



**AMBRILIA BIOPHARMA INC.**

## **CHARTER OF THE STRATEGIC REVIEW COMMITTEE**

Adopted by the Board of Directors of the Corporation on February 3, 2009

### **1. Composition and Governing Rules**

A committee of the Board of Directors to be known as the Strategic Review Committee/Comité de revue stratégique be established, authorized, designated and empowered to evaluate (the "**Evaluation Process**") the appropriateness of initiating a review of various Strategic Alternatives for enhancing Shareholder value of the Company and comprised of Messrs. Frédéric Porte, Paul-Henry Schmelck, Luc Tanguay and Philip S. Tabbiner.

Mr. Frédéric Porte shall be the Chair of the Strategic Review Committee and the secretary of the Company shall act as the secretary of the Strategic review Committee. The Strategic Review Committee members present at a meeting may nevertheless appoint any other person as chairman or secretary of such meeting.

A majority of the Strategic Review Committee members shall constitute a quorum for meetings of the Strategic Review Committee. A quorum shall not necessarily be present for the entire duration of a meeting.

Meetings of the Strategic Review Committee may be called by or by order of any Strategic Review Committee members and such meetings may be held anywhere within or outside Québec. A notice of each meeting shall be given to each Strategic Review Committee member at least 24 hours prior to the date fixed for a meeting by any means of communication. A notice of a meeting may be given in a shorter period of time if such meeting must be held for urgency matters.

### **2. Authority and Responsibility**

The Strategic Review Committee be authorized and empowered to take the following actions:

- 2.1 to evaluate the appropriateness of initiating a review of various strategic alternatives for enhancing shareholder value (collectively, the "**Strategic Alternatives**");
- 2.2 if, following the Evaluation Process, the Board of Directors decides to proceed the review of various Strategic Alternatives, then the Committee will be empowered:
  - 2.2.1 to review the terms, conditions and other details of the Strategic Alternatives (including any amendments or variations thereof) (the "**Review Process**") with the benefit of advice from any financial and legal advisors;

- 2.2.2 to make recommendations to the Board of Directors with respect to the Strategic Alternatives and to undertake a process it considers appropriate in order to provide such recommendations;
- 2.2.3 if one of the Strategic Alternatives is approved by the Board of Directors, to maintain, on behalf of the Board of Directors, a review of its implementation;
- 2.2.4 to negotiate the terms, conditions and other details of any operation that, as a result of the Review Process, the Strategic Review Committee considers advisable to be implemented; and
- 2.3 to perform any action deemed necessary or advisable to comply with its duties and obligations, and to allow the Board of Directors and the Company to comply with their duties and obligations under applicable laws, notably under the *Civil Code of Québec*, the *Companies Act* (Québec) and the securities laws of Canada;

it being understood that the Strategic Review Committee shall be entitled, without further authorization from the Board of Directors, to consider all matters relevant to those listed above.

In furtherance of its responsibilities hereunder, the Strategic Review Committee may:

- (i) engage, at the expense of the Company, such professional advisors as the Strategic Review Committee considers appropriate, including legal, financial and accounting advisors and enter into engagement letters with such advisors on such terms as the Strategic Review Committee deems advisable;
- (ii) authorize and direct senior management of the Company as to actions on the part of the Company (such as instructions to the professional advisors of the Company) that are made necessary or advisable for the proper performance by the Strategic Review Committee of its responsibilities hereunder, including as to the provision of such information, documents and assistance as the Strategic Review Committee and its advisors may request and as to its cooperation with the Strategic Review Committee and its advisors in all respects;
- (iii) meet with any and all persons, including management and employees of the Company, and legal, accounting, financial and other advisors and consultants to the Company and the Board of Directors as the Strategic Review Committee may deem necessary or desirable;
- (iv) issue news releases as the Strategic Review Committee considers fit, after consultation with management of the Company; and
- (v) address issues and make recommendations to the Board of Directors regarding senior management interests inasmuch as the Strategic Review Committee considers said interests are not fully aligned with shareholder interests.

### **3. Control of Procedures**

In carrying out its responsibilities, the Strategic Review Committee shall co-ordinate and consult (both directly and through its professional advisors) with the Board of Directors, management and professional advisors of and to the Company, but the Strategic Review

Committee shall have control of the timing and manner of such co-ordination and consultation and it shall establish its own procedures. The Strategic Review Committee may determine when and whether its responsibilities have been performed and are at an end.

**4. Issues Affecting Mandate of Strategic Review Committee**

To assist the Strategic Review Committee in discharging its responsibilities, management of the Company shall identify with the Chair any issues concerning the business and affairs of the Company that would be affected by the Strategic Review Committee's work in respect of which information has not previously been sought by the Strategic Review Committee.

**5. No Additional Compensation**

The members of the Strategic Review Committee shall not be entitled to any fees for their work on the Committee. All expenses (including travel expenses) incurred by members of the Strategic Review Committee in connection with the business of the Strategic Review Committee shall be reimbursed by the Company.

**6. Removal and Resignation**

Any member of the Strategic Review Committee may be removed or replaced at any time by the Board of Directors and shall, at any time, cease to be a member of the Strategic Review Committee upon ceasing to be a director of the Company. Any member of the Strategic Review Committee may resign his membership on the Strategic Review Committee at any time. Subject to the foregoing, each member of the Strategic Review Committee shall hold office until such time as he may be so removed or replaced, ceases to be a director of the Company or resigns from the Strategic Review Committee."

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