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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-38899

Milestone Pharmaceuticals Inc.

(Exact Name of Registrant as Specified in its Charter)

Québec	**Not applicable**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1111 Dr. Frederik-Philips Boulevard, Suite 420
Montréal, Québec CA H4M 2X6
(514) 336-0444
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares	MIST	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 13, 2026, the registrant had 124,497,980 common shares, no par value per share, outstanding.

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"Milestone Pharmaceuticals" and the Milestone logo appearing in this Quarterly Report on Form 10-Q are unregistered trademarks of Milestone Pharmaceuticals Inc. All other trademarks, trade names and service marks appearing in this Quarterly Report on Form 10-Q are the property of their respective owners. Solely for convenience, the trademarks and trade names in this Quarterly Report on Form 10-Q may be referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert their rights thereto.

This Quarterly Report on Form 10-Q contains references to United States dollars and Canadian dollars. All dollar amounts referenced, unless otherwise indicated, are expressed in United States dollars. References to "$" are to United States dollars and references to "C$" are to Canadian dollars.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management, and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "contemplate," "continue," "could," "design," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "positioned," "potential," "seek," "should," "target," "will," "would," and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q, regarding, among other things:

- our expectations regarding the commercialization of CARDAMYST™ (etripamil) nasal spray for the conversion of acute symptomatic episodes of paroxysmal supraventricular tachycardia, or "PSVT," to sinus rhythm in adults as well as our plans to develop and commercialize our product candidates;
- the initiation, timing, progress, and results of our current and future clinical trials of etripamil, including our Phase 3 clinical trial of etripamil for the treatment of atrial fibrillation and rapid ventricular rate, and of our research and development programs;
- our ability to develop and, if approved by regulatory authorities, commercialize etripamil in China, Hong Kong, Macau, and Taiwan through our license agreement with our partner Everest Medicines, formerly partnered with Corxel Pharmaceuticals;
- our estimates regarding expenses, future revenue, capital requirements, and needs for additional financing;
- our ability to establish collaborations or obtain additional funding;
- our ability to obtain regulatory approval of our current products for new indications and/or of our future product candidates;
- our expectations regarding the potential market size and the rate and degree of market acceptance of etripamil and any future product candidates;
- our ability to fund our working capital requirements and expectations regarding the sufficiency of our capital resources;

- the implementation of our business model and strategic plans for our business, etripamil, and any future product candidates;
- our intellectual property position and the duration of our patent rights;
- developments or disputes concerning our intellectual property or other proprietary rights;
- our expectations regarding government and third-party payor coverage and reimbursement;
- our ability to compete in the markets we serve;
- the impact of government laws and regulations;
- developments relating to our competitors and our industry;
- the effects of international trade policies, including tariffs, sanctions, and trade barriers; and
- other factors that may impact our financial results.

The foregoing list of risks is not exhaustive. Other sections of this Quarterly Report on Form 10-Q and the section titled "Risk Factors" previously disclosed in Part I, Item 1A. in our Annual Report on Form 10-K may include additional factors that could harm our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements.

In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. You should refer to the section titled "Risk Factors" previously disclosed in Part I, Item 1A. in our Annual Report on Form 10-K, filed with the SEC and under Milestone's SEDAR+ profile at www.sedarplus.com on March 20, 2026, for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Milestone Pharmaceuticals Inc.
Condensed Consolidated Balance Sheets (Unaudited)
(in thousands of US dollars, except share data)

	March 31, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 71,317	$ 73,046
Short-term investments	112,899	32,914
Accounts receivable, net	1,605	—
License receivable	1,546	1,546
Research and development tax credits receivable	425	316
Prepaid expenses	1,210	1,805
Inventory, net	1,826	648
Other receivables	1,425	1,646
Total current assets	192,253	111,921
Operating lease right-of-use assets	981	1,129
Property and equipment, net	500	511
Total assets	$ 193,734	$ 113,561
Liabilities, and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 10,023	$ 5,645
Accrued liabilities	9,803	7,644
Operating lease liabilities	659	647
Deferred revenue	416	—
Other current liabilities	43	43
Total current liabilities	20,944	13,979
Operating lease liabilities, net of current portion	366	539
Senior secured convertible notes	58,192	57,191
Royalty financing obligation, long-term	78,111	—
Other long-term liabilities	72	83
Total liabilities	157,685	71,792
Shareholders' Equity		
Common shares, no par value, unlimited shares authorized, 117,794,417 shares issued and outstanding as of March 31, 2026, 106,236,344 shares issued and outstanding as of December 31, 2025	373,702	352,619
Pre-funded warrants - 16,412,925 issued and outstanding as of March 31, 2026, and 16,412,925 as of December 31, 2025	55,649	55,649
Additional paid-in capital	63,367	64,104
Accumulated deficit	(456,669)	(430,603)
Total shareholders' equity	36,049	41,769
Total liabilities and shareholders' equity	$ 193,734	$ 113,561

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Milestone Pharmaceuticals Inc.
Condensed Consolidated Statements of Loss (Unaudited)
(in thousands of US dollars, except share and per share data)

	Three months ended March 31,	
	2026	**2025**
Revenues		
Product revenue, net	$ 238	$ —
License and other revenue	—	—
Total revenues	238	—
Operating Expenses		
Cost of product sales	14	—
Research and development, net of tax credits	3,251	4,978
General and administrative	4,824	5,167
Commercial	15,812	10,378
Total operating expenses	23,901	20,523
Loss from operations	(23,663)	(20,523)
Interest income	1,732	697
Interest expense	(4,135)	(935)
Net loss and comprehensive loss	$ (26,066)	$ (20,761)
Weighted average number of shares and pre-funded warrants outstanding, basic and diluted	130,286,033	66,285,406
Net loss per share, basic and diluted	$ (0.20)	$ (0.31)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Milestone Pharmaceuticals Inc.
Condensed Consolidated Statements of Shareholders' Equity (Unaudited)
(in thousands of US dollars, except share data)

	Common Shares		Pre-funded warrants				
	Number of shares	Amount	Number of warrants	Amount	Additional paid-in capital	Accumulated deficit	Total
Balance as of December 31, 2024	53,353,984	$ 288,048	12,910,590	$ 53,076	$ 39,568	$ (367,545)	$ 13,147
Transactions during the three-month period ended March 31, 2025							
Net loss	—	—	—	—	—	(20,761)	(20,761)
Share-based compensation	—	—	—	—	1,351	—	1,351
Employee stock purchase plan purchases	110,289	140	—	—	—	—	140
Balance as of March 31, 2025	53,464,273	$ 288,188	12,910,590	$ 53,076	$ 40,919	$ (388,306)	$ (6,123)
Balance as of December 31, 2025	106,236,344	$ 352,619	16,412,925	$ 55,649	$ 64,104	$ (430,603)	$ 41,769
Transactions during the three-month period ended March 31, 2026							
Net loss	—	—	—	—	—	(26,066)	(26,066)
Share-based compensation	—	—	—	—	1,282	—	1,282
Issuance of common shares, vesting of restricted stock units	237,677	480	—	—	(480)	—	—
Issuance of common shares, net of issuance costs	5,526,590	10,891	—	—	—	—	10,891
Exercise of Series A common stock warrants, net of issuance costs	5,666,666	9,529	—	—	(1,539)	—	7,990
Employee stock purchase plan purchases	127,140	183	—	—	—	—	183
Balance as of March 31, 2026	117,794,417	$ 373,702	16,412,925	$ 55,649	$ 63,367	$ (456,669)	$ 36,049

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Milestone Pharmaceuticals Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands of US dollars)

	Three months ended March 31,	
	2026	**2025**
Cash flows used in operating activities		
Net loss	$ (26,066)	$ (20,761)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation of property and equipment	56	27
Amortization of debt costs	117	102
Accretion of investment discount	—	(81)
Non-cash interest expense related to senior secured convertible note	884	833
Non-cash interest expense related to royalty financing obligation	3,133	—
Share-based compensation expense	1,282	1,351
Changes in operating assets and liabilities:		
Accounts receivable, net	(1,605)	—
Other receivables	221	323
Research and development tax credits receivable	(109)	(93)
Prepaid expenses	595	(516)
Inventory	(1,178)	—
Operating lease assets and liabilities	(13)	(3)
Accounts payable	4,378	452
Accrued liabilities	1,836	4,414
Deferred revenue	416	—
Net cash used in operating activities	(16,053)	(13,952)
Cash flows provided by (used in) investing activities		
Acquisition of property and equipment	(45)	(6)
Acquisition of short-term investments	(79,985)	(877)
Redemption of short-term investments	—	34,466
Net cash (used in) provided by investing activities	(80,030)	33,583
Cash flows provided by (used in) financing activities		
Proceeds from Royalty Financing Arrangement	75,000	—
Proceeds from issuance of common shares, net of issuance costs	10,890	—
Proceeds from exercise of series A warrants, net of issuance costs	8,291	—
Proceeds from employee stock purchase plan	184	140
Payment of property and equipment financing	(11)	—
Cash provided by financing activities	94,354	140
Net (decrease) increase in cash and cash equivalents	(1,729)	19,771
Cash and cash equivalents – Beginning of period	73,046	25,314
Cash and cash equivalents – End of period	$ 71,317	$ 45,085

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Milestone Pharmaceuticals Inc.
Notes to Condensed Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025 (Unaudited)
(in thousands of US dollars, except where noted and for share and per share data)

1. Organization and Nature of Operations

Milestone Pharmaceuticals Inc., or "Milestone," or the "Company," is a biopharmaceutical company incorporated under the *Business Corporations Act* (Québec). Milestone's headquarters is currently located in Montréal (Québec), Canada. The Company's common shares began trading on The Nasdaq Global Select Market on May 9, 2019, and trade under the symbol "MIST". Milestone is focused on the development and commercialization of innovative cardiovascular medicines. Milestone's lead product candidate, etripamil, is a novel, potent rapid-onset calcium channel blocker that the Company designed and is developing as a rapid-onset nasal spray to be administered by patients. On December 12, 2025, CARDAMYST™ (etripamil) was approved by the U.S. Food and Drug Administration, or "FDA," to treat paroxysmal supraventricular tachycardia, or "PSVT." The Company is also developing etripamil for the treatment of atrial fibrillation with rapid ventricular rate, or "AFib-RVR," and other cardiovascular indications.

2. Summary of Significant Accounting Policies

a) Basis of Consolidation

The condensed consolidated financial statements include the accounts of the Company and Milestone Pharmaceuticals USA, Inc. All intercompany transactions and balances have been eliminated.

b) Basis of Presentation and Use of Accounting Estimates and Significant Accounting Policies

These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, or "U.S. GAAP," pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) for interim financial information, and on a basis consistent with those accounting principles followed by the Company and disclosed in Note 2, "Summary of Significant Accounting Policies," of its most recent annual consolidated financial statements. Certain information, in particular the accompanying notes normally included in the annual financial statements prepared in accordance with U.S. GAAP, has been omitted or condensed. Accordingly, these unaudited interim condensed consolidated financial statements do not include all the information required for full annual financial statements, and therefore, should be read in conjunction with the annual consolidated financial statements and the notes thereto for the year ended December 31, 2025.

In the opinion of the Company's management, the accompanying unaudited interim condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of its condensed consolidated balance sheet as of March 31, 2026, and its condensed consolidated statements of loss and shareholders' equity for the three-months ended March 31, 2026 and 2025, and its condensed consolidated statements of cash flows for the three-months ended March 31, 2026 and 2025.

The condensed consolidated balance sheet as of December 31, 2025, was derived from the audited annual consolidated financial statements, but does not contain all the footnote disclosures required by U.S. GAAP. Commencing in the three months ended March 31, 2026, amounts previously presented as "Accounts payable and accrued liabilities" on the Condensed Consolidated Balance Sheets are presented separately as "Accounts payable" and "Accrued liabilities." Comparative amounts have been reclassified to conform with the current period presentation.

These unaudited interim condensed consolidated financial statements are presented in US dollars, which is the Company's functional currency.

The preparation of unaudited interim condensed consolidated financial statements in conformity with U.S. GAAP requires the Company to make estimates and judgments that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. The Company bases its estimates and assumptions on current facts, historical experience

and various other factors that it believes are reasonable under the circumstances, to determine the carrying values of assets and liabilities that are not readily apparent from other sources. Significant estimates and judgments include, but are not limited to,

- Estimates of the percentage of work completed of the total work over the life of the individual trial in accordance with agreements established with clinical research organizations, or "CROs," contract manufacturing organizations, or "CMOs," and clinical trial sites which in turn impact the research and development, or "R&D," expenses.

- Estimate of the grant date fair value of share options granted to employees, consultants, and directors, and the resulting share-based compensation expense, using the Black-Scholes option pricing model.

- Estimate of the transaction price when recognizing revenue. Net revenue from sales of CARDAMYST is recorded at net selling price (transaction price), which includes reserves for variable consideration.

- Estimates of the timing and amount of future royalty payments to be generated from product sales over the expected repayment term, which are used to determine the effective interest rate and resulting interest expense and carrying amount of the royalty financing obligation.

Estimates and assumptions about future events and their effects cannot be determined with certainty and therefore require the exercise of judgment. As of the date of issuance of these condensed consolidated financial statements, the Company is not aware of any specific event or circumstance that would require the Company to update its estimates, assumptions and judgments. These estimates may change as new events occur and additional information is obtained and are recognized in the consolidated financial statements as soon as they become known. Actual results could differ from those estimates, and any such differences may be material to the Company's condensed consolidated financial statements.

c) Significant Risks and Uncertainties

The Company is subject to challenges and risks specific to its business and its ability to execute on its strategy, as well as risks and uncertainties common to companies in the pharmaceutical industry, including, without limitation, risks and uncertainties associated with: commercializing CARDAMYST; procuring inventory given the Company's reliance on a concentrated supplier base, delays or problems in the supply of its study drug or failure to comply with manufacturing regulations; identifying, acquiring or in-licensing product candidates; pharmaceutical product development and the inherent uncertainty of clinical success; and the challenges of protecting and enhancing its intellectual property rights; and complying with applicable regulatory requirements.

Further, the Company may be impacted by general economic, political, and market conditions, including deteriorating market conditions due to investor concerns regarding inflation, armed conflicts, and overall fluctuations in the financial markets in the U.S. and abroad.

d) Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board, or "FASB," issued Accounting Standards Update, or "ASU" 2024-03 "*Income Statement: Reporting Comprehensive Income— Expense Disaggregation Disclosures*," which requires more detailed information about specified categories of expenses (purchases of inventory, employee compensation, depreciation, amortization, and depletion) included in certain expense captions presented on the face of the income statement, as well as disclosures about selling expenses. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either (1) prospectively to financial statements issued for reporting periods

after the effective date of this ASU or (2) retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating this guidance to determine the impact it may have on its financial statement disclosures.

