of or relating to this Agreement may be brought in a competent court of the Province of Ontario and each party hereto hereby irrevocably and unconditionally attorns and submits to the non-exclusive jurisdiction of such court over the subject matter of any such suit, action or proceeding. Each party hereto irrevocably waives and agrees not to raise any objection it might now or hereafter have to any such suit, action or proceeding in any such court including any objection that the place where such court is located is an inconvenient forum or that there is any other suit, action or proceeding in any other place relating in whole or in part to the same subject matter.
- 25.3 Time shall be of the essence of this Agreement.
- 25.4 The headings contained herein are for convenience only and shall not affect the meaning of interpretation thereof.
- 25.5 The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

- 25.6 Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.
- 25.7 Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Agreement and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.
- 25.8 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.
- 25.9 This Agreement and the other documents referred to herein constitute the entire agreement between the parties hereto relating to the subject matter hereof and supersede all prior agreements between the parties with respect to their respective rights and obligations in respect of this offering, including in the case of GMP and the Company, the bought deal letter agreement among them dated February 18, 2014, as amended by a letter agreement among GMP and the Company dated February 19, 2014, which is superseded by the terms of this Agreement and are hereby null, void and no longer of any force and effect.

[remainder of this page left intentionally blank]

If the foregoing is in accordance with your understanding and agreed to by you, please signify your acceptance by signing in the space provided therefor below and return this letter to us whereupon this letter as so accepted shall constitute a binding agreement among us in accordance with the foregoing.

Yours very truly,

GMP SECURITIES L.P.

Per: (Signed) "*Steve Ottaway*"

Name: Steve Ottaway
Title: Managing Director

CANACCORD GENUITY CORP.

Per: (Signed) "*James Merkur*"

Name: James Merkur
Title: Managing Director

BARCLAYS CAPITAL CANADA INC.

Per: (Signed) "*Bruce Rothney*"

Name: Bruce Rothney
Title: President & Country Head

BEACON SECURITIES LIMITED

Per: (Signed) "*Alistair Maxwell*"

Name: Alistair Maxwell
Title: Chairman & CEO

CORMARK SECURITIES INC.

Per: (Signed) "*Marwan Kubursi*"

Name: Marwan Kubursi
Title: Managing Director

Accepted this 24th day of February, 2014.

CONCORDIA HEALTHCARE CORP.

Per: *"Mark Thompson"*

Name: Mark Thompson

Title: President and Chief
Executive Officer

SCHEDULE "A"

1.1 As used in this Schedule "A", the following terms have the following meanings:

- (a) **"Directed Selling Efforts"** means **"directed selling efforts"** as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", it means, subject to the exclusions from the definition of **"directed selling efforts"** contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Shares, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the Offering;
- (b) **"General Solicitation"** and **"General Advertising"** mean "general solicitation" and "general advertising" within the meaning of Rule 502(c) of Regulation D; and
- (c) **"Offshore Transaction"** means an "offshore transaction" as that term is defined in Regulation S.

All other capitalized terms used but not otherwise defined in this Schedule "A" shall have the meanings assigned to them in the underwriting agreement to which this Schedule "A" is attached.

1.2 The Underwriters, through their respective U.S. registered broker-dealer affiliates (each, a **"U.S. Affiliate"**), intend to offer and sell the Offered Shares in the United States or to U.S. Persons only on the terms and subject to the conditions of this Schedule "A". In that connection, the Company hereby represents and warrants to, and covenants and agrees with, the Underwriters that:

- (a) the Company is a "foreign issuer" within the meaning of Regulation S with no Substantial U.S. Market Interest (as that term is defined in Regulation S) with respect to the Offered Shares; and the Company is not and does not own or control an open-end investment company, closed-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered under Section 8 of the United States Investment Company Act of 1940, as amended;
- (b) none of the Company, its affiliates or any Person acting on its or their behalf (other than the Underwriters, their U.S. Affiliates or any Person acting on their behalf, in respect of which no representation is made) has engaged or will engage in any Directed Selling Efforts with respect to the Offered Shares or has taken or will take any action (including sale of securities into the United States or to U.S. Persons) that would cause the exemption afforded by , Rule 144A or the exclusion from registration afforded by Regulation S to be unavailable for offers and sales of the Offered Shares pursuant to this Agreement;
- (c) the Offered Shares satisfy the requirements set forth in Rule 144A and will not be at the Closing Date or the Option Closing Date part of a class listed on a national securities exchange in the United States, quoted in a U.S. automated inter-dealer quotation system in the United States, or convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) of Rule 144A) of less than 10% for securities so listed or quoted;
- (d) none of the Company, its affiliates or any Person acting on its or their behalf (other than the Underwriters, their U.S. Affiliates or any Person acting on their behalf, in respect of which no representation is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, the Offered Shares in the United States or to U.S. Persons by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act; and

- (e) for so long as any of the Offered Shares are outstanding and are “restricted securities” within the meaning of Section (a)(3) of Rule 144 under the 1933 Act, it will provide to any holder of Offered Shares and any prospective purchaser thereof designated by such holder for so long as such requirement is necessary in order to permit holders of Offered Shares to effect resales under Rule 144A, upon the request of such holder or purchaser, at or prior to the time of purchase, the information required to be provided to such holder or prospective purchaser by Section (d)(4) of Rule 144A unless it either furnishes to the SEC the information referred to in Rule 12g3-2(b) under the 1934 Act or files reports and other information with the SEC under Section 13 or 15(d) of the 1934 Act.

