



I M M U N O V A C C I N E

MANDATE OF THE COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

1. PURPOSE

The primary function of the Committee is to assist the Board of Directors in the exercise of certain duties regarding the corporate governance of the Corporation. Among others, the Committee develops policies regarding corporate governance for the Corporation, for internal governance as well as for the Corporation's external communications. Also, the Committee reviews issues regarding the senior management of the Corporation.

The Board also delegates certain duties to the Committee regarding the human resources of the Corporation. Among others, the Committee reviews issues regarding the appointment, training, compensation and succession of the directors and members of the Corporation's senior management.

The Committee's mandate set forth herein does not limit the scope of any rights or powers conferred to the Board.

2. INTERPRETATION

“Chairman” means the Chairman of the Committee.

“Committee” means the Corporate Governance and Compensation Committee of the Corporation.

“Committees” means the Corporate Governance and Compensation Committee and the Audit Committee of the Corporation.

“Corporation” means, Immunovaccine Inc. and its subsidiary, ImmunoVaccine Technologies Inc.

“Board of Directors” or **“Board”** means the board of directors of Immunovaccine Inc.

“Independent director” means a director who has no direct or indirect relationship with the Corporation, which could be reasonably expected to interfere with the exercise of an independent judgment regarding the best interests of the Corporation. Save exceptions, is not an Independent director the person who:

- a) is or has been within the last three years, an employee or executive officer of the Corporation;
- b) is a member of the immediate family of an individual who is or has been, within the last three years, an executive officer of the Corporation;
- c) is or has been (or whose immediate family member is or has been), within the last three years, an executive officer, a partner or an employee of a material service provider of the Corporation (including the external auditors unless their engagement has ended);
- d) is or has been (or whose immediate family member is or has been), within the last three years, an executive officer of an entity if any of the current senior management of the Corporation serves or served at the same time on the entity's Compensation Committee;
- e) has a relationship with the Corporation under which he or she may directly or indirectly accept any consulting, advisory or other fees from the Corporation or a related entity, except for any compensation as a member of the Board of the Corporation;
- f) received (or whose immediate family member received) more than \$75,000 in direct compensation from the Corporation (excluding fees as directors) during any 12 month period within the last three years; or
- g) is a natural person who controls the Corporation; or
- h) is a natural person who is both a director and an employee of the Corporation.

3. COMPOSITION, MEETINGS AND PROCEDURES

- 3.1 The Committee shall be comprised of at least three Independent directors.
- 3.2 The Board shall appoint the Chairman. If the Chairman is not present at a Committee meeting, the members present shall choose one of their number to act as Chairman for the purposes of this specific meeting.
- 3.3 Meetings shall be called by the Chairman and held at least twice per year.
- 3.4 The chairman of the Board and the President and Chief Executive Officer of the Corporation may request that the Chairman hold a meeting of the Committee.

- 3.5 The quorum of the Committee shall be composed of not less than the majority of the Committee members then in office.
- 3.6 Notice of each meeting shall be given to each Committee member and to the other directors and to the Corporation's senior management. Unless they are expressly called to the meeting, the latter only receive the notice for information purposes.
- 3.7 The Committee may invite the persons it considers useful to invite, including the Corporation's senior management, to attend the meetings and participate in the discussions concerning the Committee's business.
- 3.8 The Committee members, whenever possible, shall take all necessary steps to attend Committee meetings and to prepare themselves with respect to the matters and documents to be discussed thereat.
- 3.9 The Committee shall appoint a secretary. The secretary shall attend the meetings, during which he or she shall take minutes. The minutes shall be made available to the directors for consultation and are approved by the Board before being included in the Corporation's registers or records.
- 3.10 The Committee shall submit periodically a report to the Board on its activities, including the nature of its deliberations and the related recommendations.
- 3.11 The Committee, in the performance of its duties, may consult any relevant register or record of the Corporation.
- 3.12 The Committee members shall receive, in this capacity, the compensation that the Board establishes from time to time.