In November 2024, the FASB issued ASU 2024-04, *"Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments,"* which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions or as debt extinguishments. This ASU is effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years. The amendments may be applied on either a prospective or retrospective basis. The Company adopted this standard and determined that it did not have a material impact with respect to the condensed consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *"Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,"* which provides a practical expedient for estimating expected credit losses on current accounts receivable and current contract assets arising from transactions accounted for under ASC 606. This ASU is effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years. The amendments are applied prospectively. The Company adopted this standard and determined that it did not have a material impact with respect to the condensed consolidated financial statements.

e) Sources of Liquidity and Funding Requirements

The Company has incurred operating losses and experienced negative operating cash flows since its inception and expects to incur additional costs in connection with commercialization. To date the Company has, and intends to continue, financing commercialization and working capital needs from existing cash, proceeds from the commercialization of CARDAMYST, royalty revenue, the exercise of outstanding common stock options and warrants to purchase common stock, and existing and future licensing and commercial partnership agreements. As of March 31, 2026, the Company had cash, cash equivalents and short-term investments of $184.2 million and an accumulated deficit of $456.7 million. The Company believes that its cash, cash equivalents and short-term investments as of March 31, 2026, will be sufficient to allow the Company to fund its planned operations for at least the next 12 months from the date of these unaudited interim condensed consolidated financial statements.

The Company has historically financed its operations primarily through the sale of equity securities, convertible notes, short-term investments, and from cash received pursuant to its license agreement. Although the Company is now generating product revenues, management expects operating losses and negative cash flows from operations to continue for the foreseeable future. There can be no assurance that, in the event the Company requires additional financing, such financing will be available at terms acceptable to the Company, if at all. Failure to generate sufficient cash flows from operations, raise additional capital and reduce discretionary spending should additional capital not become available could have a material adverse effect on the Company's ability to achieve its business objectives.

f) Revenue Recognition

Product Revenue, net

The Company recognizes revenue in accordance with FASB Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers ("ASC 606")*. Revenue is recognized at a point in time when the customer obtains control of promised goods or services in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligation(s) in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligation(s) in the contract; and (v) recognize revenue when (or as) the Company satisfies its performance obligation(s).

Milestone Pharmaceuticals Inc.
Notes to Condensed Consolidated Financial Statements
For the Three Months Ended March 31, 2026 and 2025 (Unaudited)
(in thousands of US dollars, except where noted and for share and per share data)

The Company's product revenues for the three months ended March 31, 2026 relate to sales of CARDAMYST. The Company recognizes revenue on product sales when control of the promised goods is transferred to its customers in an amount that reflects the consideration expected to be received in exchange for transferring those goods. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. When determining whether the customer has obtained control of the goods, the Company considers any future performance obligations.

Revenue is recorded net of variable consideration, which includes prompt pay discounts, distribution fees, returns, chargebacks, rebates, co-payment assistance, and patient assistance programs. The variable consideration is estimated based on contractual terms as well as management assumptions. The amount of variable consideration is calculated by using the expected value method, which is the sum of probability-weighted amounts in a range of possible outcomes, or the most likely amount method, which is the single most likely amount in a range of possible outcomes. Estimates are reviewed quarterly and adjusted as necessary.

Accruals are established for gross to net deductions and actual amounts incurred are offset against applicable accruals. The Company reflects these accruals as either a reduction in the related account receivable from the customer or as an accrued liability, depending on the means by which the deduction is settled. Sales deductions are based on management's estimates that involve a substantial degree of judgment.

Prompt Pay: Customers receive a prompt pay discount for payments made within a contractually agreed number of days before the due date. The discounts are accounted for as a reduction of the transaction price and recorded as a contra-receivable.

Distribution fees: The Company compensates its customers for distribution of its products and the use of data. The Company has determined that such services received to date are not distinct from its sale of products and may not reasonably represent fair value for these services. Therefore, estimates of these payments are recorded as a reduction of revenue based on contractual terms.

Returns: The Company records allowances for product returns as a reduction of revenue at the time product sales are recorded. Product returns are estimated based on forecasted sales and historical and industry data. Returns are permitted in accordance with the return of goods policy defined within each customer agreement. A returns reserve is recorded as an accrued liability.

Chargebacks: The Company estimates obligations resulting from contractual commitments with the government and other entities to sell products to qualified healthcare providers at prices lower than the list prices charged to the customer who directly purchases from the Company. The customer charges the Company for the difference between what it pays to the Company for the product and the selling price to the qualified healthcare providers, with the difference recorded as a contra receivable.

Co-payment assistance and patient assistance programs: Patients who have commercial insurance and meet certain eligibility requirements may receive co-payment assistance. Based upon the terms of the program and co-payment assistance utilization reports received, the Company estimates the co-payment assistance amounts, which are recorded in the same period in which the related revenue is recognized, resulting in a reduction of product revenue and establishment of a current liability.

Rebates: The Company's rebates include amounts paid to managed care organizations, Medicaid, Medicare, and other rebate programs. Reserves for rebates are recorded in the same period the related product revenue is recognized,

resulting in a reduction of product revenues and a current liability that is included in accrued liabilities on the consolidated balance sheet. The Company's estimate for rebates is based on statutory or contractual discount rates, expected utilization or an estimated number of patients on treatment, as applicable.

License Revenue

The Company recorded no license revenue for either of the three months ended March 31, 2026 and 2025.

In prior periods, the Company recognized license revenue upon achievement of milestones under its License and Collaboration Agreement, dated May 15, 2021 (the "Ji Xing License Agreement"), with Corxel Pharmaceuticals (formerly known as Ji Xing Pharmaceuticals Limited, "Ji Xing"). On March 23, 2026, Corxel announced that it had entered into an Asset Purchase Agreement with Everest Medicines ("Everest"), pursuant to which Everest acquired the rights to develop, manufacture and commercialize CARDAMYST™ (etripamil) nasal spray in Greater China, including mainland China, Hong Kong, Macau and Taiwan.

No milestones were achieved under the Ji Xing License Agreement during either of the three months ended March 31, 2026 and 2025. For additional information regarding the license agreement, see Note 3, "Revenue," to the Company's audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

g) Cost of Product Sales

Cost of product sales includes the costs of producing inventory related to CARDAMYST, including manufacturing, freight, overhead, and any inventory valuation adjustments, and is recognized in the period in which the related product revenue is earned.

Prior to FDA approval of CARDAMYST on December 12, 2025, all manufacturing costs were expensed as research and development costs. As a result, inventory on hand at the time of approval had a zero-cost basis.

For the three months ended March 31, 2026, the Company recognized a de minimis amount of cost of product sales, consisting primarily of post-approval manufacturing activities, including final packaging costs. Accordingly, cost of product sales for the period may not be indicative of the full cost of units sold, and gross margin may not be representative of future periods. The Company recorded no cost of product sales for the three months ended March 31, 2025.

h) Royalty Financing Obligation

The royalty financing obligation is required to be repaid based on royalties from net sales of CARDAMYST in the United States under the Royalty Purchase Agreement with RTW – see Note 11, "Royalty Financing Obligation," for further details on the Royalty Purchase Agreement. Interest expense is accrued using the effective interest rate method over the estimated period of royalty payments. This requires the Company to estimate the total amount of future royalty payments to be generated from product sales in the United States over the estimated repayment term of the obligation. The Company imputes interest on the carrying value of the royalty financing obligation and records interest expense using an imputed effective interest rate. The Company reassesses the expected royalty payments each reporting period and accounts for any changes through adjustments to the effective interest rate on a prospective basis. The assumptions used in determining the estimated repayment term of the debt require that the Company make estimates which could impact the carrying value of the obligation. A significant increase or decrease in forecasted net sales could materially impact the liability balance, interest expense, and the time period for repayment.

i) Concentration Risks

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents and investment securities classified as held-to-maturity. The Company maintains deposits at major financial institutions and such amounts may exceed those amounts insured by the Federal Deposit Insurance Corporation, or the "FDIC." The Company has not experienced any losses on its deposits since inception, and the Company believes that minimal credit risk exists with respect to these financial institutions. Additionally, the Company has adopted an investment policy that includes guidelines relative to credit quality, diversification of maturities and liquidity.

Concentration of Supplier Risk

The Company relies on a single source manufacturer for starting materials and active pharmaceutical ingredient, or "API," packaging components, and packaged pharmaceutical product ready for commercial sale.

j) Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out, or "FIFO," basis. Inventory costs include raw materials, work-in-process, finished goods, and applicable manufacturing overhead. Raw materials include starting materials used to manufacture the API. Work-in-process includes API, intermediate compounding steps, and bulk drug product. Finished goods include packaging components and the packaged pharmaceutical product ready for commercial sale.

Prior to the FDA's approval of CARDAMYST on December 12, 2025, costs associated with manufacturing pre-approval commercial batches and clinical materials were expensed as research and development expenses in accordance with the Company's accounting policy and SAB Topic 5A, as the product had not yet received regulatory approval and therefore did not meet the criteria for capitalization. Following FDA approval, the Company began capitalizing inventory related to CARDAMYST manufactured after the approval date. Inventory produced prior to approval and previously expensed as research and development remains recorded at a zero-cost basis and is excluded from the inventory balance.

Because the Company's inventory is subject to expiration, the Company evaluates its carrying value each reporting period and records allowances for any estimated excess, obsolete, short-dated, or otherwise unmarketable inventory. In accordance with regulatory requirements and current Good Manufacturing Practices, or "cGMP," the Company's inventory is also subject to strict quality control and monitoring throughout the manufacturing process. If certain batches or units do not meet quality specifications, the Company would write down the related inventory to its estimated net realizable value and record the expense as a cost of production in the Consolidated Statement of Loss. Inventory valuation adjustments require judgment and consideration of various factors, including forecasted demand, remaining shelf life, and quality assessments, among others.

k) Income Taxes

The provision for income taxes is computed using the liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is recorded to reduce the carrying amount of deferred income tax assets until when it is more likely than not that these assets will be realized. Tax benefits related to tax positions not deemed to meet the "more likely than not" threshold are not permitted to be recognized in the consolidated financial statements.

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For interim reporting, the Company estimates its annual effective tax rate, adjusted for discrete items, and applies that rate to its year-to-date pre-tax income (loss) to determine its income tax provision.

3. Revenues

The Company recorded product revenues from the U.S. sales of CARDAMYST of $0.2 million for the three months ended March 31, 2026, and no revenue for the three months ended March 31, 2025.

The Company recorded no license revenue for the three months ended March 31, 2026, and 2025, respectively.

4. Short-term Investments

As of March 31, 2026, short-term investments of $112.9 million were comprised of term deposits issued in U.S. currency, earning interest between 2.61% and 4.48%, maturing between April 21, 2026 and March 9, 2027. These short-term investments were in scope of ASC 320, *Investments-Debt Securities*. The short-term investments maturity is greater than 90 days but less than one year, and they were classified as held to maturity, recorded as current assets and were accounted for at amortized cost. Interest income earned on short-term investments is reported in interest income. The Company had short-term investments of $32.9 million as of December 31, 2025.

As of March 31, 2026, $0.9 million in short-term investments were pledged as collateral for a letter of credit.

5. Inventory

As of March 31, 2026 and December 31, 2025, the Company's inventory consisted entirely of CARDAMYST related inventory. The Company's inventories consisted of the following:

	March 31, 2026	December 31, 2025
Raw materials	$ —	$ —
Work-in-process	1,613	521
Finished goods	213	127
Total inventory	1,826	648

6. Debt

On March 27, 2023, the Company entered into a note purchase agreement, or the "Note Purchase Agreement," with RTW Investments LP and certain of its affiliates, or collectively, "RTW." On March 29, 2023, the Company closed the transactions contemplated by the Note Purchase Agreement, and issued and sold $50.0 million principal amount of 6.0% Convertible Senior Notes due 2029, or the "2029 Convertible Notes," to the holders. For more details on the agreement with RTW, see Note 11, "Debt," to the Company's audited consolidated financial statements, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

In accounting for the issuance of the 2029 Convertible Notes, the Company determined there were no embedded features, which require bifurcation between debt and equity components. As a result, the 2029 Convertible Notes are accounted for as a liability. As of March 31, 2026, the estimated fair value of the 2029 Convertible Notes was approximately $58.4 million based on level 2 inputs, including volatility and credit spread.

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The net carrying amount of the 2029 Convertible Notes are as follows:

	March 31, 2026	December 31, 2025
Original principal	$ 50,000	$ 50,000
Paid in kind (PIK) interest	9,810	8,927
Unamortized debt discount	(349)	(374)
Unamortized debt issuance costs	(1,269)	(1,362)
Total	$ 58,192	$ 57,191

The following table presents the total amount of interest cost recognized relating to the 2029 Convertible Notes:

	Three months ended March 31,	
	2026	2025
Contractual interest expense	$ 884	$ 832
Amortization of debt discount	25	23
Amortization of debt issuance costs	93	80
Total	$ 1,002	$ 935

7. Accrued Liabilities

Accrued liabilities are comprised of the following:

	March 31, 2026	December 31, 2025
Accrued compensation and benefits payable	1,154	2,458
Accrued research and development liabilities	330	384
Accrued commercial liabilities	5,360	2,709
Accrued underwriting fees	1,069	1,302
Accrued legal liabilities	187	296
Other accrued liabilities	834	495
Revenue-related reserves for discounts and allowances	869	—
Total	$ 9,803	$ 7,644

8. Shareholders' Equity

Authorized Share Capital

The Company has authorized and issued common shares, voting and participating, without par value, of which unlimited shares were authorized, and 117,794,417 shares were issued and outstanding as of March 31, 2026.

As of March 31, 2026, there were 2,774,440 common shares available for issuance under the Employee Stock Purchase Plan, or the "ESPP," of which 2,145,794 are available for future purchases.

