

A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto ON
M5H 3S5

Re: AUSTIN PHARMA DRUGS LTD.

In order to assist [] in evaluating Austin Pharma Drugs Ltd. (“**Austin**” or the “**Company**”), we understand that some or all of the Company, its consultants, agents, and lenders and A. Farber & Partners Inc. (collectively, the “**Austin Representatives**”) will provide us or our affiliates, directors, officers, employees, agents, professional advisors or consultants (collectively, our “**Representatives**”) with confidential information concerning the Company which will be of a confidential nature.

1. **“Confidential Information”** in this agreement shall include all communications, whether written or oral, of any kind whatsoever, between the Austin Representatives and our Representatives concerning, the Company or any of its affiliates, or any or all data, reports, interpretations, forecasts, analyses, customer and supplier information, studies or other materials prepared or acquired by us or our Representatives. Confidential Information, however, will not include information which is or may be published or become available within the public domain, provided that disclosure in the public domain was not as a result of a breach of this agreement by us or our Representatives.
2. In consideration of the Austin Representatives providing us or our Representatives with Confidential Information, we agree that we and our Representatives:
 - (a) will keep the Confidential Information in strict confidence;
 - (b) will not use the Confidential Information in any manner whatsoever, in whole or in part, other than in connection with our investigation or evaluation of the Company for the purpose set out above; and,
 - (c) will not disclose to any person (including, without limitation, the customers or suppliers of the Company) any Confidential Information, that the Confidential Information has been made available to us, that we are evaluating or investigating the Company, that any discussions are taking place, or that we have expressed an interest in the Company.
3. We agree that for a period of eighteen (18) months from the date hereof, we will not or cause or attempt to cause any of the Company’s existing or past customers, clients, investors, suppliers or Company partners (individually, a **“Client”** and collectively, the

“**Clients**”) to terminate or limit their business relationship with the Company or transfer business in any manner from the Company or a Client to any other person. We further agree that for a period of eighteen (18) months from the date hereof, we will not solicit any Clients which are not currently customers of ours.

4. We agree, for a period of eighteen (18) months from the date hereof, that we will not directly solicit for hire or employment any officer or employee of the Company.
5. We agree that the Confidential Information will only be disclosed, to the extent required by law, and used by those of our Representatives who need to know the Confidential Information for the purpose of evaluating the Company, and that we will advise each of such Representatives of this agreement and of its terms. In any event, we will be responsible for any breach of this agreement by our Representatives.
6. In the event that we or any of our Representatives who have received any Confidential Information are required by law to disclose any Confidential Information, we will provide the Company with prompt notice of any such requirement so that the Company may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions of this agreement. We will not oppose action by the Company to obtain an appropriate protective order or other remedy. In the event that either such protective order or other remedy is not obtained or that the Company waives compliance with the provisions of this agreement, we will disclose only that portion of the Confidential Information which we are legally obliged to disclose to the appropriate authorities.
7. We acknowledge that none of the Austin Representatives makes any express or implied representations or warranties as to the accuracy or completeness of the Confidential Information, and that the Austin Representatives expressly disclaim any and all liability that may be based on the Confidential Information, errors therein or omissions therefrom.
8. We will indemnify and hold harmless the Austin Representatives, and their respective affiliates, directors, partners, officers, employees, agents, professional advisors, or consultants from any and all losses or damages (including, without limitation, legal costs) which are incurred directly or indirectly as a result of unauthorized disclosure or use of the Confidential Information by us or our Representatives.
9. We understand that we or the Company will not disclose to any person the fact that discussions or negotiations are taking place or have taken place concerning a possible transaction involving us and the Company or any of the terms, conditions, or other facts with respect to any such possible transaction, including the status thereof, unless the Company is legally obliged to disclose that to appropriate authorities because of reasons of law.
10. The Confidential Information, together with any copies thereof, except for the portion of the Confidential Information which consists of analyses, compilations, studies, or other documents prepared by us or our Representatives, will be returned to you upon the request of the Company and neither we nor our Representatives will retain any copies or

extracts thereof. That portion of the Confidential Information which consists of analyses, compilations, studies, or other documents prepared by us or our Representatives shall be destroyed. If requested, we will provide you with an appropriate affidavit as to the disposition of this material at the conclusion of our negotiations.

11. We agree that this agreement shall enure to the benefit of the Austin Representatives and their respective successors and assigns.
12. All right, title and interest in and to the Confidential Information shall remain the exclusive property of the Company. No interest, licence, or any right in respect of the Confidential Information, other than as expressly set out herein, is granted to us under this agreement, by implication or otherwise.
13. We agree that neither we nor our Representatives will make direct contact with the Company's shareholder(s), or any employee thereof with respect to our interest in acquiring the business or assets of the Company.
14. In addition to any and all remedies at law which the Company may have, we agree that the Company shall also be entitled to equitable relief, including an injunction or specific performance, in the event of a breach of this agreement.
15. This agreement shall be governed by and construed in accordance with the laws of Ontario, and shall remain in full force for a period of three years from the date hereof.

DATED this [] day of July, 2012

Per: _____

Name:

Title: