iCo Therapeutics Inc.

Notice of Annual General Meeting
to be held on June 26, 2015

and

Management Information Circular

June 1, 2015

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SCHEDULE A - CORPORATE GOVERNANCE PRACTICES

iCo THERAPEUTICS INC.
(the "Company")

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the "Meeting") of the shareholders of iCo Therapeutics Inc. (the "Company") will be held at the offices of Blake, Cassels & Graydon LLP, 595 Burrard Street, Suite 2600, Vancouver, British Columbia at 11:00 a.m. (Vancouver time) on June 26, 2015 for the following purposes:

1. to receive the consolidated financial statements of the Company for the 12 month period ended December 31, 2014 and the report of the auditors thereon;

2. to elect the directors of the Company for the ensuing year;

3. to appoint PricewaterhouseCoopers LLP as auditors of the Company until the next annual meeting of the Company and to authorize the directors of the Company to fix their remuneration; and

4. to transact such other business as may properly be brought before the Meeting.

Further information regarding the above items is set out in the Management Information Circular (the "Circular") accompanying this Notice of Annual General Meeting of Shareholders. Only shareholders of record at the close of business on May 22, 2015 are entitled to notice of and to attend and vote at the Meeting or any adjournment or postponement thereof.

Shareholders who are unable to attend the Meeting in person may vote their shares by completing, signing and returning the accompanying form of proxy to the transfer agent of the Company, Computershare Investor Services Inc., no less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or by completing, signing and delivering the accompanying form of proxy to the Chairman of the Meeting prior to its commencement.

Information with respect to voting by non-registered beneficial shareholders is included in the Circular. Non-registered beneficial shareholders should seek instructions on how to vote their shares from their broker, investment dealer, bank, trust company or other intermediary.

DATED at Vancouver, British Columbia this 1 day of June, 2015.

By Order of the Board of Directors

(signed) "*Andrew Rae*"
Andrew Rae

Chief Executive Officer and Director

MANAGEMENT INFORMATION CIRCULAR

iCo THERAPEUTICS INC.
760 – 777 Hornby Street
Vancouver, British Columbia
Canada V6Z 1S4

This management information circular (the "Circular") is furnished in connection with the annual general meeting of the Company to be held at the offices of Blake, Cassels & Graydon LLP, 595 Burrard Street, Suite 2600, Vancouver, British Columbia at 11:00 a.m. (Vancouver time) on June 26, 2015 (the "Meeting") or at any adjournment or postponement thereof. Shareholders will be voting at the Meeting on the matters described in the accompanying notice of annual general meeting (the "Notice of Meeting"). Unless otherwise specified, the information contained in this Circular is current as of June 1, 2015.

VOTING AND PROXIES

Persons Making the Solicitation

This Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally, by electronic communication or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation of proxies by management will be borne by the Company.

Appointment and Revocation of Proxies

A form of proxy is enclosed with this Circular. Shareholders who wish to be represented by proxy at the Meeting must deliver their respective forms of proxy (i) to Computershare Investor Services Inc. (the "Transfer Agent") of 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof or (ii) to the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

The persons named in the accompanying form of proxy are officers of the Company. **Each shareholder submitting a proxy has the right to appoint a person or company to represent the shareholder at the Meeting other than the persons designated in the accompanying form of proxy. A shareholder may exercise this right by striking out the names of the persons so designated and inserting the name of the desired representative in the blank space provided, or by completing another form of proxy, and in either case depositing the proxy with the Transfer Agent at the place and within the time specified above for the deposit of proxies**. The proxyholder does not need to be a shareholder of the Company.

A shareholder who has given a proxy may revoke such proxy at any time prior to the exercise thereof at the Meeting or any adjournment or postponement thereof. A shareholder may revoke a proxy by:

- depositing an instrument in writing executed by the shareholder or its attorney authorized in writing with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof;
- depositing an instrument in writing executed by the shareholder or its attorney authorized in writing with the Transfer Agent at the place specified above for the deposit of proxies at any time up to and including the last business day preceding the Meeting or any adjournment or postponement thereof; or
- any other manner permitted by law.

Non-Registered Shareholders

Only registered shareholders as of May 22, 2015 (the "Record Date") or their duly appointed proxyholders are permitted to vote at the Meeting. However, a significant number of the Company's shareholders are "non-registered" shareholders ("Non-Registered Shareholders") because the shares they own are not registered in their names but, rather, are registered in the name of a clearing agency or the name of the brokerage firm, investment dealer, bank, trust company or other intermediary (the "Intermediary") through which they deal with the shares they beneficially own. Intermediaries are required to seek voting instructions from Non-Registered Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

As required by National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), the Company has distributed copies of the Notice of Meeting, this Circular and the accompanying materials (collectively, the "Meeting Materials") to such clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. In most cases, the Intermediary will provide the Non-Registered Shareholder with a voting instruction form which must be completed and signed by the Non-Registered Shareholder in accordance with the directions thereon and then returned to the Intermediary in accordance with the instructions of the Intermediary. In some cases, an Intermediary will send Non-Registered Shareholders a proxy which has already been signed by the Intermediary which specifies the number of shares beneficially owned by the Non-Registered Shareholder but which otherwise is not completed. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete, date and return the form of proxy to the Company or Transfer Agent as provided under the heading "Appointment and Revocation of Proxies". In all cases, Non-Registered Shareholders should carefully follow the instructions of their respective Intermediaries.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners). Non-Registered Shareholders who are OBOs should follow the instructions of their Intermediary carefully to ensure that their common shares are voted at the Meeting.