On July 11, 2025, the Company entered into an underwriting agreement, or the "Underwriting Agreement," related to an underwritten public offering, or the "2025 Offering," of (i) 31,500,000 of the Company's common shares, without par value, accompanying Series A common warrants, or the "Series A Common Warrants," to purchase an aggregate of

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31,500,000 common shares and accompanying Series B common warrants, or the "Series B Common Warrants," to purchase an aggregate of 31,500,000 common shares, at a combined public offering price of $1.50 per share and accompanying Series A Common Warrant and Series B Common Warrant and (ii) in lieu of common shares to certain investors that so choose, pre-funded warrants to purchase 3,502,335 common shares, or the "2025 Pre-Funded Warrants" and, together with the Series A Common Warrants and the Series B Common Warrants, the "Warrants," accompanying Series A Common Warrants to purchase an aggregate of 3,502,335 common shares and accompanying Series B Common Warrants to purchase an aggregate of 3,502,335 common shares, at a combined public offering price of $1.499 per Pre-Funded Warrant and accompanying Series A Common Warrant and Series B Common Warrant, which represented the combined public offering price for the Shares and accompanying common warrants less the $0.001 per share exercise price for each such Pre-Funded Warrant. All the Securities sold in the 2025 Offering were sold by the Company.

The net proceeds to the Company from the 2025 Offering were $48.6 million after deducting underwriting commissions and other offering expenses payable by the Company, in the amount of $3.9 million.

On July 29, 2020, the Company entered into an Open Market Sale Agreement℠, or the "Original Sale Agreement," with respect to an at-the-market offering program, or the "ATM Program," under which the Company could issue and sell its common shares having an aggregate offering price of up to $50.0 million. On March 18, 2025, the Company entered into an Amended and Restated Open Market Sale Agreement℠, or the "Amended Agreement." Under the Amended Agreement, the Company may issue and sell its common shares, no par value per share, for an aggregate offering price of up to $77.8 million (which includes the approximately $2.8 million of sales previously made pursuant to the Original Sale Agreement through the date the Amended Agreement was entered into), or the "ATM Shares." As disclosed in Note 21, "Subsequent Events," to the Company's audited consolidated financial statements, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, the Company issued 5,526,590 shares under the amended agreement resulting in net proceeds of $10.9 million, after deducting sales agent commissions payable by the Company of $0.3 million during the three-month period ended March 31, 2026. On March 6, 2026, the Company terminated the Amended Agreement.

The Company determines the accounting classification of warrants that are issued, as either liability or equity, by first assessing whether the warrants meet liability classification in accordance with ASC 480-10, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*, and then in accordance with ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock.* Under ASC 480, warrants are considered liability classified if the warrants are mandatorily redeemable, obligate the issuer to settle the warrants or the underlying shares by paying cash or other assets, or must or may require settlement by issuing a variable number of shares.

If warrants do not meet liability classification under ASC 480-10, the Company assesses the requirements under ASC 815-40, which states that contracts that require or may require the issuer to settle the contract for cash are liabilities recorded at fair value, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. If the warrants do not require liability classification under ASC 815-40, in order to conclude equity classification, the Company assesses whether the warrants are indexed to its common stock and whether the warrants are classified as equity under ASC 815-40 or other applicable U.S. GAAP. After all relevant assessments are made, the Company concludes whether the warrants are classified as liability or equity. The Company's outstanding common stock warrants are classified as equity and recorded in additional paid-in capital, or "APIC," based on an allocation of the proceeds from the 2025 Offering, which was based on the relative fair value of the Series A and B Common Warrants at the issuance date and is not subject to change after the issuance date. The fair value used for the relative fair value allocation was calculated using the Black-Scholes Model for the Series A Warrants and the Monte-Carlo simulation method for the Series B Warrants.

During the three-month period ended March 31, 2026, 5,666,666 Series A Common Warrants were exercised for net proceeds of $8.0 million, after deducting underwriting commissions paid and payable by the Company of $0.5 million. As

of March 31, 2026, 15,705,662 Series A Common Warrants and 34,335,669 Series B Common Warrants remained outstanding.

9. Share-Based Compensation

Stock Options

Under the Company's 2019 Equity Incentive Plan, or the "2019 Plan," and the Company's Stock Option Plan, or the "2011 Plan," unless otherwise decided by the Company's board of directors, options vest and are exercisable as follows: 25% vest and are exercisable on the one year anniversary of the grant date and one thirty-sixth ($1/36^{th}$) of the remaining options vest and are exercisable each month thereafter, such that options are vested in full on four-year anniversary of the grant date.

Under the 2019 Plan, 183,349 options have been forfeited or expired under the 2011 Plan since the adoption of the 2019 Plan and have become available for issuance under the 2019 Plan. Further, since the adoption of the plan, 561,000 of previously issued options were cancelled and were made available for future grants. As of March 31, 2026, there were 15,714,455 common shares available for issuance under the 2019 Plan, of which 1,482,710 common shares were available for future grants.

On November 10, 2021, the Company established a 2021 Inducement Plan, or the "Inducement Plan." This 2021 Inducement Plan is intended to help the Company provide an inducement for certain individuals to enter employment with the Company, incentives for such persons to exert maximum efforts for the success of the Company and a means by which employees may benefit from increases in value of the common shares. On March 17, 2026, the Company's board of directors approved an increase to the 2021 Inducement Plan pool of 800,000 shares. As of March 31, 2026, there were 1,129,000 shares available for issuance under the 2021 Inducement Plan, of which 671,000 shares were available for future grants.

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The total outstanding and exercisable options from the 2011 Plan, 2019 Plan, and Inducement Plan as of and for the three-month periods ending March 31 were as follows:

	2026				
	Number of shares				Weighted average exercise price
	2019 Plan	Inducement Plan	2011 Plan	Total	
Outstanding at beginning of period - 2011 Plan	—	—	1,294,691	1,294,691	$ 2.23
Outstanding at beginning of period - 2019 Plan	8,591,306	—	—	8,591,306	4.21
Outstanding at beginning of period - Inducement Plan	—	710,000	—	710,000	4.76
Granted - 2019 Plan	2,131,500	—	—	2,131,500	1.95
Granted - Inducement Plan	—	419,000	—	419,000	1.96
Outstanding at end of period	10,722,806	1,129,000	1,294,691	13,146,497	$ 3.60
Outstanding at end of period - Weighted average exercise price	$ 3.76	$ 3.72	$ 2.23		
Exercisable at end of period	6,260,668	478,855	1,294,691	8,034,214	$ 4.61
Exercisable at end of period - Weighted average exercise price	$ 4.99	$ 5.99	$ 2.23		

	2025				
	Number of shares				Weighted average exercise price
	2019 Plan	Inducement Plan	2011 Plan	Total	
Outstanding at beginning of period - 2011 Plan	—	—	1,632,485	1,632,485	$ 2.11
Outstanding at beginning of period - 2019 Plan	7,604,606	—	—	7,604,606	4.97
Outstanding at beginning of period - Inducement Plan	—	496,000	—	496,000	5.99
Granted - 2019 Plan	1,151,400	—	—	1,151,400	2.02
Granted - Inducement Plan	—	244,000	—	244,000	2.01
Outstanding at end of period	8,756,006	740,000	1,632,485	11,128,491	$ 4.22
Outstanding at end of period - Weighted average exercise price	$ 4.58	$ 4.68	$ 2.11		
Exercisable at end of period	5,795,146	350,292	1,632,485	7,777,923	$ 4.85
Exercisable at end of period - Weighted average exercise price	$ 5.54	$ 6.22	$ 2.11		

The weighted average remaining contractual life was 6.9 and 6.9 years for outstanding options as of March 31, 2026 and 2025, respectively. The weighted average remaining contractual life was 5.5 and 6.0 years for vested options, as of March 31, 2026 and 2025, respectively.

There was $7.3 million and $7.4 million of total unrecognized compensation cost related to non-vested share options as of March 31, 2026 and 2025, respectively. The share options are expected to be recognized over a remaining weighted average vesting period of 2.97 years and 2.09 years as of March 31, 2026 and 2025, respectively.

Options granted are valued using the Black-Scholes option pricing model. This model also requires assumptions, including expected option life, volatility, risk-free interest rate, and dividend yield, which greatly affect the calculated values. Amortization of the fair value of the options over vesting years has been expensed and credited to additional paid-in capital in shareholders' equity.

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The non-vested options as of and for the three-month period ending March 31 were as follows:

	2026				
	Number of options				Weighted average fair value
	2019 Plan	Inducement Plan	2011 Plan	Total	
Non-vested share options at beginning of period - 2019 Plan	2,953,423	—	—	2,953,423	$ 1.77
Non-vested share options at beginning of period - Inducement Plan	—	301,917	—	301,917	2.03
Granted - 2019 Plan	2,131,500	—	—	2,131,500	1.74
Granted - Inducement Plan	—	419,000	—	419,000	1.75
Vested, outstanding 2011 Plan	—	—	—	—	—
Vested, outstanding - 2019 Plan	(622,785)	—	—	(622,785)	2.11
Vested, outstanding - Inducement Plan	—	(70,772)	—	(70,772)	2.61
Forfeited - 2011 Plan	—	—	—	—	—
Expired - 2019	—	—	—	—	—
Forfeited - Inducement Plan	—	—	—	—	—
Forfeited - 2019 Plan	—	—	—	—	-
Non-vested share options at end of period	4,462,138	650,145	—	5,112,283	$ 1.72
Non-vested share options at end of period - Weighted average fair value	$ 1.71	$ 1.79	$ —		

	2025				
	Number of options				Weighted average fair value
	2019 Plan	Inducement Plan	2011 Plan	Total	
Non-vested share options at beginning of period - 2019 Plan	2,754,054	—	—	2,754,054	$ 2.33
Non-vested share options at beginning of period - Inducement Plan	—	176,709	—	176,709	4.19
Granted - 2019 Plan	1,151,400	—	—	1,151,400	1.64
Granted - Inducement Plan	—	244,000	—	244,000	2
Vested, outstanding - 2019 Plan	(944,594)	—	—	(944,594)	2.12
Vested, outstanding - Inducement Plan	—	(31,001)	—	(31,001)	4.53
Non-vested share options at end of period	2,960,860	389,708	—	3,350,568	$ 2.18
Non-vested share options at end of period - Weighted average fair value	$ 2.13	$ 2.54	$ —		

The fair value of options granted for the 2011 Plan, 2019 Plan and Inducement Plan were estimated using the Black-Scholes option pricing model, resulting in the following weighted average assumptions for the options granted:

	Three months ended March 31, 2026	2025
Exercise price	$ 1.95	$ 2.02
Share price	$ 1.95	$ 2.02
Volatility	126 %	100 %
Risk-free interest rate	3.91 %	4.39 %
Expected life	6.07 years	6.08 years
Dividend	0 %	0 %

Expected volatility is determined using the Company's historical volatility. Prior to establishing sufficient historical volatility, the Company used comparable companies for which the information is publicly available. The risk-free interest rate is determined based on the U.S. sovereign rates benchmark in effect at the time of grant with a remaining term equal to the expected life of the option. Expected option life is determined based on the simplified method as the Company does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate expected term. The simplified method is an average of the contractual term of the options and its ordinary vesting period. Dividend yield is based on the share option's exercise price and expected annual dividend rate at the time of grant. The total grant date fair

value for options granted during the three-months ended March 31, 2026 and 2025 was $4.4 million and $2.3 million, respectively.

Performance Stock Options

On May 6, 2024, the Company, pursuant to the 2019 Plan, awarded 924,000 performance stock options to employees. The performance stock options were granted "at-the-money" and have a term of 10 years.

The original grant-date fair value of each option was estimated on the date of grant using the same option valuation model used for the options outlined above. The original grant-date fair value of $1.3 million was determined using an expected volatility of 98.5%, term of 5.82 years, strike price of $1.74, and risk-free rate of 4.43%. Compensation expense for performance-based stock options is only recognized when management determines it is probable that the awards will vest.

The vesting of the performance-based stock options was conditional upon the FDA approval of etripamil. Subject to the option-holder's continuous service as of each such date, 50% of the option shares will vest on the six-month anniversary of the approval date and the remaining 50% of the option shares will vest on the one-year anniversary of such approval date. The weighted average grant date fair value of the performance stock options awarded was $1.38 per option. The Company recorded $0.1 million of expense related to the performance-based stock options during the three months ended March 31, 2026, as the performance conditions were met with FDA approval of etripamil for the treatment of PSVT on December 12, 2025. The Company did not record any expense related to the performance-based stock options during the three months ended March 31, 2025 as the performance conditions were not deemed probable of being met. No performance stock options were awarded for the three months ended March 31, 2026 and 2025.

Employee Stock Purchase Plan

On July 15, 2022, the Company offered an ESPP, in which participation is available to the Company's employees in the United States and Canada who meet certain service eligibility requirements. Eligible employees may authorize an amount up to 15% of their salary to purchase common shares at the lower of a 15% discount to the beginning price of the participation period or a 15% discount to the ending price of each six-month purchase interval. The ESPP also provides for an automatic reset feature to start participants on a new twelve-month participation period in the event that the common share market value on a purchase date is less than the common shares value on the first day of the twelve-month offering period.

On January 1, 2026, the number of common shares reserved for issuance under the ESPP automatically increased by 487,837 shares. During the three months ended March 31, 2026, the Company terminated the ongoing ESPP offering effective in March after the completion of the first purchase period and recognized a de minimis amount of incremental stock-based compensation expense related to the unamortized compensation costs of the cancelled period. Compensation expense for purchase rights under the ESPP related to the purchase discount and the "look-back" option was determined using a Black-Scholes option pricing model. As of March 31, 2026, 628,646 common shares have been issued under the ESPP.

Performance Share Units

On May 6, 2024, the Company, pursuant to the 2019 Plan, awarded 924,000 Performance Share Units, or "PSUs," to employees. The PSUs vest subject to the satisfaction of certain performance conditions established by the Company's Compensation Committee. The FDA approval of etripamil represents the performance condition for the vesting of these PSUs. As a result of the FDA approval on December 12, 2025, 100% of the outstanding PSUs vested at a grant date fair value of $1.74 per share. No additional PSUs were awarded for the three months ended March 31, 2026.

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Restricted Stock Units

Pursuant to the 2019 Plan, the Company issues restricted stock units, or "RSUs," to employees which vest based on a service criteria. When vested, the RSUs represent the right to be issued a number of shares of the Company's common shares equal to the number of RSUs granted. The grant date fair value for RSUs is based on the market price of the Company's common shares on the date of the grant. The fair value is then amortized to compensation expense over the requisite service period or vesting term.

The total outstanding RSUs from the 2019 Plan as of and for the three-month period ending March 31 were as follows:

	2026		2025	
	Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price
Outstanding at beginning of period	950,700	$ 2.02	—	$ —
Granted	1,591,650	1.99	988,850	2.02
Vested	(237,677)	2.02	—	—
Forfeited	—	—	—	—
Outstanding at end of period	2,304,673	$ 2.00	988,850	$ 2.02

The total unrecognized compensation cost related to the non-vested RSUs as of March 31, 2026, was $4.4 million and will be recognized over a weighted average period of approximately 3.50 years. The total unrecognized compensation cost related to the non-vested RSUs as of March 31, 2025 was $1.9 million and will be recognized over a weighted average period of approximately 3.8 years.

