

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) FRIDAY, THE 16TH
)
JUSTICE DUNPHY) DAY OF NOVEMBER, 2018

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF ARALEZ PHARMACEUTICALS INC. AND
ARALEZ PHARMACEUTICALS CANADA INC.

(Applicants)

ORDER
(Re KERP Approval)



THIS MOTION, made by Aralez Pharmaceuticals Inc. and Aralez Pharmaceuticals Canada Inc. (together the "Applicants"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for, among other things, an order approving a key employee retention plan (the "KERP") was heard this day at 361 University Avenue, Toronto, Ontario.

ON READING the affidavit of Adrian Adams sworn November 9, 2018 (the "Adams Affidavit"), and the Exhibits attached thereto, and the Fourth Report of Richter Advisory Group Inc., in its capacity as Court-appointed Monitor (the "Monitor") including the confidential supplement attached thereto (the "Confidential Supplement") and on hearing the submissions of counsel for the Applicants, the Monitor, Deerfield Private Design Fund III, L.P. and Deerfield Partners, L.P. (the "DIP Lenders"), the Official Committee of the Unsecured Creditors, and counsel for those other parties appearing as indicated by the counsel sheet, no one else appearing although duly served, as appears from the affidavit of Sam Dukesz, sworn November 13, 2018 and filed:

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the Adams Affidavit.

KERP

2. **THIS COURT ORDERS** that the KERP described in the Adams Affidavit, the details of which are contained in the Confidential Supplement, is hereby approved and the Applicants are authorized and directed to make payments in accordance with the terms thereof.

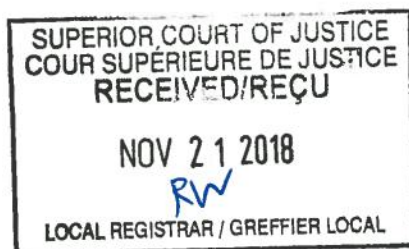
3. **THIS COURT ORDERS** that payments made by the Applicants pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SEALING

4. **THIS COURT ORDERS** that the Confidential Supplement is hereby sealed and shall not form part of the public record until further order of the Court.

GENERAL

5. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

Court File No: CV-18-603054-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF ARALEZ PHARMACEUTICALS INC. AND
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ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at Toronto

ORDER
(RE: KERP APPROVAL)

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