The purpose of these procedures described under the heading "Non-Registered Shareholders" is to permit Non-Registered Shareholders to direct the voting of any common shares they beneficially own. A Non-Registered Shareholder who wishes to attend and vote at the Meeting in person or appoint a person other than the persons designated in the accompanying form of proxy should contact his, her or its Intermediary well in advance of the Meeting and carefully follow the instructions of such Intermediary.

Exercise of Discretion

The representatives designated in the accompanying form of proxy will vote or withhold from voting the shares in respect of which they are appointed proxyholders in accordance with the instructions of the shareholders on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of such instructions, the common shares will be voted by the management representatives FOR the matters described herein.**

The persons appointed under the enclosed form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment or postponement thereof. If any such matters should come before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote such proxy in accordance with their best judgment unless the shareholder has specified to

the contrary that the common shares represented thereby are to be withheld from voting with respect to such matters. As of the date this Circular, management of the Company is not aware of any such amendment, variation, or other matter.

Voting Securities and Principal Holders Thereof

As at June 1 2015, the Company had 84,457,713 common shares outstanding. Each common share confers upon the holder thereof the right to one vote. A shareholder of record at the close of business on the Record Date is entitled to vote or to have his, her or its common shares voted at the Meeting, except to the extent such shareholder transfers the ownership of his, her or its common shares after the Record Date and the transferee of such common shares establishes his, her or its ownership of such common shares and makes a demand to the Company, not later than 10 days before the Meeting, that such transferee's name be included on the shareholders' list for use at the Meeting. On a vote by a show of hands, each person who is a shareholder or proxyholder will have one vote. On a poll, each shareholder present in person or represented by proxy will have one vote for each common share registered in his, her or its name.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to all of the issued and outstanding common shares.

BUSINESS OF THE MEETING

Interest of Certain Persons or Companies in Matters to Be Acted Upon

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may otherwise be set out herein.

Receive the Financial Statements

The consolidated financial statements of the Company for the financial year ended December 31, 2014, report of the auditor thereon, and related management discussion and analysis, all of which may be obtained on the Company's profile on SEDAR at www.sedar.com, will be placed before the Meeting.

Election of Directors

Nominees

The term of office for each of the present directors expires at the Meeting. The number of directors of the Company is currently set at five. Management of the Company proposes to nominate the persons named below for election as directors of the Company at the Meeting. Each director elected will hold office until the next annual general meeting of the Company or until his successor is duly elected or appointed, unless his office is vacated prior to such meeting in accordance with the Company's constating documents or the laws of the Company's governing jurisdiction.

The following table sets forth certain information with respect to each of the persons proposed to be nominated as directors of the Company, all of whom are presently directors of the Company. A majority of the individuals who have been nominated for election as directors of the Company are independent within the meaning of applicable securities laws.

Name and Residence	Position with the Company	Principal Occupation for Past Five Years	Director Since	Number (%) of Common Shares
Andrew Rae[(1)(2)(3)] British Columbia, Canada	Chief Executive Officer, President and Director	President and Chief Executive Officer, iCo Therapeutics Inc., a biotechnology/pharmaceuticals company (February 2005 to Present)	February 15, 2005[(4)]	1,973,010 [(5)] (2.3%)
Douglas Janzen British Columbia, Canada	Director	Director, President and Chief Executive Officer, Aequus Pharmaceuticals Inc., a biotechnology/ pharmaceuticals company (January 2013 to Present); Founder, Northview Ventures, a strategic investment and consulting firm (November 2012 to Present); President & Chief Executive Officer (August 2009 to July 2012), President & Chief Business Officer (March 2006 to July 2009) Cardiome Pharma Corp., a biotechnology/ pharmaceuticals company	March 2, 2012	40,000 (0.04%)
William Jarosz[(1)(2)(3)] New York, United States of America	Director	Partner, Cartesian Capital Group, LLC, a private equity firm (May 2005 to Present)	June 1, 2006[(6)]	703,000 (0.83%)
Richard Barker[(1)(3)] London, England	Director	Retired (June to Present), Director General of the Association of the British Pharmaceutical Industry (August 2004 to May 2011)	June 1, 2006[(6)]	134,285 (0.16%)
Noel Hall [(2)] British Columbia, Canada	Director	Director, Zymeworks Inc., a biotechnology/ pharmaceuticals company (October 2008 to Present); Consultant (February 2008 to Present), President, Aspreva Pharmaceuticals Corporation, a biotechnology/ pharmaceuticals company (December 2001 to January 2008)	June 27, 2008	50,000 (0.06%)