1.3 Each Underwriter, on its own behalf and on behalf of its U.S. Affiliate, acknowledges that the Offered Shares have not been and will not be registered under the 1933 Act and may not be offered or sold in the United States or to a U.S. Person except pursuant to an exemption from the registration requirements of the 1933 Act. Accordingly, each Underwriter, on its own behalf and on behalf of its U.S. Affiliate, represents, warrants and covenants to the Company that:

- (a) it has offered and sold and will only offer and sell the Offered Shares i) in an Offshore Transaction in accordance with Rule 903 of Regulation S; and ii) to Qualified Institutional Buyers pursuant to the exemption from the registration requirements of the 1933 Act under Rule 144A thereunder, and in compliance with similar exemptions under applicable state securities laws. Accordingly, except as set forth herein, the Underwriter has not made or will not make (i) any offer to sell or solicitation of an offer to buy any of the Offered Shares to any person in the United States or to any U.S. Person or (ii) any sale of the Offered Shares to any person unless (1) the offer to sell such securities was not made to such person in the United States or to a U.S. Person, (2) such person was outside the United States at the time it placed the order to purchase such securities, or the Underwriter, its U.S. Affiliate and any person acting on its or their behalf reasonably believe that at the time such person placed the order to purchase such securities such person was outside the United States and not a U.S. Person;
- (b) the Underwriters acknowledge that any Offered Shares sold in the United States or to U.S. Persons will be first purchased by the Underwriters or affiliates thereof and resold in the United States through their U.S. Affiliate in accordance with the provisions of this Schedule “A”;
- (c) it will conduct activities in connection with arranging for the offer, sale and distribution of the Offered Shares in compliance with U.S. Securities Laws and the provisions of this Schedule A and the Underwriting Agreement;
- (d) each Underwriter and U.S. Affiliate of an Underwriter that is purchasing Offered Shares in the United States is a Qualified Institutional Buyer;
- (e) it is not purchasing the Offered Shares with a view to make a public offering thereof in the United States. Each Underwriter understands that the Offered Shares have not been registered under the 1933 Act and the Company is not required to register the Offered Shares;
- (f) all offers and sales of Offered Shares in the United States or to U.S. Persons, have been and shall be made through the Underwriter’s U.S. Affiliate in compliance with all applicable U.S. federal and state broker-dealer requirements. Such broker-dealer affiliate is and will be, on the date of each offer or sale of Offered Shares in the United States or to U.S. Persons, duly registered as a broker-dealer pursuant to Section 15(b) of the 1934 Act and under the laws of each state where such offers and sales are made (unless exempted from such state’s registration requirements) and a member in good standing with the Financial Industry Regulatory Authority, Inc.;