4. RESPONSIBILITIES AND DUTIES

4.1 Board

- 4.1.1 The Committee reviews the criteria regarding the composition of the Board and of its Committees. Among others, it considers the size of the Board and its Committees, the proportion of Independent directors, the criteria used by the Board to determine whether a director is independent, the representative character, the overall efficiency of the Board or of a committee as composed, and the number of years during which a director has been on the Board or on a Committee.
- 4.1.2 The Committee reviews the criteria regarding the appointment of the directors, without relation to the age or tenure. Among others, it considers the attendance at Board and Committee meetings, the health condition, the assumption of responsibilities which are

incompatible with and effective composition of the Board, and the assessment of the effectiveness of the Board as a whole and of the committees. The Committee uses this review to establish in light of the opportunities and risks facing the Corporation, what competencies, skills and qualities would improve the effectiveness of the Board.

- 4.1.3 When required, the Committee identifies specific candidates whose competencies, skills and personal qualities meet Boards' requirements.
- 4.1.4 The Committee recommends to the Board a list of candidates for directors to be nominated for election by the shareholders at each annual meeting of shareholders.
- 4.1.5 The Committee recommends to the Board candidates to fill vacancies on the Board occurring between annual meetings of its shareholders.
- 4.1.6 The Committee assists the Board in the implementation of a program of familiarization and training for the new members of the Board.
- 4.1.7 The Committee recommends to the Board the removal of a director in exceptional circumstances, for example when such director is in a position of conflicts of interest or when the criteria underlying the appointment of such director change.
- 4.1.8 The Committee ensures that the Board can function independently from the Corporation's senior management and, for that purpose, ensures that Board meetings outside of the presence of the Corporation's senior management are held on a periodical basis.
- 4.1.9 The Committee issues to the Board recommendations regarding the compensation of directors and members of committees of the Board, including the sufficiency and the form of such compensation, which shall realistically reflect the responsibilities and risks of the positions held.
- 4.1.10 Generally, the Committee recommends to the Board measures in order to improve the Board's efficiency. In that regard, the Committee establishes in which areas the directors could, collectively or individually, improve their contribution to the Corporation's affairs.

4.2 Human Resources Human Resources

4.2.1 The Committee's primary duties and responsibilities are to review and make recommendations to the Board in respect of:

- a) the recruitment, hiring, evaluation, determination of terms of employment and the job description of the chief executive officer;
- b) the Corporation's compensation strategy, policies and guidelines, taking into account the proposals from the Corporation's President and Chief Executive Officer ("CEO"), and to monitor their consistency with the Corporation's goals and strategies;
- c) the CEO's recommendations on the appointment and compensation of officers and other key senior executives of the Corporation;
- d) management incentive and perquisite plans and any non-standard remuneration plans;
- e) succession planning of the Corporation's senior management; and
- f) Board compensation and training matters.

4.2.2 In carrying out its duties and responsibilities, the Committee shall:

- a) annually assess and make a recommendation to the Board with regard to the competitiveness and appropriateness of the compensation package of the CEO, all other officers of the Corporation and such other key employees of the Corporation and any subsidiary of the Corporation as may be identified by the CEO and approved by the Committee (collectively, the "Designated Employees");
- b) annually review the performance goals and criteria for the CEO and evaluate the performance of the CEO against such goals and criteria and recommend to the Board the amount of regular and incentive compensation to be paid to the CEO;
- c) annually review and make a recommendation to the Board regarding the CEO's performance evaluation of Designated Employees and his recommendation of the amount of regular and incentive compensation to be paid to such designated employees;