(1) Current member of the Audit Committee.
(2) Current member of the Compensation Committee.
(3) Current member of the Governance and Nomination Committee.
(4) Prior to December 31, 2007, the Company was known as Beanstalk Capital Ltd. On December 31, 2007, the Company entered into a reverse take-over transaction (the "RTO") involving a private company formerly known as iCo Therapeutics Inc. (the "Predecessor Company"). Mr. Rae was a director of the Predecessor Company from February 15, 2005 to December 31, 2007.
(5) Not including 477,245 common shares held by Mr. Rae's spouse (Ann Rae).
(6) Director of the Predecessor Company from June 1, 2006 to December 31, 2007.

To the knowledge of management, each of the above nominees is able and willing to serve as a director of the Company. However, in the event that one of the nominees named above should become unwilling or unable to

serve as a director of the Company prior to the Meeting, it is intended that the discretionary power granted under any proxy which appoints as proxyholder one of the persons names in the accompanying form of proxy will be used to vote for any substitute nominee or nominees whom the Company in its discretion may select.

To the knowledge of management, no proposed director is or, within the 10 years prior to the date hereof, has been, a director, chief executive officer or chief financial officer of any other company that:

- while that person was acting in that capacity was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days;
- was subject to an event that resulted, after that person ceased to be a director, chief executive officer of chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of management, no proposed director has, during the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of the proposed director.

Experience

Andrew J. Rae, MBA — Director, President and Chief Executive Officer

Andrew Rae is the Chief Executive Officer and President of the Company on a full-time basis. Mr. Rae has spent almost two decades in the biotechnology industry, formerly as Chief Financial Officer with Ability Biomedical Corporation (Irvine CA, Vancouver BC), acquired by Medarex, Inc. in 2004. Mr. Rae has also served as Vice President, Finance & Corporate Affairs at Active Pass Pharmaceuticals (Vancouver, BC). In his various roles, Mr. Rae has raised over $50 million in venture, strategic and capital markets financings, engaged in a successful cross-border M&A transaction, and played a significant role in shaping multiple business development deals (Cambridge Antibody, Isis Pharmaceuticals, Medarex, Immune Pharmaceuticals, JDRF). Prior to his operational experiences, Mr. Rae served as Biotechnology Equities Analyst, Goepel Shields & Partners (now Raymond James Canada), covering Canadian biotechnology stocks including Angiotech Pharmaceuticals, QLT Inc. and ID Biomedical. Mr. Rae currently sits on the Dean's External Advisory Board for the Faculty of Business Administration at Simon Fraser University, Honours Program Advisory Committee, and the Board of Directors of Covenant House Vancouver, a charity operating shelters and counsel to homeless youth in Vancouver, BC. In 2009 Andrew was Pacific Finalist, Ernst & Young Entrepreneur of the Year (Canada). Mr. Rae's degrees include a B.Sc. from the University of Western Ontario and an MBA from Simon Fraser University.

William Jarosz, JD — Chairman and Director

William Jarosz is currently a Partner at Cartesian Capital Group, LLC, a global investment management firm. From 1997 until 2005, Mr. Jarosz served as Managing Director and General Counsel of AIG Capital Partners, a subsidiary of American International Group, Inc., and as Managing Director of the AIG-Brunswick Millennium Fund. While at AIG Capital Partners, Mr. Jarosz oversaw global private equity transactions for the firm's various private equity funds. Prior to joining AIG in 1997, Mr. Jarosz practiced law at Debevoise & Plimpton, specializing in international private equity investment and Russian corporate and securities laws. Mr. Jarosz also

served as a consultant to the World Bank on the regulation of Foreign Direct Investment in emerging markets. Mr. Jarosz is a graduate of the University of Montana, and received an MA in Law and Diplomacy from the Fletcher School at Tufts University and a JD from Harvard Law School.

Noel Hall – Director

Noel Hall is currently a consultant to the life sciences industry and has approximately 25 years experience in the biotechnology industry, including as president of Aspreva Pharmaceuticals Corporation, which was acquired by the Galenica Group in January 2008. Prior to co-founding Aspreva in December 2001, Mr. Hall co-founded the life sciences practice of consulting firm Hill and Knowlton in 1995 and served as head of global strategic planning for the firm's worldwide pharmaceutical consulting practice. From 1992 to 1995, Mr. Hall was the director of corporate affairs for the United Kingdom and Northern Europe for The Wellcome Foundation Ltd., which is now part of GlaxoSmithKline PLC. From 1985 to 1990, Mr. Hall worked in market development with Abbott Laboratories Ltd. and from 1983 to 1985 Mr. Hall was a regional sales manager with Leo Laboratories Ltd. Mr. Hall holds a BSc in Medical Laboratory Science from London University. He has also been a director of Zymeworks Inc. since October 2008.