Share-based Compensation Expense

The Company recognized total share-based compensation expense for all plans as follows:

	Three months ended March 31,	
	2026	2025
Administration	$ 637	$ 737
Research and development	401	431
Commercial activities	244	183
Total	$ 1,282	$ 1,351

10. Net Loss Per Share

Basic and diluted net loss per common share is determined by dividing net loss applicable to common shareholders by the weighted average number of common shares and pre-funded warrants outstanding during the period. In addition to the conversion feature on the 2029 Convertible Notes and common warrants described in Note 8, "Shareholders' Equity," which the Company reviewed and concluded would be anti-dilutive if converted or exercised due to the facts surrounding the instruments, the following potentially dilutive securities have also been excluded from the computation of diluted weighted average shares outstanding as of March 31, as they would be anti-dilutive:

	2026	2025
Stock options and RSUs	15,451,170	13,041,341

Amounts above reflect the common share equivalents of the noted instruments.

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11. Royalty Financing Obligation

On March 27, 2023, the Company entered into a purchase and sale agreement, or the "Royalty Purchase Agreement," with RTW and certain of its affiliates.

Pursuant to the Royalty Purchase Agreement, RTW agreed to purchase, following the FDA approval of etripamil (subject to certain conditions), at a purchase price of $75.0 million, the right to receive a tiered quarterly royalty payments, or the "Royalty Interest," on the net product sales of etripamil in the United States in an amount equal to: (i) 7%, or the "Initial Tier Royalty," of annual net sales up to $500 million, (ii) 4% of annual net sales greater than $500 million and less than or equal to $800 million, and (iii) 1% of annual net sales greater than $800 million. If certain revenue thresholds for aggregate annual net sales are not met, the Initial Tier Royalty will increase to 9.5% beginning on January 1 of the following calendar year until a subsequent sales threshold is attained, at which time the Initial Tier Royalty would revert back to 7%.

On January 12, 2026, the Company closed the sale of the Royalty Interest under the Royalty Purchase Agreement and received the $75.0 million purchase price.

The cash consideration obtained pursuant to the Royalty Purchase Agreement is recorded in "Royalty financing obligation" on the Company's Condensed Consolidated Balance Sheets. Upon initial recognition, the royalty financing obligation was recorded based on the proceeds received. The Company subsequently measures the royalty financing obligation at amortized cost using the effective interest method. As of March 31, 2026, the carrying value of the royalty financing obligations under the Royalty Purchase Agreement approximated its fair value. The estimated fair value of the royalty financing obligations was based on the Company's current estimates of future payments to RTW over the estimated term of the obligation, which are considered Level 3 inputs.

The Company utilizes the prospective method to account for subsequent changes in the estimated future royalties to be paid by the Company to the counterparty over the estimated term of the obligation. Under the prospective method, a new effective interest rate is determined based on the revised estimate of remaining cash flows. The new rate is the discount rate that equates the present value of the revised estimate of remaining cash flows with the carrying amount of the debt, and it will be used to recognize interest expense for the remaining periods. If the amount or timing of expected royalty payments differs from prior estimates, the Company will prospectively adjust the amortization of the royalty financing obligations and the effective interest rate. On a quarterly basis, the Company assesses the projected royalty payments relative to the projected interest accretion for the next twelve months to determine if the royalty liability balance needs to be reduced relative to the current outstanding liability. In such case of excess payments relative to interest accretion for the next twelve months, the excess payments are considered to be a short-term liability and classified within current liabilities on the Company's Condensed Consolidated Balance Sheets.

During the three months ended March 31, 2026, there were no significant changes to the amount and timing of expected royalties under the Royalty Purchase Agreement based on the Company's latest forecasts subsequent to the initial measurement.

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The following table shows the royalty financing obligation activity for the three months ended March 31, 2026 as well as the effective interest rate as of March 31, 2026:

	2026
Royalty financing obligation	$ 75,000
Non-cash Interest expense on Royalty financing obligation	3,133
Royalty revenues paid and payable	(22)
Balance as of March 31, 2026	$ 78,111
Effective Interest	19.6%

12. Other Receivables

Other receivables are comprised of the following:

	March 31, 2026	December 31, 2025
Interest receivable	$ 1,190	$ 196
Sales tax receivable	153	168
Employee withholding taxes receivable	—	1,115
Other current receivable	82	167
Total	$ 1,425	$ 1,646

13. Segment Reporting

The Company manages its operations as a single operating segment for the purpose of assessing performance and making operating decisions while focusing on the development and commercialization of innovative cardiovascular medicines. These operations, which are reported on a consolidated basis, are focused on a single product. The accounting policies of the single operating segment are the same as those described in the summary of significant accounting policies. The chief operating decision maker, or "CODM," assesses performance of the Company's single operating segment based on consolidated net loss. Net loss is used by the CODM to evaluate budget to actual analytics, which are used to monitor expenditures and ensure the Company is meeting established budgets. The CODM is the principal officer group, which includes the Company's chief executive officer and chief financial officer.

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The following table presents information about the Company's significant segment expenses, as provided to the Company's CODM, and includes a reconciliation to consolidated net loss:

	Three months ended March 31,	
(in thousands)	**2026**	**2025**
Revenue	$ 238	$ —
Less:		
Cost of product sales	14	—
Research and development, net of tax credits, excluding share-based compensation	2,850	4,547
General and administrative, excluding share-based compensation	4,187	4,430
Commercial, excluding share-based compensation	15,568	10,195
Share-based compensation expense	1,282	1,351
Interest income	(1,732)	(697)
Royalty financing interest expense	3,133	—
Note payable interest expense	1,002	935
Net loss	$ (26,066)	$ (20,761)

The measure of segment assets is reported on the balance sheet as total consolidated assets.

14. Fair value of financial instruments

Pursuant to the accounting guidance for fair value measurement and its subsequent updates, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the exit price) in an orderly transaction between market participants at the measurement date. The accounting guidance establishes a hierarchy for inputs used in measuring fair value that minimizes the use of unobservable inputs by requiring the use of observable market data when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on active market data. Unobservable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The fair value hierarchy is broken down into the three input levels summarized below:

Level 1— Valuations are based on quoted prices in active markets for identical assets or liabilities and readily accessible by the Company at the reporting date.
Level 2— Valuations based on inputs other than the quoted prices in active markets that are observable either directly or indirectly in active markets.
Level 3— Valuations based on unobservable inputs in which there is little or no market data, which requires the Company to develop its own assumptions.

For the three months ended March 31, 2026 and 2025, there were no financial instruments measured at fair value on a recurring or non-recurring basis. The carrying amounts of certain financial instruments, including cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short-term nature of such instruments. Refer to Note 6, "Debt," for disclosure of the fair value of the 2029 Convertible Notes and Note 11, "Royalty Financing Obligation," for disclosures about the royalty financing obligation. The estimated fair value of the royalty financing obligations is based on the Company's current estimates of future payments to RTW over the estimated term of the obligation, which are considered Level 3 inputs.

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15. Subsequent Event

Warrants Exercised

Subsequent to the three-month period ended March 31, 2026, through to the date of issuance of the condensed consolidated financial statements, the Company raised aggregate gross proceeds of $10.0 million from the exercise of Series A Common Warrants previously issued in connection with the 2025 Offering. Specifically, 6,678,642 Series A Warrants were exercised for net proceeds of $9.4 million, after deducting underwriting commissions payable by the Company of $0.6 million.

Controlled Equity Offering

On May 13, 2026, the Company entered into a Controlled Equity Offering^{SM} Sales Agreement, or the "Sales Agreement," with Cantor Fitzgerald & Co., as sales agent, or the "Sales Agent," pursuant to which the Company may, from time to time, sell common shares, without par value per share, through the Sales Agent, or the “ATM Offering”. The Company will pay the Sales Agent a commission for its services as Sales Agent of 3.0% of the aggregate gross proceeds from each sale of the common shares sold through the Sales Agent pursuant to the Sales Agreement.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following information should be read in conjunction with the unaudited interim condensed consolidated financial statements and the notes thereto included in this Quarterly Report on Form 10-Q and the audited annual consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2025, which was filed with the Securities And Exchange Commission, or "SEC," on March 20, 2026. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in "Risk Factors" and in other parts of this Quarterly Report on Form 10-Q.

Company Overview

We are a biopharmaceutical company focused on the development and commercialization of innovative cardiovascular medicines. Our approved product CARDAMYST™ (etripamil) nasal spray is available in the United States and is the first and only U.S. Food and Drug Administration, or the "FDA," approved self-administered treatment for use by patients anywhere, anytime an attack of paroxysmal supraventricular tachycardia, or "PSVT," occurs. We continue to seek, either directly or through collaboration with our partners, marketing approval from regulatory agencies responsible for regions outside the United States. We are also developing etripamil for the indication of atrial fibrillation with rapid ventricular rate, or "AFib-RVR".

We are currently focusing our efforts and financial resources on (i) the commercialization of CARDAMYST™ (etripamil) nasal spray for the treatment of PSVT, (ii) the development of etripamil for the treatment of AFib-RVR and (iii) corporate development activities that have the potential to increase company value through strategic collaborations.

PSVT Market Overview

On December 12, 2025, we announced the FDA approved our first commercial product, CARDAMYST™ (etripamil) nasal spray, a prescription medication for the conversion of acute symptomatic episodes of PSVT to sinus rhythm in adults. We have currently begun focusing on the commercialization of CARDAMYST, which became available in retail pharmacies in the first quarter of 2026. PSVT is a condition that causes a patient's heart to suddenly start beating faster than normal. It can be life-altering as PSVT is highly symptomatic, characterized by unpredictable attacks of a racing heart, often exceeding 150 beats per minute. Symptoms of PSVT arise suddenly and may include palpitations, sweating, chest pressure or pain, shortness of breath, sudden onset of fatigue, lightheadedness or dizziness, fainting, and anxiety, causing many patients to interrupt their daily activities at the time of symptom-onset. The impact and morbidity from an episode of PSVT can be especially detrimental in patients with underlying cardiovascular or medical conditions, such as heart failure, obstructive coronary disease, or dehydration. The uncertainty of when such an attack of PSVT will strike or how long it will persist is often anxiety-provoking, reducing patients' quality of life and preventing participation in many desired activities. Drugs approved for the treatment of attacks of PSVT include adenosine, verapamil, and diltiazem, with all being administered intravenously under medical supervision, usually in the emergency department. Other oral drugs are sometimes used to treat attacks in a concept called "pill in the pocket." However, those drugs have never been proven effective or safe and are not approved for this use. Doctors are often frustrated by the limited effective treatment options with the only approved options involving prolonged, unpleasant, and costly trips to the emergency department or, for some patients, an invasive ablation procedure. PSVT can be traumatic for patients, frustrating for healthcare providers, and costly for payors. With no pharmaceutical innovation in the treatment of PSVT for more than 30 years and a movement in the healthcare system to enable patient-centered care, we believe there is an opportunity to help patients living with PSVT to take greater control over their PSVT.

We believe that PSVT is a large and under-recognized market which we estimate affects more than two million Americans. From this diagnosed population, we define the immediate target addressable market for CARDAMYST as approximately 50% of patients with PSVT who have sufficient disease burden that they are compelled to seek care for their condition and are primarily managed by approximately 40,000 healthcare providers composed primarily of clinical cardiologists, interventional cardiologists and electrophysiologists. The remaining patients with PSVT can become addressable over

time, as they are inconsistently managed (cycling in and out of the healthcare system). Furthermore, PSVT is expected to increase in diagnosed prevalence in coming years as wearable electrocardiogram, or "ECG," technology (e.g., smartphone, watches) becomes both more adept at diagnosing PSVT and more widely used by patients and clinical practitioners, in turn shortening the time to diagnosis.

Following the release of data from the RAPID clinical study, in market research, cardiologists reported a willingness to prescribe CARDAMYST to approximately 50% of the patients with PSVT in their care, which suggests approximately 500,000 to 800,000 patients can potentially be treated with CARDAMYST in peak years. Additionally, we believe that this cardiology-identified group of patients may use CARDAMYST to treat a median of three to five episodes per year, based on the projected number of self-reported longer and more intense episodes experienced by patients, as well as the patient utilization experience in our Phase 3 clinical trials. This implies a peak demand potential in the United States for CARDAMYST of 2.5 million to 4 million episodes treated per year.

Current treatment for PSVT also consumes significant healthcare resources. Research published in the American Journal of Cardiology in 2020 shows that total healthcare expenditures in the year following a diagnosis of PSVT ranged from $20,000 to $30,000 per patient which were significantly higher than the expenditures observed for patients without PSVT. These significant increases included increased emergency department visits and hospitalization costs. Of note, catheter ablations following diagnosis represented only 23% of this increased spend, meaning most costs were unrelated to ablations. Recent data from the Healthcare Cost and Utilization Project, or "HCUP," database indicate that in 2019 there were approximately 140,000 emergency department, or "ED," visits for PSVT when coded (for billing) in the primary diagnostic position, and a total of approximately 525,000 ED visits when PSVT was coded in any diagnostic position. Of these, approximately 25% of ED admissions for PSVT resulted in a hospital admission. HCUP estimates a total of approximately 40,000 to approximately 120,000 inpatient admissions for PSVT in 2019 (based again if a PSVT billing code was found in the primary versus any diagnostic position). Despite the effectiveness of catheter ablation, claims data suggests that only approximately 15% of patients with PSVT are ablated over a three-year period, leading to a total of approximately 100,000 catheter ablations annually. In total, up to $15.0 billion is spent annually in the United States on the management of PSVT.

PSVT Continued Development Highlights

In November 2025, we submitted our marketing authorization application, or "MAA," to the European Medicines Agency, or "EMA," for review for approval to market etripamil nasal spray, under the trade name TACHYMIST™, in the European Union. The MAA utilizes much of the clinical, manufacturing and quality data package that was submitted in the NDA which led to the US FDA approval.

In January 2025, our licensing partner, Corxel Pharmaceuticals, or "Corxel," formerly Ji Xing Pharmaceuticals Limited, JIXING, announced that the Center for Drug Evaluation, or "CDE," of the National Medical Products Administration, or "NMPA," of the People's Republic of China has accepted the New Drug Application, or "NDA," for etripamil nasal spray for the treatment of PSVT. The NDA to the NMPA included data from the successful Phase 3 JX02002 clinical trial of etripamil nasal spray in patients with PSVT in China in addition to data included in the NDA that Milestone submitted to the FDA.