- d) review and make a recommendation to the board regarding any employment contract or arrangements with each of the Designated Employees, including any retiring allowance or similar arrangements to take effect in the event of a termination of employment;
- e) when requested by the CEO, review and make recommendations to the Board regarding short term incentive or reward plans and, to the extent delegated by the Board, approve awards to eligible participants.
- f) review and make recommendations the Board regarding incentive stock option plans or any other long term incentive plans and to the extent delegated by the Board, approve grants to participants and the magnitude and terms of their participation;
- g) annually, prepare or review the report on executive compensation required to be disclosed in the Corporation's information circular or any other human resource or compensation matter required to be publicly disclosed by the Corporation;
- h) evaluate annually the insurance coverage for the Corporation's directors and senior management, as well as the policies regarding their indemnification;
- i) periodically, but at least every three years, review and make a recommendation to the Board regarding the compensation of all directors and training requirements for new directors;
- j) as required, retain independent advice in respect of human resources and compensation matters and, if deemed necessary by the Committee, meet separately with such advisors; and
- k) evaluate the adoption of new plans or important modifications to compensation or fringe benefits plans of the Corporation.

4.3 Compliance

- 4.3.1 The Committee reviews the compliance by the Corporation, its directors and senior management with regulatory provisions regarding corporate governance.

4.3.2 The Committee reviews any proposed modification to the Corporation's articles.

4.4 Code of conduct and ethical guidelines regarding conflicts of interest (the "**Code**")

4.4.1 The Committee reviews periodically the Code and makes recommendations to the Board regarding its content and its enforcement.

4.4.2 The committee monitors the compliance with the Code and reviews situations related thereto that are brought to its attention.

4.4.3 The Committee recommends to the Board, in certain circumstances, to grant or not to grant waivers to directors and members of the Corporation's senior management regarding compliance with the Code. When a waiver is granted, the Committee ensures that the Board disclose its content at the appropriate time and specify the circumstances in favour of such waiver.

4.5 Corporate Governance Principles

4.5.1 The Committee makes general recommendations to the Board regarding corporate governance. Among others, it considers the compliance with relevant regulatory provisions regarding corporate governance.

4.5.2 The Committee reviews annually the relationship between the Board and the Corporation's senior management. Among others, it ensures that the Board's concerns in terms of corporate governance are brought to the executive officer's attention.

4.5.3 The Committee makes recommendations to the Board regarding any contract or agreement with related entities.

4.5.4 The Committee is responsible for establishing blackout periods regarding transactions on the securities of the Corporation by its directors, senior management and consultants:

- a) in the days preceding and following the issuance of interim and annual financial results; and
- b) in the days preceding the announcement of any material information.

4.6 Internal and External Resources

4.6.1 The Committee shall hire independent external advisers if it deems necessary or desirable for its needs. However, the Committee shall not delegate its responsibilities, unless expressly permitted herein.

4.6.2 The Committee may, in the exercise of its duties, consult any relevant record or file of the Corporation.

4.6.3 The president gives his opinion on the opportunity for the Board to hire external advisers at the expense of the Corporation when the required in the performance of their duties.

4.7 Shareholders' Proposals

4.7.1 The Committee reviews proposals presented to the Board by the shareholders and makes recommendations in that regard or refers such proposals to the President and Chief Executive Officer of the Corporation for the latter to make recommendations.

4.8 Communication Policy

4.8.1 The Committee evaluates and then recommends to the Board an agreed communication policy taking into account proposals by the CEO that describes the way in which the Corporation communicates its corporate objectives to:

- (i) the employees of the corporation;
- (ii) the Corporation's shareholders;
- (iii) the media, analysts and other potential investors; and
- (iv) the general public and other concerned parties that may communicate with the Corporation.

4.8.2 The Committee also evaluates and then recommends to the Board policies on the Corporation's:

- (i) continuous and timely disclosure of required information as well as the protection of confidential information (included in the "Disclosure, Confidentiality and Trading Policy");
- (ii) disclosure of forward-looking statements;
- (iii) compliance with the obligations and guidelines of the relevant regulatory authorities competent in securities matters; and

- (iv) disclosure of information regarding the Corporation's corporate governance policies.

4.8.3 The Committee will reassess annually the communication policy.

- 4.9 The Board shall review annually the mandate of the Committee for adequacy and recommend any changes to the Board.

Adopted by the Board on April 6, 2010.