Richard Barker, D.Phil, MA — Director

Richard Barker is a strategic advisor, speaker and author on healthcare and life sciences. He is Director of the Centre for the Advancement of Sustainable Medical Innovation, a major European initiative aimed at transforming the R&D and regulatory processes in life sciences to bring advances more rapidly and affordably to patients. His 25-year business career in healthcare has spanned biopharmaceuticals, diagnostics and medical informatics – both in the USA and Europe. Most recently he was Director General of the Association of the British Pharmaceutical Industry, member of the Executive Committee of EFPIA (the European industry association) and Council member of IFPMA (the international equivalent). As a co-founder of Life Sciences UK, member of the NHS Stakeholder Forum, vice-chair of the UK Clinical Trials Collaboration and in many other roles, he has advised successive UK governments on healthcare issues, especially those relating to developing, valuing and using new healthcare technologies. He is also chairman of the South London Academic Health Science Network**,** accelerating innovation in this region of the NHS, and also chairman of the Precision Medicine Catapult, a UK initiative to accelerate the creation and adoption of personalised medicine solutions in the UK. He is a board member of Celgene, a major US-based bio-therapeutics company. His past leadership roles include head of McKinsey's European healthcare practice, General Manager of Healthcare Solutions for IBM and Chief Executive of Chiron Diagnostics. He was also Chairman and Chief Executive of Molecular Staging, a US bioscience company, now part of Qiagen. He therefore has experience in leading and advising a wide range of high-technology companies. He holds an honorary professorship at UCL (University College London) and an associate professorship at Oxford University, and holds a D.Phil in biophysics and a BA in chemistry, both from Oxford University.

Douglas Janzen, — Director

Mr. Janzen has been involved in the Life Sciences industry for the past 19 years. Currently, he is a Director, President and Chief Executive Officer of Aequus Pharmaceuticals Inc., a TSX Venture Exchange listed biotechnology and pharmaceuticals company. Previously, he was President and Chief Executive Officer of Cardiome Pharma, a NASDAQ listed drug development company that completed an $800 million licensing deal with Merck and saw its lead product Brinavess approved in Europe in 2010. Prior to that, Mr. Janzen was an investment banker with Cormark Securities, acting as Managing Director of Life Sciences. Mr. Janzen is the past Chairman of Life Sciences British Columbia, has served as a Director of Biotech Canada, and sits as a Director on a number of public and private boards. Mr. Janzen is a past winner of Vancouver's Top 40 under 40 award, and is currently the Founder of NorthView Ventures, an entity which invests in and provides strategic advisory services to a number of technology companies.

Appointment of Auditor

Management of the Company proposes to nominate PricewaterhouseCoopers LLP, Chartered Accountants ("PWC") as auditor of the Company to hold office until the next annual meeting of shareholders, at remuneration to be fixed by the board of directors of the Company. PWC has acted as auditor of the Company since its appointment on March 2, 2008.

Unless such authority is withheld, the persons named in the accompanying form of proxy intend to vote FOR the appointment of PWC as auditor of the Company, to hold office until the next annual meeting of shareholders, at remuneration to be fixed by the board of directors of the Company. The board of directors of the Company recommends that shareholders vote in favour of the appointment of PWC as auditors of the Company.

Other Matters to be Acted Upon

None

Additional Information

Management of the Company is not aware of any matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy unless the shareholder has specified to the contrary that the common shares represented thereby are to be withheld from voting with respect to such matters.

STATEMENT OF EXECUTIVE COMPENSATION

The following discussion and analysis covers the compensation paid to the individuals who served as Chief Executive Officer and Chief Financial Officer of the Company during the financial year ended December 31, 2014 and each other individual who was an executive officer of the Company at the end of the financial year ended December 31, 2014 and whose total compensation exceeded $150,000 (each such person, a "Named Executive Officer").

Compensation Philosophy and Objectives

The Company's executive compensation program is designed to retain key executive employees in both the short and long term, incentivise both individual and corporate performance and align interests of executives with other corporate stakeholders such as shareholders and corporate partners. Compensation decisions are intended to be transparent, and the Company's compensation practices are intended to be simple in design. Given the Company's size, resources and business model, the Company primarily uses three elements of compensation for its Named Executive Officers: base salary, annual incentive pay (bonus) and long term equity compensation (options). In establishing the framework for the Company's compensation practices, the Company takes into account the inherent uncertainties of its business and the fact that the success of the Company is influenced by a number of risk factors, many of the most important of which are outside the Company's control.

The Company strongly encourages its executive officers to maintain equity ownership in the Company, both through direct shareholdings and derivative holdings such as options. As at June 1, 2015, management and directors owned or exercised control or direction over 5,472,599 common shares, representing 6.48% of the Company's issued and outstanding common shares. The Company does not provide any financial assistance to Named Executive Officers to purchase equity in the Company.