On March 23, 2026, Corxel announced that it had entered into an Asset Purchase Agreement with Everest Medicines, or "Everest", a biopharmaceutical company focused on the development, manufacturing, and commercialization of pharmaceutical products and vaccines, with an established commercial infrastructure in Greater China. Pursuant to that Asset Purchase Agreement, Everest acquired the rights to develop, manufacture, and commercialize CARDAMYST™ (etripamil) nasal spray in Greater China, including mainland China, Hong Kong, Macau, and Taiwan.

The 500-patient Phase 3 trial (JX02002) met its primary endpoint, with a Kaplan Meier analysis showing a statistically significantly greater proportion of patients who self-administered etripamil converted from PSVT to sinus rhythm within 30 minutes compared to placebo (40.5% vs. 15.9%, respectively; hazard ratio [HR] = 3.00; 95% CI 1.58-5.71; $p<0.001$). Statistically significant ($p<0.05$) results were also shown for the secondary efficacy endpoints for percent of patients' PSVT converted to sinus rhythm by 10, 15, 45 and 60 minutes after self-administration of study drug.

Corxel further reported that, overall, treatment emergent adverse events were comparable between treatment groups, and there were no reported serious adverse events related to etripamil. The safety and tolerability data from the JX02002 trial were consistent with previous clinical studies. This important study further expands the etripamil global development program to more than 2,000 unique patients treated with etripamil.

Etripamil Nasal Spray for the Treatment of AFib-RVR

Similar to our approach for PSVT, we believe that etripamil has the potential to help people experiencing a symptomatic episode of AFib-RVR to self-treat and to conveniently, reliably, and quickly reduce their elevated heart rate, with the goal of reducing the need for emergency department utilization. We completed a successful Phase 2 study, named "ReVeRA" or the "ReVeRA study", in patients presenting urgently with episodes of AFib-RVR to the emergency department. We have published the ReVeRA study and results, which demonstrated that patients receiving etripamil nasal spray experienced rapid and statistically superior ventricular rate reduction and improved symptom-relief compared to placebo, with safety and tolerability findings generally consistent with those observed in our PSVT program. We believe these data support the continued development of etripamil, self-administered in the medically unmonitored setting, for the treatment of AFib-RVR.

We have initiated a Phase 3 registrational program to evaluate self-administered etripamil as a potential treatment for patients with AFib-RVR and are currently onboarding clinical sites. We expect to enroll the first patient in the trial in the second half of 2026. We intend to follow the supplemental New Drug Application, or "sNDA," regulatory approval pathway and expect to leverage the initial PSVT indication and its safety database along with the results from the planned single Phase 3 study in AFib-RVR.

AFib-RVR Market Overview

Atrial Fibrillation, or "AFib," is a common cardiac arrhythmia with an irregular and often rapid heart rate that is often markedly symptomatic and, without proper treatment, can increase the risk of stroke, heart failure, and other cardiovascular complications. A common complication of AFib is a rapid heart rate, also referred to as AFib-RVR, which is frequently defined as a heart rate ≥ 110 beats per minute. The occurrence of a rapid ventricular rate, or "RVR," in patients with atrial fibrillation increases the likelihood of marked symptoms including heart palpitations, shortness of breath and weakness. There are two commonly used pharmacological approaches to chronically manage AFib, rhythm control and rate control. Regardless of the chronic approach, break-through episodes of rapid heart rate occur frequently; and when faced with a sudden episode of AFib-RVR, acute rate control is needed, with most treatments being AV-nodal targeted drugs such as a beta blocker or calcium channel blocker. These treatments can be given intravenously; however, this requires a burdensome trip to an emergency department which may lead to a hospital admission. Acute treatment can be attempted with an oral rate-control drug; however, such agents often fail to provide immediate or dependable ventricular rate control because they have a 30- to 90-minute delayed onset of action. As a result, many patients require faster and more reliable rate reduction and symptom resolution, leading them to seek acute medical care in the emergency department for intravenous rate control and/or electrical cardioversion of their atrial fibrillation. Furthermore, the chronic administration of oral rate-control drugs does not broadly prevent episodes of AFib-RVR. Similar to PSVT, patients may feel a loss of control by needing to visit the emergency department for overcoming their AFib-RVR episode and the unpredictable nature of these episodes, which can occur anytime and anywhere. Doctors have expressed frustration at the lack of options for patients to self-manage these acute rate attacks; and payor organizations would prefer to treat the AFib-RVR attacks in a more cost effective and time-efficient manner.

An estimated 10 million Americans suffer from AFib. The prevalence of AFib is expected to grow to greater than 12 million by 2030. A subset of patients with AFib experiences episodes of abnormally high heart rate, most often accompanied by palpitations, shortness of breath, dizziness, and weakness. While these episodes, known as AFib-RVR, may be treated by oral calcium channel blockers and/or beta blockers, patients frequently seek acute care in the ED to address symptoms. In 2019, nearly 1.1 million patients were admitted to the emergency department due to AFib symptoms. Initial data suggests that approximately 60% of all AFib emergency department visits were attributable to AFib-RVR, as symptoms driving patients to seek care generally become more pronounced at higher heart rates. Treatment for such

symptoms typically includes medically supervised intravenous administration of calcium channel blockers or beta blockers, or electrical cardioversion. With little available data for AFib-RVR, we believe, based on our initial market research, that 30% to 40% of patients with AFib experience one or more symptomatic episodes of RVR per year that require treatment, suggesting a current target addressable market of approximately three to four million patients for etripamil in patients with AFib-RVR.

We believe that etripamil has the potential to be developed such that it can be used by patients to rapidly reduce their heart rate to provide a supplemental option to either the acute oral rate or rhythm control strategy their physician would use. When presented with a target product profile reflecting this potential use case, cardiologists and electrophysiologists, in a 2021 market research study perceived utility in the product profile and indicated that they would prescribe to approximately two-thirds of their patients that experience episodes of AFib-RVR. They further indicated that a rapidly-acting intranasal calcium channel blocker could serve as a "bridge" to the longer onset times of acute oral agents. According to physicians, it can take hours for patients to feel an alleviation of symptoms using acute oral rate or rhythm control. During this time, patients may experience concerning symptoms that often prompt them to seek emergency care. We believe that the combination of convenient delivery, potency, rapid onset and short duration of action of etripamil has the potential to move the current treatment setting for some acute episodes of AFib out of the burdensome and costly emergency department.

Current AFib management consumes significant healthcare resources in the United States. The American Heart Association published a report in 2016 summarizing the current and projected cost burden of cardiovascular diseases in the United States. This report suggests atrial fibrillation resulted in $25 billion in direct medical costs in 2016 (approximately 7% of all cardiovascular diseases) and another $7 billion in indirect costs (i.e., up to $32 billion in total costs). Additionally, the forecasted growth in atrial fibrillation prevalence is anticipated to result in healthcare expenditures of $46 billion in direct costs and $10 billion in indirect costs in the United States by 2030.

AFib-RVR Clinical Development Highlights

In November 2023, we presented positive Phase 2 data from the ReVeRA study as a Featured Science Presentation at the American Heart Association Scientific Meetings (Philadelphia, PA) and as simultaneously published in *Circulation: Arrhythmia and Electrophysiology*. The randomized, double-blinded, placebo-controlled ReVeRA trial of etripamil nasal spray enrolled 87 patients and dosed 56 patients aged 18 years and older with AFib who urgently presented experiencing AFib and a ventricular rate of 110 or more beats per minute, or "bpm." The trial was designed to assess the magnitude, rapidity, and duration of reduction and the patient satisfaction with treatment using an established patient reported outcome, or "PRO," tool. Data showed that delivery of etripamil nasal spray (70 mg) significantly and rapidly reduced ventricular rate, in a pattern consistent with the drug's pharmacologic profile. Etripamil achieved the primary endpoint with a high degree of statistical significance; patients experienced a ventricular rate reduction of 29.91 bpm (95% confidence interval: -40.31, -19.52; $p<0.0001$) in the etripamil arm relative to placebo. The absolute maximum reduction in rate in the etripamil arm was 34.97 bpm. Using the Treatment Satisfaction Questionnaire 9, or "TSQM-9," PRO, compared to placebo, patients treated with etripamil demonstrated significant improvements in two satisfaction ratings: effectiveness ($p<0.0001$) and relief of symptoms ($p=0.0002$), with the degrees of improvement consistent with those customarily described as clinically meaningful. Treatment-emergent serious adverse events, or "TESAEs," were rare and the most common ($\geq$ 5%) adverse events were mild or moderate in intensity and included nasal discomfort, rhinorrhea, increased lacrimation, throat irritation and dizziness. Further trial details are below in this document.

During 2024, we met with the FDA on the ReVeRA study, during which the FDA confirmed its guidance from our Pre-IND meeting (2023) regarding the availability of a sNDA pathway for the marketing approval for etripamil for the indication of AFib-RVR. The sNDA pathway potentially permits a single pivotal efficacy study to be sufficient for filing for marketing approval if etripamil is already approved for PSVT. FDA further concurred with respect to key proposed study elements including powering, inclusion criteria, patient population, and statistical analyses, and offered clarification with respect to the endpoints to guide the design of the Phase 3 study. In our mid-2023 Pre-IND meeting, the FDA provided guidance that our primary endpoint can be the reduction of ventricular rate, and the primary analysis would be performed on the intent to treat, or "ITT," population. In addition, the study would have to show statistical significance ($p<0.05$) on the key secondary endpoint of symptom relief as a patient benefit, also in the ITT population. The secondary endpoint

could use a PRO measure, and various PROs were discussed with the FDA. We have finalized the Phase 3 study protocol following FDA's review and obtained concurrence with the FDA to proceed.

The Phase 3 study has been initiated and will be conducted in a medically unmonitored setting (e.g., at-home) in a manner very similar to the conduct of our Phase 3 development program for PSVT. The Phase 3 AFib-RVR study will enroll patients with a history of symptomatic AFib episodes, and will use a self-administered, repeat-dose regimen of 70 mg per dose (the dose and dosing approach that was studied in the RAPID trial in patients with PSVT). The Phase 3 study's target population will be patients with verified history of AFib-RVR, and the ITT population will be all patients self-administering the study drug for perceived AFib-RVR. The primary endpoint is the mean change from baseline ventricular rate to nadir ventricular rate for patients treated with etripamil versus placebo, as was studied in the ReVeRA trial in AFib-RVR. The key secondary endpoint will be based on a PRO of symptomatic improvement, discussed with the FDA, which is similar to the PRO questions utilized in our PSVT and AFib-RVR programs. The study has been powered and sized based upon approximately 150 events from 150 unique patients with a history of symptomatic episodes of AFib-RVR.

Operations Overview

Since the commencement of our operations in 2003, we have devoted substantially all of our resources to performing research and development activities in support of our product development efforts, hiring personnel, raising capital to support and expand such activities, providing general and administrative support for these operations and, more recently, preparing for commercialization. We have historically operated our business using a significant outsourcing model. As such, our team is currently composed of a relatively smaller core of employees who direct a significantly larger number of team members who are outsourced in the forms of vendors and consultants to enable execution of our operational plans. On December 12, 2025, we announced that the FDA approved our first commercial product, CARDAMYST™ (etripamil) nasal spray, a prescription medication for the conversion of acute symptomatic episodes of paroxysmal supraventricular tachycardia, or "PSVT," to sinus rhythm in adults. As a result, we expect our future commercial expenses will increase as we invest in the infrastructure, personnel, and operational expenses required to commercialize CARDAMYST in the United States. We also expect inventory balances to increase as we capitalize costs related to the production of CARDAMYST for commercial sale in the United States. In addition, we expect to continue to incur significant research and development and general administrative expenses related to our operations as we advance etripamil nasal spray for the treatment of AFib-RVR and continue to invest in the resources needed to support a developing commercialized public company.

Since inception, we have incurred significant operating losses. For the three months ended March 31, 2026 and 2025, we recorded net losses of $26.1 million and $20.8 million, respectively. As of March 31, 2026, we had an accumulated deficit of $456.7 million. We expect to continue to incur significant losses for the foreseeable future. We anticipate that a substantial portion of our capital resources and efforts in the foreseeable future will be focused on commercialization of CARDAMYST and the development of an additional etripamil indication. We had $71.3 million of cash and cash equivalents and $112.9 million of short-term investments as of March 31, 2026.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. Our net losses may fluctuate significantly from period to period, depending on the timing of our planned clinical trials and expenditures on other research and development activities. We expect our expenses will increase over time as we:

- continue our ongoing and planned development of etripamil, including future Phase 3 clinical trials for the treatment of AFib-RVR and potential Phase 4 clinical trials for treatment of PSVT;
- seek, either directly or through collaboration with our partners, marketing approval for etripamil nasal spray for the treatment of PSVT from regulatory agencies responsible for regions outside the United States;
- seek marketing approvals for etripamil for the treatment of AFib-RVR and other cardiovascular indications;
- increase our sales, marketing, manufacturing, and distribution capability, either directly or indirectly through third parties;

- build a portfolio of product candidates through development, or the acquisition of in-license of drugs, product candidates or technologies;
- initiate preclinical studies and clinical trials for etripamil for any additional indications we may pursue, including the clinical trials for the treatment of atrial fibrillation and rapid ventricular rate as well as other areas of unmet medical need, and for any additional product candidates that we may pursue in the future;
- maintain, protect, and expand our intellectual property portfolio;
- hire additional clinical, regulatory, and scientific personnel;
- add operational, financial, and management information systems and personnel, or other general & administrative personnel, including personnel to support our product development and potential expansion of our future commercialization efforts; and
- incur additional legal, accounting, insurance and other expenses associated with operating as a public company.

Recent Developments

On May 13, 2026, we entered into a Controlled Equity Offering[SM] Sales Agreement, or the "Sales Agreement," with Cantor Fitzgerald & Co., as sales agent, or the "Sales Agent," pursuant to which we may, from time to time, sell common shares, without par value per share, through the Sales Agent, or the “ATM Offering”. We are not obligated to, and cannot provide any assurances that we will make any sales of our shares under the Sales Agreement. For more details on the Sales Agreement, see Item 5. Other Information.

The Macroeconomic Climate

Inflation rates may materially adversely affect our business and corresponding financial position and cash flows. Inflationary factors, changes to interest rates, and overhead costs may adversely affect our operating results. Interest and inflation rates also present a recent challenge impacting the U.S. economy and could make it more difficult for us to obtain traditional financing on acceptable terms, if at all, in the future. Additionally, geopolitical events, including war and terrorism, banking instabilities, ongoing changes to U.S. and international tariffs and other trade restrictions and trade barriers, renegotiation of international trade agreements, or further escalations of trade tensions, and other U.S. geopolitical issues affecting other territories and employee availability and wage increases, and economic markets all of which may result in additional stress on our working capital resources. The ongoing trade tensions between the U.S. and other jurisdictions have resulted in multiple rounds of tariffs and anticipated tariffs affecting pharmaceuticals and pharmaceutical ingredients, including finished drug products, manufacturing equipment, and related supplies. In any event, the dynamic and unpredictable tariff and trade landscape may create substantial uncertainty and planning challenges for our operations.

Components of Results of Operations

Revenues

Product Revenue

On January 26, 2026, CARDAMYST (etripamil) nasal spray for the management of PSVT became available in the United States through retail pharmacies and our national sales force was deployed mid-February 2026. We initiated shipments of CARDAMYST to customers in the United States, which include major wholesalers, in January 2026. We recognize revenue for products received by our customers net of allowances for customer discounts, service fees, estimated returns, and estimated rebates. Product revenues were $0.2 million during the three months ended March 31, 2026. We earned no product revenue during the three months ended March 31, 2025.

License Revenue

We earn license revenue when milestones are reached pursuant to our License and Collaboration Agreement, dated May 15, 2021, with Corxel. During the three months ended March 31, 2026 and 2025, no milestones were achieved, and no revenue was recorded under the Ji Xing License Agreement. On March 23, 2026, Corxel announced that it had entered into an Asset Purchase Agreement with Everest. Pursuant to that Asset Purchase Agreement, Everest acquired the rights to develop, manufacture, and commercialize CARDAMYST™ (etripamil) nasal spray in Greater China, including mainland China, Hong Kong, Macau, and Taiwan.

Cost of product sales

Cost of product sales includes the costs of producing inventory related to CARDAMYST including manufacturing, freight, overhead, and any inventory valuation adjustments. Cost of product sales is recognized in the period in which the related product revenue is earned.

Prior to FDA approval on December 12, 2025, all manufacturing costs for CARDAMYST were expensed as research and development costs. As a result, inventory on hand at the time of approval had a zero-cost basis.

For the three months ended March 31, 2026, we recognized a de minimis amount of cost of product sales, consisting primarily of post-approval manufacturing activities, including final packaging costs. Accordingly, cost of product sales does not reflect the full cost of units sold, and gross margin is not representative of our expected long-term cost structure. We expect cost of product sales to increase in future periods as we sell inventory manufactured after FDA approval. We recorded no cost of product sales for the three months ended March 31, 2025.

Research and Development Expenses

Research and development expenses consist primarily of salaries and fees paid to external service providers, as well as personnel costs, including share-based compensation expense, and other related compensation expenses. We expense research and development costs in the periods in which they are incurred. Costs for certain development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors, collaborators and third-party service providers.

To date, the majority of our research and development expenses have been related to the preclinical and clinical development of etripamil inclusive of manufacturing costs pre-FDA approval. As we advance etripamil or other product candidates for other indications, we expect to allocate our direct external research and development costs across each of the indications or product candidates. Further, we expect our research and development costs to increase for the development of etripamil in AFib-RVR, and we expect our research and development expenses related to the development of etripamil for PSVT to decrease as a percentage of our total research and development expenses.

The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming and is subject to uncertainties and delays. As a result of the uncertainties discussed above, we are unable to determine the duration and completion costs of our research and development projects or when and to what extent we will generate revenue from the commercialization and sale of our product candidates, if at all.

We recognize the benefit of Canadian research and development tax credits as a reduction of research and development costs for fully refundable investment tax credits.

General and Administrative Expenses

General and administrative expenses include personnel and related compensation costs, expenses for outside professional services, lease expenses, insurance expenses, and other general administrative expenses. Personnel costs consist of

salaries, bonuses, benefits, related payroll taxes, and share-based compensation. Outside professional services consist of legal, accounting, and audit services and other consulting fees.

We expect to continue to incur expenses as a public company, including expenses related to compliance with the rules and regulations of the Securities and Exchange Commission, or "SEC," and those of any national securities exchange on which our securities are traded, additional insurance expenses, investor relations activities, and other administrative and professional services.

Commercial Expenses

Commercial expenses consist primarily of personnel and related compensation costs, market and health economic research, and market development activities for PSVT and, to a lesser extent, AFib-RVR. The focus of these expenses is three-fold: first, we want to leverage rigorous primary and secondary research to fully understand our target disease states from the perspective of the patient, healthcare provider, and payor; second, we want to understand and document the burden of disease posed by PSVT and AFib-RVR from an epidemiology, healthcare resource use, and cost perspective; and third, we want to engage our target patient, physician, and payor stakeholders with evidence-based and compliant educational materials that serve to increase the awareness and understanding of the impact of PSVT and AFib-RVR on patients and the overall healthcare system.

We anticipate our commercial expenses will increase as we invest in the infrastructure, personnel, and operational expenses required to commercialize CARDAMYST in the United States.

Interest Income

Interest income primarily consists of interest income from our cash and cash equivalents and short-term investments.

Interest Expense

Interest expense primarily consists of contractual debt interest expense, amortization of debt costs, and interest related to the royalty financing obligation.

Results of Operations

Comparison of the Three Months Ended March 31, 2026 and 2025

The following table summarizes our results of operations and changes:

(in thousands)	Three months ended March 31, 2026	2025	$ Change	% Change
Revenue				
Product sales, net	$ 238	$ —	$ 238	100.0%
License and other revenue	—	—	—	0.0%
Total Revenue	238	—	238	100.0%
Operating expenses				
Cost of product sales	$ 14	$ —	$ 14	100.0%
Research and development, net of tax credits	3,251	4,978	(1,727)	(34.7)%
General and administrative	4,824	5,167	(343)	(6.6)%
Commercial	15,812	10,378	5,434	52.4%
Total operating expenses	23,901	20,523	3,378	16.5%
Loss from operations	(23,663)	(20,523)	(3,140)	15.3%
Interest income	1,732	697	1,035	148.5%
Interest expense	(4,135)	(935)	(3,200)	342.3%
Net loss	$ (26,066)	$ (20,761)	$ (5,305)	25.6%

Revenue

Product Revenue

On January 26, 2026, CARDAMYST (etripamil) nasal spray for the management of PSVT in the United States became available through U.S. retail pharmacies and our national sales force was deployed mid-February 2026. We initiated shipments of CARDAMYST to customers in the United States, which include major wholesalers, in January 2026. We recognize revenue for product received by our customers net of allowances for customer discounts, service fees, estimated returns, and estimated rebates. Product revenues were $0.2 million during the three months ended March 31, 2026. We earned no product revenue during the three months ended March 31, 2025.

License Revenue

During the three months ended March 31, 2026 and 2025, no milestones were achieved, and no revenue was recorded.

Research and Development Expenses, Net of Tax Credits

The following table shows our research and development expenses by type of activity for the periods indicated:

	Three months ended March 31,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Clinical	$ 1,427	$ 1,749	$ (322)	(18.4)%
Drug manufacturing and formulation	371	1,966	(1,595)	(81.1)%
Regulatory and other costs	1,562	1,356	206	15.2%
Less: R&D tax credits	(109)	(93)	(16)	17.2%
Total R&D expenses	$ 3,251	$ 4,978	$ (1,727)	(34.7)%

Research and development expenses, net of tax credits, decreased by $1.7 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025, primarily due to a decrease in outside service costs related to drug development and research.

We recognize the benefit of Canadian research and development tax credits as a reduction of research and development costs for fully refundable investment tax credits.

General and Administrative

General and administrative expenses decreased by $0.3 million, or 6.6%, for the three months ended March 31, 2026, compared to the three months ended March 31, 2025, primarily due to a decrease in professional costs partially offset by an increase in personnel costs.

Commercial

Commercial expenses increased by $5.4 million, or 52.4%, for the three months ended March 31, 2026, compared to the same period in 2025. This increase is primarily a result of additional personnel costs, professional costs, and other operational expenses related to the launch of CARDAMYST.

Interest Income

Interest income was $1.7 million and $0.7 million for the three months ended March 31, 2026 and 2025, respectively. The increase in interest income was primarily due to higher average cash, cash equivalents, and short-term investment balances during the three months ended March 31, 2026 compared to the same period in 2025, driven by proceeds from the July 2025 underwritten public offering, or the "2025 Offering," and the purchase and sale agreement, or the "Royalty Purchase Agreement."

Interest Expense

Interest expense increased by $3.2 million, or 342.3%, for the three months ended March 31, 2026 compared to the same period in 2025, primarily a result of $3.1 million of interest expense recognized on the royalty financing obligation during the three months ended March 31, 2026 (see Note 11, "Royalty Financing Obligation" in the accompanying notes to our interim condensed consolidated financial statements).

Liquidity and Capital Resources

Sources of Liquidity

We have incurred operating losses and experienced negative operating cash flows since our inception, and we anticipate continuing to incur losses for the foreseeable future. As of March 31, 2026, we had cash, cash equivalents, and short-term investments of $184.2 million and an accumulated deficit of $456.7 million.

On July 11, 2025, we entered into an underwriting agreement, or the "Underwriting Agreement," related to an underwritten public offering, or the "2025 Offering," of (i) 31,500,000 of our common shares, accompanying Series A common warrants, or the "Series A Common Warrants," to purchase an aggregate of 31,500,000 common shares and accompanying Series B common warrants, or the "Series B Common Warrants," to purchase an aggregate of 31,500,000 common shares, at a combined public offering price of $1.50 per share and accompanying Series A Common Warrant and Series B Common Warrant and (ii) in lieu of common shares to certain investors that so choose, pre-funded warrants or the "2025 Pre-Funded Warrants" and, together with the Series A Common Warrants and the Series B Common Warrants, the "Warrants," to purchase 3,502,335 common shares, accompanying Series A Common Warrants to purchase an aggregate of 3,502,335 common shares and accompanying Series B Common Warrants to purchase an aggregate of 3,502,335 common shares, at a combined public offering price of $1.499 per Pre-Funded Warrant and accompanying Series A Common Warrant and Series B Common Warrant, which represented the combined public offering price for the Common Shares and accompanying Common Warrants less the $0.001 per share exercise price for each such Pre-Funded Warrant.

The net proceeds to the Company from the 2025 Offering were $48.6 million after deducting underwriting commissions and other offering expenses payable by us, in the amount of $3.9 million.

During the three-month period ended March 31, 2026, 5,666,666 Series A Common Warrants were exercised for net proceeds of $8.0 million, after deducting underwriting commissions paid and payable of $0.5 million.

On July 29, 2020, we entered into an Open Market Sale Agreement℠, or the "Original Sale Agreement," with respect to an at-the-market offering program, or the "ATM Program," under which we could issue and sell our common shares having an aggregate offering price of up to $50.0 million through Jefferies LLC, or "Jefferies," as sales agent or principal. On March 18, 2025, we entered into an Amended and Restated Open Market Sale Agreement℠, or the "Amended Agreement," with Jefferies. The Amended Agreement amends and restates, in its entirety, the Original Sale Agreement. Under the Amended Agreement, we were able to sell our common shares, no par value per share, for an aggregate offering price of up to $77.8 million (which includes the $2.8 million of sales previously made pursuant to the Original Sale Agreement through the date the Amended Agreement was entered into), or the "ATM Shares." The ATM Shares will be sold pursuant to our shelf registration statement on Form S-3 (File No. 333-283162). We previously issued 361,236 common shares under the Original Sale Agreement, resulting in net proceeds of approximately $2.6 million (net of issuance costs of approximately $0.1 million). We issued 5,526,590 shares under the amended agreement resulting in net proceeds of $10.9 million, after deducting sales agent commissions payable by us of $0.3 million during the three-month period ended March 31, 2026. On March 6, 2026, we terminated the Amended Agreement.

Based on our current operating plan, we expect our existing cash and cash equivalents and short-term investments to be sufficient to fund our operations for at least the next 12 months from the date of issuance of this Form 10-Q for the quarter ending March 31, 2026. We believe there are currently no events or conditions that may cast substantial doubt on our ability to continue as a going concern for at least the next 12 months from the date of this filing.

Royalty Purchase Agreement

On March 27, 2023, we entered into the Royalty Purchase Agreement with RTW Royalty I DAC, an affiliate of RTW Investments, LP, or "RTW," pursuant to which RTW agreed to purchase, following U.S. Food and Drug Administration approval of etripamil for the treatment of PSVT (subject to certain conditions), at a purchase price of $75.0 million, the right to receive tiered quarterly royalty payments, or the "royalty interest," on net product sales of CARDAMYST (etripamil) in the United States.

On January 12, 2026, the Company closed the sale of the royalty interest under the Royalty Purchase Agreement and received cash of $75.0 million from RTW in exchange for future royalty payments (see Note 11, "Royalty Financing Obligation" in the accompanying notes to our interim condensed consolidated financial statements).

Funding Requirements

We anticipate that we will use our cash and cash equivalents primarily to fund commercialization and research and development expenditures. We expect our expenses to increase as we continue the development of etripamil and invest in

the infrastructure, personnel, and operational expenses required to commercialize CARDAMYST in the United States. We expect to incur increasing operating losses for the foreseeable future as we continue the clinical development of subsequent etripamil indications or any future product candidates. At this time, due to the inherently unpredictable nature of clinical development, we cannot reasonably estimate the costs we will incur and the timelines that will be required to complete development, obtain marketing approval, and commercialize subsequent etripamil indications or any future product candidates, if at all. For the same reasons, we are also unable to predict when, if ever, we may achieve profitability generated from product sales. Clinical and preclinical development timelines, the probability of success, and development costs can differ materially from expectations.

In addition, we have exclusive development and commercialization rights for etripamil for all indications that we may pursue, and as such, have the potential to license development and or commercialization rights for etripamil to a potential partner in regions outside of Greater China. We have established commercialization and marketing capabilities using a direct sales force to commercialize CARDAMYST in the United States. Outside of the United States, we are considering commercialization strategies that may include collaborations with other companies.

For other new product candidates, our efforts are focused on licensing development and/or commercialization rights from potential partners. In the case of either in-licensing or out-licensing, we cannot forecast when such arrangements will be secured, if at all, and to what degree such arrangements would affect our development and commercialization plans and capital requirements.