- (g) it will, through its U.S. Affiliate solicit offers for the Offered Shares in the United States or to U.S. Persons only from, and will offer and sell Offered Shares through its U.S. Affiliate only to a limited number of U.S. Persons who it reasonably believes to be Qualified Institutional Buyers in accordance with Rule 144A (and it will not sell, and will cause its U.S. affiliate(s) not to sell, any Offered Shares (other than in accordance with Rule 144A) to any purchaser unless it and any Person acting on its behalf reasonably believe that at the time the order to purchase such shares was placed, the purchaser was outside the United States and not a U.S. Person;
- (h) it will, through its U.S. Affiliate, inform, all purchasers of the Offered Shares in the United States and U.S. Persons that the Offered Shares have not been and will not be registered under the 1933 Act and are being sold to them without registration under the 1933 Act in reliance on Rule 144A and similar exemptions under state securities laws;
- (i) neither it nor its U.S. Affiliate(s) have entered or will enter into any contractual arrangement with respect to the distribution of the Offered Shares in the United States, except for this Agreement and any agreement with its affiliates, any Selling Firm or with the prior written consent of the Company. It shall require each of its U.S. Affiliates and each Selling Firm to agree, for the benefit of the Company, to comply with, and shall use its best efforts to ensure that each of its U.S. Affiliates and each Selling Firm complies with, the same provisions herein as apply to such Underwriter as if such provisions applied to such U.S. Affiliate and Selling Firm;
- (j) it will deliver, through its U.S. Affiliate, a copy of each of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum including (i) the Preliminary Prospectus, Prospectus or Supplementary Material, as applicable, relating to the Offered Shares; and (ii) the documents incorporated by reference therein to each Person in the United States and U.S. Persons purchasing Offered Shares from it. It will ensure that each such purchaser purchasing Offered Shares from it, through its U.S. Affiliate, shall be provided, prior to the applicable Closing Time, with the U.S. Placement Memorandum including the Prospectus;
- (k) it shall cause its U.S. Affiliate to agree to and comply with, for the benefit of the Company, the same provisions as are contained in this Schedule "A";
- (l) it will procure from each purchaser in the United States and deliver to the Company prior to the Closing Time an executed copy of the Qualified Institutional Buyer Letter attached as Exhibit I to the U.S. Placement Memorandum;
- (m) at the Closing Time, it, together with its U.S. Affiliate selling Offered Shares in the United States or to U.S. Persons, will provide a certificate, substantially in the form of Exhibit 1 hereto, relating to the manner of the offer and sale of the Offered Shares in the United States or to U.S. Persons, or, if it does not deliver such certificate, it will be deemed to have represented that neither it nor its affiliates offered or sold Offered Shares in the United States or to U.S. Persons;
- (n) at least one Business Day prior to the Closing Date, it shall provide Equity Financial Trust Company and the Company with a list of all purchasers of Offered Shares in the United States or that are U.S. Persons;
- (o) has made or will make any Directed Selling Efforts in the United States with respect to the Offered Shares, and has not taken nor will take any action that would cause the exemption afforded by Rule 144A or the exclusion from registration afforded by Regulation S to be unavailable for offers and sales of the Offered Shares pursuant to this Agreement;

- (p) has offered or will offer to sell, has solicited or will solicit any offer to buy, by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act, any of the Offered Shares in the United States or to U.S. Persons; and
- (q) it, its U.S. Affiliate and any person acting on their behalf has not taken and will not take, directly or indirectly, any action in violation of Regulation M under the 1934 Act in connection with offers and sales of the Offered Shares.

EXHIBIT 1

UNDERWRITERS' CERTIFICATE

In connection with the private placement in the United States of common shares (the "**Common Shares**") of Concordia Healthcare Corp. ("**the Company**") pursuant to the underwriting agreement, dated as of February 9, 2014 (the "**Underwriting Agreement**"), among the Company and the several underwriters named therein (the "**Underwriters**"), the undersigned, GMP Securities L.P. ("**GMP**"), on behalf of the Underwriters, does hereby certify that:

- (a) **[Name of U.S. broker-dealer Affiliate]** is on the date hereof, and was on the date of each offer and sale of the Common Shares made by it in the United States or to U.S. Persons, a duly registered broker or dealer under the 1934 Act and the securities laws of each state in which an offer or sale of Common Shares was made (unless exempted from the respective state's broker-dealer registration requirements) and a member of and in good standing with the Financial Industry Regulatory Authority, Inc.;
- (b) All offers and sales of Common Shares in the United States or to U.S. Persons, by or through **[Name of U.S. broker-dealer Affiliate]** have been and will be effected in accordance with all U.S. federal and state broker-dealer requirements;
- (c) each offeree and purchaser was provided with a copy of the Preliminary U.S. Placement Memorandum, including (A) the Preliminary Prospectus in the case of each offeree and purchaser and the Prospectus and any Supplementary Material, as applicable, in the case of each purchaser relating to the Common Shares, and (B) other than the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum, no other written material was used in connection with the offer and sale of the Common Shares in the United States;
- (d) (i) immediately prior to transmitting the Preliminary U.S. Placement Memorandum to such offerees, it had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, as such term is used under Rule 144A of the 1933 Act ("**QIB**"), and, on the date hereof, it continues to believe that each U.S. Person purchasing Common Shares from it is a QIB and (ii) it has procured from each purchaser in the United States or that is a U.S. Person an executed copy of the Qualified Institutional Buyer Letter attached as Exhibit I to the U.S. Placement Memorandum;
- (e) no form of "general solicitation" or "general advertising" (as those terms are used in Regulation D under the 1933 Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, internet or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, nor have we engaged in any manner of a public offering within the meaning of Section 4(a)(2) of the 1933 Act, in connection with the offer or sale of the Common Shares in the United States or to U.S. Persons;
- (f) we have not taken and will not take any action that would constitute a violation of Regulation M under the 1934 Act in connection with offers and sales of the Common Shares; and
- (g) the offering of the Common Shares in the United States has been conducted by us in accordance with the Underwriting Agreement.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

DATED this ____ day of _____, 2014.

[UNDERWRITER]

By:

Authorized Signing Officer

[U.S. BROKER-DEALER AFFILIATE]

By:

Authorized Signing Officer