Decision Making Process

The Compensation Committee of the board of directors oversees and provides strategic direction to management regarding the Company's compensation policies and general human resources policies. In addition to that mandate of broad oversight and direction, the Compensation Committee is tasked with implementing programs to

attract, retain and develop management of the highest calibre. Additional information relating to the mandate of the Compensation Committee is included in the summary of corporate governance practices attached as Schedule "A". The Compensation Committee makes recommendations to the board of directors with respect to the annual salary, bonus and other benefits of the Chief Executive Officer and approves the compensation for all other Named Executive Officers taking into consideration the recommendations of the Chief Executive Officer. The company believes that its review process provides an effective ongoing evaluation of its executive compensation program relative to industry practice and allows for appropriate and timely adjustments to the program.

The members of the Compensation Committee are Noel Hall, William Jarosz and Andrew Rae. Mr. Hall and Mr. Jarosz are independent directors. Mr. Rae is not independent as he is the Chief Executive Officer of the Company. While serving on the Compensation Committee, Mr. Rae abstains from any discussions regarding his compensation as Chief Executive Officer of the Company.

For a description of the experience of the members of the Compensation Committee relevant to their responsibilities on the Compensation Committee, see "Election of Directors – Experience" above.

Assessment of Risks Associated with the Company's Compensation Policies and Practices

The Compensation Committee has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Compensation Committee has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.
The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

Financial Instruments

The Company has not adopted a policy restricting its Named Executive Officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its Named Executive Officers or directors. To the knowledge of the Company, none of the Named Executive Officers or directors has purchased such financial instruments.

Compensation Framework

The Compensation Committee considers all elements of compensation as a whole rather than any one element in isolation. In evaluating executive compensation, the Company considers a broad range of factors, including individual performance and corporate results. Other factors taken into account in establishing compensation include market competitiveness and internal equity. The relative balance of those factors will likely differ from year to year. The Committee also examines the competitive positioning of total compensation, the ratio of current to long-term compensation and the amount of fixed and variable compensation. The Compensation Committee is tasked with ensuring that the Company's compensation practices are affordable as an element of the Company's overall cost of doing business, while rewarding performance and creating incentives to achieve long-term success. For details regarding compensation of each Named Executive Officer, refer to "Summary of Executive Compensation" below.

Base Salary

Base salary is a key component of compensation, both on its own and because annual incentive awards are based on percentages of base salary. Salaries for executive officers are determined by evaluating the responsibilities of each executive's position, as well as the experience and knowledge of the individual, with a view to internal equity and the competitive marketplace. The Compensation Committee balances the desire to set base salary at a level competitive enough to attract highly qualified executive officers against the desire to ensure that performance remains a key factor in determining total compensation of the Company's management team. In determining the base salaries of the Named Executive Officers, the Compensation Committee reviews and

considers compensation information from a number of publicly available sources relevant to the biotechnology and life sciences sector as well as external market surveys when available. In setting the salary of the Named Executive Officers (other than the Chief Executive Officer), the Compensation Committee also relies to a large extent on the Chief Executive Officer's recommendation and evaluation of each Named Executive Officer's performance.

For all employees, including Named Executive Officers (other than the Chief Executive Officer), salary adjustments are considered by the Compensation Committee in the first quarter of the Company's fiscal year and implemented at the time of approval by the board of directors. Annual adjustments to base salary are not guaranteed and any adjustment includes consideration for individual performance, internal equity and market conditions.

Annual Bonus

The Compensation Committee has established an annual bonus program to drive performance and the achievement of corporate goals. The bonus program rewards short term results and performance, all of which are linked to the Company's long term objectives. All Named Executive Officers, as well as other employees of the Company, are eligible to receive a bonus. The award and amount of any bonus are not pre-determined under any policy and are at the sole discretion of the Compensation Committee, which in turn provides a recommendation to the board of directors for approval. A decision to award a bonus is based on the responsibility and accountability of the individual and the role within the organization, performance of the individual, performance of the Company in reaching certain corporate goals for any given year and a number of other factors, both internal and external.

Incentive Programs – Stock Options

The Company's Stock Option Plan is available to all employees, including the Named Executive Officers, and consultants to the Company. As options have increased value to the holder if the market value of the stock appreciates over time, the objective of the program is to tie the interests of employees directly to the interests of the shareholders. In that regard, the Stock Option Plan is intended to serve as a long term retention and incentive tool. The exercise price, terms, vesting and conditions of any options granted are established by the board of directors and subject to the rules of the regulatory authorities having jurisdiction over the securities of the Company. The options granted may be exercised during a period not exceeding five years. The options are non-transferable.

Awards of options for all employees, including Named Executive Officers, are approved by the board of directors upon the recommendation of the Compensation Committee. The determination of an award, as well as the amount of the any award, is at the sole discretion of the board of directors. In deciding to grant options, the board of directors takes previous option grants into consideration. There are no performance or other conditions related to the vesting of the options, other than continued employment with the Company.

Employment Agreements, Termination and Change of Control Benefits

As of December 31, 2014, the Company was a party to employment agreements with each of the Named Executive Officers. Each such employment (collectively, the "Agreements") contains covenants in the Company's favour, including a non-competition covenant, a loyalty covenant, a non-solicitation of clients and employees covenant and confidentiality and non-disclosure obligations. Under the Employment Agreements, all confidential information and intellectual property that is invented, conceived or originated by the Named Executive Officer is the Company's property. Each Named Executive Officer must provide three months written notice to the Company of his resignation, and may be terminated by the Company immediately for cause or with six months written notice or payment of six months of base salary without cause.