The timing and amount of our operating expenditures will depend largely on:

- the timing, progress and results of our ongoing and planned clinical trials and other development activities of etripamil in AFib-RVR and in other cardiovascular indications;
- the scope, progress, results, and costs of preclinical development, laboratory testing, and clinical trials of etripamil for additional indications or any future product candidates that we may pursue;
- our ability to establish additional collaborations on favorable terms, if at all;
- the ability of vendors and third-party service providers to accurately forecast expenses and deliver on expectations;
- the costs, timing, and outcome of regulatory review of subsequent etripamil indications and any future product candidates;
- the costs and timing of CARDAMYST commercialization activities, including product manufacturing, marketing, sales, and distribution for CARDAMYST and any future product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims; and
- the extent to which we acquire or in-license other product candidates and technologies.

Until such time, if ever, as we can generate substantial revenue from product sales, we expect to fund our operations and capital funding needs through equity and/or debt financing. We may also consider entering into collaboration arrangements or selectively partnering for clinical development and commercialization. The sale of additional equity would result in additional dilution to our shareholders. The incurrence of debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that restrict our operations or our ability to incur additional indebtedness or pay dividends, among other items. If we are not able to secure adequate additional funding, we may be forced to make reductions in spending, extend payment terms with suppliers, liquidate

assets where possible, and/or suspend or curtail planned programs. Any of these actions could materially and adversely affect our business, financial condition and results of operations.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Three months ended March 31,			
(in thousands)	**2026**	**2025**	**$ Change**	**% Change**
Net cash (used in) provided by:				
Operating activities	$ (16,053)	$ (13,952)	$ (2,101)	15.1%
Investing activities	(80,030)	33,583	(113,613)	(338.3)%
Financing activities	94,354	140	94,214	67295.7%
Net (decrease) increase in cash and cash equivalents during the period	$ (1,729)	$ 19,771	$ (21,500)	

Operating Activities

Net cash used in operating activities during the three months ended March 31, 2026 was $16.1 million, which consisted primarily of a net loss of $26.1 million, offset by a net cash increase of $4.5 million related to the change in assets and liabilities, non-cash charges of $1.3 million related to share-based compensation, and non-cash interest charges and debt costs of $4.1 million related to the 2029 Convertible Notes and royalty financing obligation.

Net cash used in operating activities during the three months ended March 31, 2025 was $14.0 million, which consisted primarily of a net loss of $20.8 million, offset by a net cash increase of $4.6 million related to the change in assets and liabilities, non-cash charges of $1.4 million related to share-based compensation, and non-cash interest charges of $0.9 million related to the 2029 Convertible Notes.

Investing Activities

In the three months ended March 31, 2026, we acquired $80.0 million of short-term investments. In the three months ended March 31, 2025, we acquired $0.9 million of short-term investments, and we redeemed $34.5 million in short-term investments.

Financing Activities

In the three months ended March 31, 2026, our financing activities provided cash proceeds of $94.4 million. These proceeds were primarily a result of the $75.0 million received from the Royalty Purchase Agreement, $8.3 million, net of issuance costs, from the exercise of Series A Common Warrants under the 2025 Offering, and $10.9 million net of issuance costs, for shares sold under the ATM Program.

In the three months ended March 31, 2025, our financing activities provided cash proceeds of $0.1 million. These proceeds were primarily a result of common shares issued pursuant to our employee stock purchase plan.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Contractual Obligations

During the three months ended March 31, 2026, there were no material changes to our contractual obligations and commitments described under Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K, filed with the SEC on March 20, 2026.

Critical Accounting Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our unaudited interim condensed consolidated financial statements as of March 31, 2026, which have been prepared in accordance with United States generally accepted accounting principles, or "U.S. GAAP," and on a basis consistent with those accounting principles followed by us. The preparation of these consolidated financial statements requires our management to make judgments and estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue generated, and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Significant estimates and judgments include, but are not limited to:

- Estimate of the percentage of work completed of the total work over the life of the individual trial in accordance with agreements established with contract research organizations, or "CROs," contract manufacturing organizations, or "CMOs," and clinical trial sites which in turn impact the research and development expenses.

- Estimate of the grant date fair value of share options granted to employees, consultants and directors, and the resulting share-based compensation expense, using the Black-Scholes option-pricing model.

- Estimate of the transaction price when recognizing revenue. Net revenue from sales of CARDAMYST is recorded at net selling price (transaction price), which includes reserves for variable consideration.

- Estimates of the timing and amount of future royalty payments to be generated from product sales over the expected repayment term, which are used to determine the effective interest rate and resulting interest expense and carrying amount of the royalty financing obligation.

Accordingly, actual results may differ from these judgments and estimates under different assumptions or conditions and any such differences may be material. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

a) Research and Development Expenses — Accruals

Research and development costs are charged against income in the period of expenditure. Our research and development costs consist primarily of salaries and fees paid to CROs and to CMOs for clinical trial expenses and manufacturing costs prior to FDA approval.

Clinical trial expenses include direct costs associated with CROs, direct CMO costs for the formulation and packaging of clinical trial material, as well as investigator and patient-related costs at sites at which our trials are being conducted. Direct costs associated with our CROs and CMOs are generally payable on a time-and-materials basis, or when milestones are achieved. The invoicing from clinical trial sites can lag several months. We record expenses for our clinical trial activities performed by third parties based upon estimates of the percentage of work completed of the total work over the life of the individual trial in accordance with agreements established with CROs and clinical trial sites. We determine the estimates through discussions with internal clinical personnel, CROs, and CMOs as to the progress or stage of completion of trials or services and the agreed-upon fee to be paid for such services based on facts and circumstances known to us as of each consolidated balance sheet date. The actual costs and timing of clinical trials are highly uncertain, subject to risks and may change depending upon a number of factors, including our clinical development plan. If the actual timing of the performance of services and of the level of effort varies from the estimate, we will adjust the accrual accordingly. Adjustments to prior period estimates have not been material. We recognize the benefit of Canadian research and development tax credits as a reduction of research and development costs for fully refundable investment tax credits and as a reduction of income taxes for investment tax credits that can only be claimed against income taxes payable when there is reasonable assurance that the claim will be recovered.

b) Share-Based Compensation

We recognize compensation costs related to share options granted to employees, consultants, and directors based on the estimated fair value of the awards on the date of grant. We estimate the grant date fair value, and the resulting share-based compensation expense, using the Black Scholes option pricing model. This Black Scholes option pricing model uses various inputs to measure fair value, including estimated fair value of our underlying common shares at the grant date, expected term, estimated volatility, risk-free interest rate, and expected dividend yields of our common shares. The estimated volatility creates a critical estimate because we have not been a public company long enough to demonstrate our own historical volatility. The grant date fair value of the share-based awards is recognized on a straight-line basis over the requisite service periods, which are generally the vesting period of the respective awards. Forfeitures are accounted for as they occur.

c) Gross-to-net revenue adjustments

Net revenue from sales of CARDAMYST is recorded at net selling price (transaction price), which includes reserves for variable consideration such as (i) estimated government rebates, such as Medicaid and Medicare Part D reimbursements, and estimated managed care rebates, (ii) estimated chargebacks, (iii) estimated costs of co-payment assistance programs, and (iv) estimated product returns. These reserves, representing our best estimates of the amount of consideration to which we are entitled based on the terms of the applicable contracts and statutory requirements, are based on the amounts earned or to be claimed on the related sales and are classified as reductions of accounts receivable if no payments are required of us or a current liability if a payment is required of us. Actual amounts of consideration may differ from our estimates. If actual results vary from estimates, these estimates are adjusted, which would affect net product revenue and earnings in the period such variances become known.

d) Royalty financing obligation

Our accounting for our royalty financing obligation involves significant judgment and estimates and is therefore considered a critical accounting estimate. The obligation is accounted for as debt and measured at amortized cost using the effective interest method. At inception, and in subsequent periods, the carrying value of the royalty financing obligation and the related interest expense depend on estimates of the timing and amount of future royalty payments expected to be generated from product sales over the life of the arrangement, as well as the expected repayment term. These estimates are used to determine the effective interest rate applied to accrete the obligation over time.

The estimation of future royalty payments is inherently uncertain and requires management judgment regarding key assumptions, including expected future net product sales, the timing of commercial production, and the duration of the underlying patent subject to the royalty. Actual royalty payments may differ materially from management's estimates due to changes in production levels, operational performance, or other factors beyond our control.

Changes in the estimated amount or timing of future royalty payments result in a prospective adjustment to the effective interest rate and the pattern of interest expense recognized over the remaining term of the obligation. As a result, revisions to these estimates could have a material impact on future interest expense and the carrying value of the royalty financing obligation. We periodically review and update our estimates based on available information; however, actual results may differ materially from those estimates.

Recent Accounting Pronouncements

Refer to Note 2, "Summary of Significant Accounting Policies," in the accompanying notes to our interim condensed consolidated financial statements for a discussion of recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily relate to interest rate risks. For the three-month period ended March 31, 2026, we had cash and cash equivalents of $71.3 million and short-term investments of $112.9 million. These cash and cash equivalents and short-term investments consist primarily of bank deposits, guaranteed investment certificates, and U.S. treasury bills. The primary objective of our investment activities is to preserve principal and liquidity while maximizing income without significantly increasing risk. We do not enter into investments for trading or speculative purposes. Due to the short-term nature of our investment portfolio, we do not believe an immediate 10% increase or decrease in interest rates would have a material effect on the fair market value of our portfolio, and accordingly we do not expect our operating results or cash flows to be materially affected by a sudden change in market interest rates.

We undertake certain transactions in Canadian dollars and as such are subject to risk due to fluctuations in exchange rates. Canadian dollar denominated payables are paid at the converted rate as due. We do not use derivative instruments or have a formal hedging program to hedge exposure to foreign exchange rate risk due to the low volume of transactions denominated in foreign currencies. At March 31, 2026, our net monetary exposure denominated in Canadian dollars was $3.6 million.

Our operating results and financial position are reported in U.S. dollars in our consolidated financial statements. The fluctuation of the Canadian dollar in relation to the U.S. dollar might, consequently, have an impact upon our loss and may also affect the value of our assets and the amount of shareholders' equity.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the "Exchange Act," that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2026. Based upon the evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource

constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not currently a party to any material legal proceedings, and we are not aware of any pending or threatened legal proceeding against us that we believe could have an adverse effect on our business, operating results or financial condition.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A. in our Annual Report on Form 10-K, filed with the SEC and under Milestone's SEDAR+ profile at www.sedarplus.com on March 20, 2026.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable

Item 3. Defaults Upon Senior Securities.

Not applicable

Item 4. Mine Safety Disclosures.

Not applicable

Item 5. Other Information.

Rule 10b5-1 Trading Arrangements

None of our directors or executive officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule-10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K, during the three months ended March 31, 2026.

Controlled Equity Offering

On May 13, 2026, we entered into a Controlled Equity Offering℠ Sales Agreement, or the "Sales Agreement," with Cantor Fitzgerald & Co., as sales agent, or the "Sales Agent," pursuant to which we may, from time to time, sell common shares, without par value per share, through the Sales Agent, or the "ATM Offering". We are not obligated to, and cannot provide any assurances that we will make any sales of our shares under the Sales Agreement.

Upon delivery of a placement notice and subject to the terms and conditions of the Sales Agreement, the Sales Agent may sell the shares by methods deemed to be an "at-the-market" offering as defined in Rule 415(a)(4) promulgated under the Securities Act. Subject to the terms and conditions of the Sales Agreement, the Sales Agent will use commercially reasonable efforts consistent with its normal trading and sales practices to sell the shares from time to time, based upon our instructions. The Sales Agreement contains customary representations, warranties and agreements, indemnification rights and obligations of the parties. We will pay the Sales Agent a commission for its services as Sales Agent of 3.0% of the aggregate gross proceeds from each sale of the common shares sold through the Sales Agent pursuant to the Sales Agreement.

The common shares being offered pursuant to the Sales Agreement will be offered and sold pursuant to a shelf registration statement on Form S-3 and prospectus relating to the ATM Offering that we will file with the SEC.

The offering of shares pursuant to the Sales Agreement will terminate upon the termination of the Sales Agreement in accordance with its terms.

The foregoing description of the Sales Agreement is not complete and is qualified in its entirety by reference to the full text of the Sales Agreement, a copy of which is filed as Exhibit 10.3 to this Quarterly Report on Form 10-Q.

Item 6. Exhibits.

Exhibit Number		Description
3.1		Amended Articles of Incorporation of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-38899), filed with the SEC on May 15, 2019).
3.2		Amended and Restated Bylaws of the Company (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-38899), filed with the SEC on May 15, 2019).
10.1+		Non-Employee Director Compensation Policy, as amended.
10.2+**		Employment Agreement, dated January 19, 2026, between David Sandoval and Milestone Pharmaceuticals Inc.
10.3		Controlled Equity Offering℠ dated May 13, 2026, by and between Milestone Pharmaceuticals Inc. and Cantor Fitzgerald & Co.
31.1		Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2		Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*		Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS		Inline XBRL Instance Document
101.SCH		Inline XBRL Taxonomy Extension Schema Document
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document
104		The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, formatted in Inline XBRL.

* Furnished herewith and not deemed to be "filed" for purposes of Section 18 of the Exchange Act, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the "Exchange Act (whether made before or after the date of the Form 10-Q)", irrespective of any general incorporation language contained in such filing.

\+ Indicates a management contract or compensatory plan.

** Certain of the exhibits and schedules to this exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted exhibits and schedules to the Securities and Exchange Commission upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MILESTONE PHARMACEUTICALS INC.

Date: May 13, 2026

By: /s/ Joseph Oliveto
Joseph Oliveto
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 13, 2026

By: /s/ Amit Hasija
Amit Hasija
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 10.1

MILESTONE PHARMACEUTICALS INC.

AMENDED AND RESTATED NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

Each member of the Board of Directors (the "***Board***") of Milestone Pharmaceuticals Inc. (the "***Company***") who is not also serving as an employee of the Company or any of its subsidiaries (each such member, an "***Eligible Director***") will receive the compensation described in this Non-Employee Director Compensation Policy (this "***Policy***"). An Eligible Director may decline all or any portion of his or her compensation by giving notice to the Company prior to the date cash is to be paid or equity awards are to be granted, as the case may be. This Policy may be amended at any time in the sole discretion of the Board or the Compensation Committee of the Board.

Annual Cash Compensation

The annual cash compensation amount set forth below is payable to Eligible Directors in equal quarterly installments, payable in arrears on the last day of each fiscal quarter in which the service occurred. If an Eligible Director joins the Board or a committee of the Board at a time other than effective as of the first day of a fiscal quarter, each annual retainer set forth below will be pro-rated based on days served in the applicable fiscal year, with the pro-rated amount paid for the first fiscal quarter in which the Eligible Director provides the service, and regular full quarterly payments to be paid thereafter. All annual cash fees are vested upon payment.