Each Employment Agreement provides that if a change of control of the Company occurs and, within 12 months of such change of control, any of the following occurs: the termination of the officer's employment without cause,

a material adverse change to the officer's position, status, authority or responsibilities, any material reduction in incentives, benefits or other compensation plans or programs, an assignment of duties to the officer that is inconsistent with his status, the constructive dismissal of the officer, the failure of the Company's successor to assume its responsibilities under the employment agreement, any disposition of all or substantially all of the Company's assets or any action that is taken in respect of the Company's liquidation, dissolution or winding-up, (each, a "Change of Control Termination") the Named Executive Officer is entitled to payment of all accrued amounts and benefits to the date of the termination, the continuation of his base salary for a period of 12 months, continuation of all benefits for a period of 12 months after his termination and immediate vesting of all options issued or granted to him under the Company's current stock option plans. These change of control provisions are included so that the Named Executive Officers can continue to receive compensation for a reasonable period of time while searching for new employment. Such provisions are a fairly standard part of executive employment agreements and are only triggered in the event that the Company, or the successor to the Company, terminates the Named Executive Officer unfairly or otherwise fails to abide by the provisions of the Named Executive Officer's employment contract.

Under the Agreements, the Named Executive Officers are currently eligible to receive the following amounts per annum:

Name	Annual Base Salary
Andrew Rae	$260,000
John Meekison	$140,000
Peter Hnik	$160,000

Assuming the Named Executive Officers were terminated pursuant to a Change of Control Termination on the last business day of the most recently completed financial year, Andrew Rae would be entitled to receive $260,000, John Meekison would be entitled to receive $140,000 and Peter Hnik would be entitled to receive $160,000.

Summary of Executive Compensation

Total Compensation

The following table provides a summary of the compensation earned in respect of the Company's completed financial years for 2012, 2013 and 2014 by the Named Executive Officers who were serving as executive officers of the Company on December 31, 2014.

Name & Principal Position	Year	Salary/Fees[4] ($)	Share-Based Awards ($)	Option-Based Awards[2] ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation[3] ($)	Total Compensation ($)
					Annual Incentive Plans	Long-Term Incentive Plans			
Andrew Rae Chief Executive Officer[1]	2014 2013 2012	312,000 234,713 165,000	-	Nil 234,500 Nil	-	-	-	3,977 3,630 3,298	315,977 472,843 168,298
John Meekison, Chief Financial Officer	2014 2013 2012	168,000 140,000 140,000	-	Nil 134,000 Nil	-	-	-	12,868 3,339 2,254	180,868 277,339 142,254
Peter Hnik, Chief Medical Officer	2014 2013 2012	192,000 160,000 160,000	-	Nil 167,500 Nil	-	-	-	3,327 2,388 3,061	195,327 329,888 163,061

Notes:

(1) Although Andrew Rae also serves as a director of the Company, he did not receive any compensation for his duties as a director or for attendance at board or committee meetings.

(2) The fair value of the option based awards is estimated as at the date of the option grant using the Black-Scholes option pricing model.

(3) Reimbursement for miscellaneous expenses.

(4) Includes bonus compensation.

Incentive Plan Awards – Outstanding Option-Based Awards – Named Executive Officers

The following table provides a summary of all option-based and share-based awards to the Named Executive Officers outstanding at the end of the Company's financial year ended December 31, 2014.

	Option-Based Awards				Share-Based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of total unexercised in-the-money option[1] ($)	Number of shares of units that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based rewards not paid out or distributed ($)
Andrew Rae, Chief Executive Officer	300,000 350,000	0.29 0.73	Sep 26, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A
John Meekison, Chief Financial Officer	50,000 200,000	0.29 0.73	Sep 26, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A
Peter Hnik, Chief Medical Officer	300,000 250,000	0.29 0.73	Sep 26, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A

Note:

(1) The value of unexercised in-the-money options is determined by calculating the intrinsic value of each option (market price less exercise price). The closing price of the common shares on the TSX Venture Exchange on December 31, 2014, the last trading day of the Company's fiscal year was $0.035.

Incentive Plan Awards – Value Vested or Earned During the Year – Named Executive Officers

The following table sets forth, for each Named Executive Officer, the value vested for all outstanding option-based and share-based awards and the value earned for all non-equity incentive plan compensation during the twelve month period ended December 31, 2014.

Name	Option-based awards – Value vested during the year[(1)] ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Andrew Rae, Chief Executive Officer	Nil	N/A	N/A
John Meekison, Chief Financial Officer	Nil	N/A	N/A
Peter Hnik, Chief Medical Officer	Nil	N/A	N/A

Note:

(1) Represents the intrinsic value, if any, of each option vested during the year (market price on the vesting date less exercise price).

Long Term Incentive Plans

The Company does not have a long-term incentive plan pursuant to which compensation was paid or distributed to the Named Executive Officers during the financial period ended December 31, 2014. A "long term incentive plan" means a plan providing compensation intended to motivate performance over a period greater than one financial year other than option plans, stock appreciation rights or restricted share compensation.

The Company has not granted any stock appreciation rights either during or prior to the year ended December 31, 2014.

Pension Plan Benefits

The Company does not provide any form of pension plan or other retirement benefit to the Named Executive Officers.

Compensation of Non-Management Directors

Total Compensation

It is the Company's policy to provide compensation to independent directors for their role in overseeing the strategic direction of the Company, participating in various meetings (both the board as a whole and at various committee levels) and otherwise providing advice, governance and industry perspective to the Company and its management. Directors who are also Named Executive Officers do not receive additional compensation beyond what is provided for in their employment contracts. The Company pays directors primarily in two forms: a fixed quarterly fee payable in cash and through the grant of stock options. The Company only rewards directors for their role as directors and does not provide compensation to directors for their role in various committees.

The following table provides a summary of the compensation earned in respect of the Company's financial year ended December 31, 2014 by the non-management members of the Company's board of directors:

Name [4]	Fees earned[1] ($)	Share-based awards ($)	Option-based awards[3] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
William Jarosz[2]	26,590	N/A	Nil	N/A	N/A	-	26,590
Richard Barker	12,000	N/A	Nil	N/A	N/A	-	12,000
Douglas Janzen	12,000	N/A	Nil	N/A	N/A	-	12,000
Noel Hall	12,000	N/A	Nil	N/A	N/A	-	12,000

Notes:

(1) Directors were also reimbursed for their out-of-pocket expenses to attend meetings.

(2) In addition to his duties as the Company's Chairman of the Board, William Jarosz provides consulting services to the Company. Mr. Jarosz is paid a fixed annual fee of US$25,000 (CDN $26,590), which includes compensation for both his duties as Chairman and his consulting services.

(3) The fair value of the option based awards is estimated as at the date of the option grant using the Black-Scholes option pricing model.

(4) Andrew Rae's compensation for his role as director is included above under "Summary of Executive Compensation".

Incentive Plan Awards - Outstanding Option Based Awards – Non-Management Directors

The following table provides a summary of all option-based and share-based awards outstanding to non-management directors as at the end of the Company's financial year ended December 31, 2014:

	Option-Based Awards				Share-Based Awards		
Name	Number of securities underlying unexercised options	Option exercise price ($)	Option expiration date	Value of total unexercised in-the-money option[1] ($)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
William Jarosz	150,000 100,000	0.29 0.73	Sep 16, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A
Richard Barker	50,000 50,000	0.29 0.73	Sep 16, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A
Douglas Janzen	50,000 25,000	0.30 0.73	Mar 8, 2017 Jan 21, 2018	Nil	N/A	N/A	N/A
Noel Hall	50,000 50,000	0.29 0.73	Sep 16, 2016 Jan 21, 2018	Nil	N/A	N/A	N/A

Notes:

(1) The value of unexercised in-the-money options is determined by calculating the intrinsic value of each option (market price less exercise price). The closing price of the common shares on the TSX Venture Exchange on December 31, 2014, was $0.035, the last trading day of the Company's fiscal year.

Incentive Plan Awards – Value Vested or Earned During the Year – Non-Management Directors

The following table sets forth, for each non-management director, the value vested for all outstanding option-based and share-based awards and the value earned for all non-equity incentive plan compensation during the twelve month period ended December 31, 2014.

Name	**Option-based awards – Value vested during the year[(1)]** ($)	**Share-based awards – Value vested during the year** ($)	**Non-equity incentive plan compensation - Value earned during the year** ($)
William Jarosz	Nil	N/A	N/A
Richard Barker	Nil	N/A	N/A
Douglas Janzen	Nil	N/A	N/A
Noel Hall	Nil	N/A	N/A

Note:

(1) Represents the intrinsic value, if any, of each option vested during the year (market price on the vesting date less exercise price).

50,000 options at $0.18 were exercised by one non-management director during 2014.

Securities Authorized For Issuance under Equity Compensation Plans

Stock Option Plan

As of the date hereof, the Company has 4,000,000 common shares reserved for issuance under the Stock Option Plan, representing 4.7% of the currently issued and outstanding common shares of the Company. As of the date hereof, options exercisable for 2,040,000 common shares are outstanding, representing 2.4% of the currently issued and outstanding common shares of the Company.

The following table sets forth information with respect to the number of options granted pursuant to the Stock Option Plan as at December 31, 2014. No options have been granted under stock option plans which have not been approved by the Company's shareholders.

Plan Category	**Number of Common Shares to be issued upon exercise of outstanding options**	**Weighted-average exercise price of outstanding options**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)**
Equity compensation plans approved by security holders	2,040,000	$0.51	1,645,357
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	**2,040,000**	**$0.51**	**1,645,357**

OTHER INFORMATION

Indebtedness of Directors and Executive Officers

No director or executive officer and no former or proposed director or executive officer of the Company or any of its subsidiaries is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or indebted to another entity where such indebtedness is or was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

Interest of Informed Persons in Material Transactions

Other than as set forth herein, no person who has been a director or executive officer of the Company at any time since the commencement of the Company's most recently completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Corporate Governance

The discussion of the Company's governance practices required by National Instrument 58-101 – Disclosure of Corporate Governance Practices is attached to this Circular as Schedule "A".

Additional Information

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. Security holders may obtain copies of the Company's financial statements and management's discussion and analysis on SEDAR or by contacting the Company at iCo Therapeutics Inc., 760 – 777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4, Telephone: (604) 602-9414, E-mail: meekison@icotherapeutics.com.

Approval of Circular

The contents and the sending of this Circular to the shareholders of the Company have been approved by the board of directors.

By Order of the Board of Directors

Vancouver, British Columbia
June 1, 2015

Andrew Rae
Director and Chief Executive Officer

SCHEDULE A

CORPORATE GOVERNANCE PRACTICES

The following is an overview of the Company's corporate governance practices. In addition to the disclosure provided below, disclosure on the Company's audit committee can be located under the heading "Audit Committee Information" in the Company's annual information form dated April 27**,** 2015 (the "AIF"). The Company's Audit Committee Mandate is attached as Appendix A to the AIF which is available for review on www.sedar.com. Upon request, the Company will promptly provide a copy of the AIF free of charge to a securityholder of the Company.

Board of Directors

The board of directors of the Company (the "Board") encourages sound and comprehensive corporate governance policies and practices designed to promote the ongoing development of the Company. The Board is currently composed of five directors, a majority of whom are independent directors. A board member is "independent" if he has no direct or indirect material relationship with the Company. After having examined the roles and relationships of each of the directors, the Board has determined that the following members of its board of directors are independent: William Jarosz (Chairman), Douglas Janzen, Noel Hall, and Richard Barker. As an executive officer of the Company, Andrew Rae is not an independent director.

The Board believes that the independence of a majority of its directors, including its Chairman, enables the Board to exercise independent supervision over management. The independent directors have significant experience in corporate affairs and, as a consequence, are able to provide significant and valuable independent supervision over management.

Other Directorships

The following table provides a summary of other reporting issuers that the directors of the Company are directors of:

Board Member	Reporting Issuer
Noel Hall	None
Andrew Rae	None
Doug Janzen	Neovasc Inc. Aequus Pharmaceuticals Inc.
Richard Barker	Celgene, Inc.
William Jarosz	None

Orientation and Continuing Education

It is the mandate of the Governance and Nomination Committee to ensure that a process is established for the orientation and education of new directors which addresses the nature and operation of the Company's business and their responsibilities and duties as directors (including the contribution individual directors are expected to make and the commitment of time and resources that the Company expects from its directors). The Governance and Nomination Committee is also responsible for ensuring that directors receive adequate information and continuing education opportunities on an ongoing basis to enable directors to maintain their skills and abilities as directors and to ensure their knowledge and understanding of the Company's business remains current.

Ethical Business Conduct

The Company is committed to maintaining the highest standards of corporate governance and this philosophy is communicated by the Board to management, and by management to employees, on an ongoing basis. Given the Company's relatively small workforce, the Board has not considered it necessary to adopt a formal code of business conduct and ethics or whistleblower policy, but will regularly consider whether it would be advisable to adopt such a code or policy in the future.

Nomination of Directors

It is the mandate of the Governance and Nomination Committee to identify, in consultation with the Chief Executive Officer, and recommend qualified candidates for the Board. In assessing whether identified candidates are suitable for the Board, the Governance and Nomination Committee considers: (i) the competencies and skills considered necessary for the Board as a whole; (ii) the competencies and skills that the existing directors possess and the competencies and skills nominees will bring to the Board; and (iii) whether a nominee can devote sufficient time and resources to his or her duties as a member of the Board. In addition, the Governance and Nomination Committee assesses the participation, contribution and effectiveness of the individual members of the Board on an annual basis.

Compensation

The Compensation Committee is responsible for board compensation, the establishment of salaries of executive management and senior staff, review of the contingency plan for management succession and employee-employer relations. The Compensation Committee reviews and makes recommendations to the Board regarding the corporate goals and objective, performance and compensation of the Chief Executive Officer on an annual basis and is responsible for reviewing the recommendations of the Chief Executive Officer regarding compensation of the senior officers, the compensation policy of the Company (including internal structure, annual review and relationship to market levels and changes), significant changes in the Company's benefit plan and human resources policies and the issuance of stock options to employees, consultants and directors.

Assessments

It is the Board's mandate, in conjunction with the Governance and Nomination Committee, to assess the participation, contributions and effectiveness of the Chair and the individual members of the Board on an annual basis. The Board also monitors the effectiveness of the Board and its committees and the actions of the Board as viewed by the individual directors and senior management.