1. Annual Board Service Retainer:
   a. All Eligible Directors: $50,000
   b. Non-executive chairperson of the Board: $72,500 (inclusive of Annual Board Service Retainer)

2. Annual Committee Member Service Retainer:
   a. Member of the Audit Committee: $10,000
   b. Member of the Compensation Committee: $7,500
   c. Member of the Nominating and Corporate Governance Committee: $5,000
   d. Member of the Clinical Affairs Committee: $6,000

3. Annual Committee Chair Service Retainer (inclusive of Committee Member Service Retainer):
   a. Chairperson of the Audit Committee: $20,000
   b. Chairperson of the Compensation Committee: $15,000
   c. Chairperson of the Nominating and Corporate Governance Committee: $10,000
   d. Chairperson of the Clinical Affairs Committee: $12,000

The Company will also reimburse each of the Eligible Directors for his or her travel expenses incurred in connection with his or her attendance at Board and committee meetings. Such reimbursements shall be paid on the same date as the annual cash fees are paid.

Equity Compensation

The equity compensation set forth below will be granted under the Company's 2019 Equity Incentive Plan (the "***Plan***"), subject to the approval of the Plan by the Company's shareholders.

All stock options granted under this Policy will be nonstatutory stock options, with an exercise price per share equal to 100% of the Fair Market Value (as defined in the Plan) of the underlying common stock on the date of grant, and a term of 10 years from the date of grant (subject to earlier termination in connection with a termination of service as provided in the Plan).

1. Initial Grant: For each Eligible Director who is first elected or appointed to the Board following the effective date of this Policy, on the date of such Eligible Director's initial election or appointment to the Board (or, if such date is not a market trading day, the first market trading day thereafter), the Eligible Director will be automatically, and without further action by the Board or Compensation Committee of the Board, granted a stock option to purchase a number of shares of the Company's common stock equal to 134,000 shares of the Company's common stock. The shares subject to each such stock option will vest monthly over a three-year period, subject to the Eligible Director's Continuous Service (as defined in the Plan) on each vesting date.

2. Annual Grant: On the date of each annual shareholder meeting of the Company held after the Effective Date, each Eligible Director who continues to serve as a non-employee member of the Board following such shareholder meeting will be automatically, and without further action by the Board or Compensation Committee of the Board, granted a stock option to purchase 77,000 shares of the Company's common stock (the "Annual Grant"). The shares subject to the Annual Grant will vest in equal monthly installments over the 12 months following the date of grant, provided that the Annual Grant will in any case be fully vested on the date of Company's next annual shareholder meeting, subject to the Eligible Director's Continuous Service (as defined in the Plan) through such vesting date and will vest in full upon a Change in Control (as defined in the Plan).

Approved: April 26, 2019

Effective: May 8, 2019

Amended: May 4, 2020

Amended: September 21, 2020

Amended and Restated: March 24, 2021

Amended and Restated: February 14, 2023

Amended and Restated: July 1, 2023

Amended and Restated: March 19, 2024

Amended and Restated: July 11, 2024

Amended and Restated: February 2, 2026

Amended and Restated: March 17, 2026

Exhibit 10.2

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of January 19, 2026, (the "Effective Date") by and between **Milestone Pharmaceuticals USA, Inc.** (the "Company"), and **David Sandoval** ("Executive") (collectively referred to as the "Parties" or individually referred to as a "Party").

R E C I T A L S

WHEREAS the Company desires to employ Executive as its General Counsel and Chief Compliance Officer, and to enter into an agreement embodying the terms of such employment; and

WHEREAS Executive desires to accept such employment and enter into such an agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the Parties agree as follows:

1. Duties and Scope of Employment.

(a) Positions and Duties. As of the Effective Date, Executive will serve as General Counsel and Chief Compliance Officer of the Company reporting directly to the Chief Executive Officer (the "**CEO**"). Executive will render such business and professional services in the performance of Executive's duties, consistent with Executive's position within the Company, as shall reasonably be assigned to Executive by the Company's CEO. The period of Executive's at-will employment under the terms of this Agreement is referred to herein as the "**Employment Term**."

(b) Obligations. During the Employment Term, Executive will perform Executive's duties faithfully and to the best of Executive's ability and will devote Executive's full business efforts and time to the Company. For the duration of the Employment Term, Executive agrees not to actively engage in any other employment, occupation or consulting activity for any direct or indirect remuneration without the prior approval of the CEO. Notwithstanding the foregoing, Executive may (i) serve on the board of directors of one other non-competitive corporation or other business entity, subject to prior approval by the Board, which approval will not unreasonably be withheld, (ii) serve on civic or charitable boards or committees, and (iii) manage his personal investments, so long as such activities do not materially interfere with the performance of Executive's responsibilities in accordance with this Agreement or otherwise violate the terms of this Agreement. Notwithstanding the foregoing, Executive may continue to own and operate KBZA Music, LLC so long as Executive's ownership and operation of such limited liability company does not materially interfere with Executive's duties for the Company.

(c) Work Location. Executive's work location will be at his residence in Washington, D.C., or other future office location that is within 20 miles from the Executive's current residence, or to any other location mutually agreed upon by the Company and Executive.

2. At-Will Employment. Subject to Sections 8, 9, and 10 below, the parties agree that Executive's employment with the Company will be "at-will" employment and may be terminated at any

time with or without cause or notice, for any reason or no reason. Executive understands and agrees that neither Executive's job performance nor promotions, commendations, bonuses or the like from the Company give rise to or in any way serve as the basis for modification, amendment, or extension, by implication or otherwise, of Executive's employment with the Company.

3. Compensation.

(a) Base Salary. During the Employment Term, the Company will pay Executive as compensation for Executive's services a base salary at a rate of $400,000, annually, such amount to be reviewed annually and increased from time to time at the discretion of the Board or a duly constituted committee of the Board (the "**Base Salary**"). If required in the reasonable judgment of the Board due to business conditions at the time, Executive's Base Salary may be temporarily reduced by no more than twenty percent if such reduction is part of an across-the-board reduction in the same percentage amount of all members of the Company's senior management team. The Base Salary will be paid in regular installments in accordance with the Company's normal payroll practices (subject to required withholding). Any increase or decrease in Base Salary (together with the then existing Base Salary) shall serve as the "Base Salary" for future employment under this Agreement. The first and last payment will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period.

(b) Annual Bonus. Executive will also be eligible to earn an annual discretionary bonus (an "**Annual Bonus**") with a target amount equal to 35% of the Base Salary. The amount of the Annual Bonus, if any, will be determined in the sole discretion of the Board and based, in part, on Executive's performance and the performance of the Company during the calendar year. The Company will pay Executive the Annual Bonus, if any, by no later than March 15th of the following calendar year. The Annual Bonus is not earned until paid and no pro-rated amount will be paid if Executive's employment terminates for any reason prior to the payment date, provided, however, that if Executive's employment is terminated by Company without Cause or if Executive resigns for Good Reason after the Annual Bonus is declared but before it is paid, then despite such termination Executive will be entitled to receive the declared Annual Bonus at the time it otherwise would have been paid. Any Annual Bonus for calendar year 2026 will be prorated from the Effective Date of this Agreement.

(c) Stock Option. Subject to approval by the Board, the Company shall grant Executive an option (the "**Option**") to purchase 400,000 shares of the Company's common stock, with an exercise price equal to the fair market value of a share of common stock as determined by the Board as of the date of grant, pursuant to the terms of the Company's 2019 Equity Incentive Plan and the Company's 2021 Inducement Plan (collectively, the "**Plan**"). The Option will be subject to the terms and conditions of the Plan and Executive's grant agreement and will include a four-year vesting schedule, under which one-quarter of the Option will vest after 12 months of employment, with the remaining shares vesting in a series of 36 successive monthly installments thereafter, subject to Executive's continuous service as of each such date or earlier vesting as set forth below.

4. Employee Benefits. During the Employment Term, Executive will be eligible to participate in the employee benefit plans currently and hereafter maintained by the Company of general applicability to other senior executives of the Company, including, without limitation, the Company's group medical, dental, vision, disability, life insurance, and flexible-spending account plans. The Company reserves the right to cancel or change the benefit plans and programs it offers to its employees

at any time. Reimbursements provided to Executive pursuant to this Agreement will be made in a timely manner and in accordance with the policies of the Company, but in no event later than December 31 of the year following the year in which Executive incurs such expense. The amount of expenses eligible for reimbursement during one year will not affect the expenses eligible for reimbursement in any other year, and is not subject to liquidation or exchange for another benefit.

5. Vacation. Executive will be eligible to accrue a maximum of twenty (20) days paid vacation per year in accordance with the Company's vacation policy, which shall be taken subject to the demands of the Company's business and Executive's obligations as an employee of the Company with a substantial degree of responsibility. A maximum of ten (10) vacation days per year may be carried forward into the first six (6) months of the next calendar year. All vacation days that are not used shall be forfeited; provided, that if the Executive is denied the ability to take one or more available vacation days in a given calendar year at the direction or request of the Company, such unused vacation days may be carried forward for the duration of the next calendar year, and if Executive is terminated without Cause or resigns for Good Reason, Executive shall be paid for the unused days upon Executive's termination or resignation, as applicable.

6. Business Expenses. During the Employment Term, the Company will reimburse Executive for reasonable business travel, entertainment or other business expenses incurred by Executive in the furtherance of or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

7. Tax Preparation Expenses. Should the Executive be required or advised to file a Canadian tax return for any calendar year in which he receives income from the Company, the Company will reimburse Executive for tax preparation services associated with Executive's Canadian tax return, subject to the following limitations: (i) Executive must submit proper documentation of any such expenses to the Company within 60 days of incurring such expense; and (ii) the Company will only reimburse Executive any such expenses up to a cap of $12,000 per calendar year. In no event will the reimbursements be paid later than December 31 of the year following the year in which Executive incurs such expense. The amount of tax preparation expenses eligible for reimbursement during one year will not affect the expenses eligible for reimbursement in any other year, and is not subject to liquidation or exchange for another benefit. The obligation of the Company will survive the termination of this Agreement.

8. Termination on Death or Disability.

(a) Effectiveness. Executive's employment will terminate automatically upon Executive's death or, upon fourteen (14) days prior written notice from the Company, in the event of Disability.

(b) Effect of Termination. Upon any termination for death or Disability, Executive (or in the case of Executive's death, Executive's heirs) shall be entitled to: (i) Executive's Base Salary through the effective date of termination; (ii) the right to continue health care benefits under Title X of the Consolidated Budget Reconciliation Act of 1985, as amended ("COBRA"), at Executive's cost, to the extent required and available by law; (iii) reimbursement of expenses for which Executive is entitled to be reimbursed pursuant to Sections 6 or 7 above, but for which Executive has not yet been reimbursed; and (iv) no other severance or benefits of any kind, unless required by law or pursuant to any other written Company plans or policies, as then in effect.

9. Involuntary Termination for Cause; Resignation Without Good Reason.

(a) Effectiveness. Notwithstanding any other provision of this Agreement, the Company may terminate Executive's employment at any time for Cause or Executive may resign from Executive's employment with the Company at any time without Good Reason. Termination for Cause, or Executive's resignation without Good Reason, shall be effective on the date either Party gives notice to the other Party of such termination in accordance with this Agreement unless otherwise agreed by the Parties. In the event that the Company accelerates the effective date of a resignation, such acceleration shall not be construed as a termination of Executive's employment by the Company or deemed Good Reason for such resignation.

(b) Effect of Termination. In the case of the Company's termination of Executive's employment for Cause, or Executive's resignation without Good Reason, Executive shall be entitled to receive: (i) Base Salary through the effective date of the termination or resignation, as applicable; (ii) reimbursement of all business expenses for which Executive is entitled to be reimbursed pursuant to Sections 6 or 7 above, but for which Executive has not yet been reimbursed (Sections (9(b)(i)-(ii) the "**Accrued Obligations**"); (iii) the right to continue health care benefits under COBRA, at Executive's cost, to the extent required and available by law; and (iv) no other severance or benefits of any kind, unless required by law or pursuant to this Agreement or any other written Company plans as then in effect.

10. Involuntary Termination Without Cause; Resignation for Good Reason;

(a) Effect of Termination. The Company shall be entitled to terminate Executive with or without Cause at any time, subject to the following:

(i) Involuntary Termination Without Cause; Resignation for Good Reason Not In Connection With A Change of Control. If Executive is terminated by the Company involuntarily without Cause (excluding any termination due to death or Disability) or Executive resigns for Good Reason and not in connection with a Change of Control, then, subject to the limitations of Sections 10(b) and 26 below, Executive shall be entitled to receive:

(A) the Accrued Obligations;

(B) continuing severance pay at a rate equal to one hundred percent (100%) of Executive's Base Salary , as then in effect (less applicable withholding), for a period of nine (9) months (the "**Severance Period**") from the date of such termination, to be paid periodically in accordance with the Company's normal payroll practices (the "**Base Salary Severance**");

(C) If Executive timely elects continued coverage under COBRA for himself and his covered dependents or under Executive's prior employer's group health plans or under the Company's group health plans following such termination, then the Company shall pay Executive that portion of Executive's COBRA premiums it was paying prior to the Separation Date or would have been paying if executive had been enrolled in the Company's plan at the time of termination necessary to continue Executive's and his covered dependents' health insurance coverage in effect for himself (and his covered dependents) on the termination date until the earliest of: (i) the last day of the Severance Period; (ii) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment or self-employment; or (iii) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination (such period from the termination date through the earlier of (i)-(iii), the "**COBRA Payment Period**," and any such payment(s) under this Section 10(a)(i)(C) the "**COBRA Severance**")). Notwithstanding the foregoing, if at any time the Company determines that its payment of COBRA premiums on Executive's behalf would result in a violation of applicable law (including, but not limited to, the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of paying COBRA premiums pursuant to this Section, the Company shall pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premium for such month, subject to applicable tax withholding, for the remainder of the COBRA Payment Period (the Base Salary Severance and COBRA Severance, together the "**Severance Benefits**"). Nothing in this Agreement shall deprive Executive of his rights under COBRA or ERISA for benefits under plans and policies arising under his employment by the Company; and

(D) no other severance or benefits of any kind, unless required by law or pursuant to any written Company plans or policies, as then in effect.

(ii) Involuntary Termination Without Cause; Resignation for Good Reason In Connection With A Change of Control. If Executive is terminated by the Company involuntarily without Cause (excluding any termination due to death or Disability) or Executive resigns for Good Reason, upon the occurrence of, or within thirty (30) days prior to, or within twelve (12) months following, the effective date of a Change of Control, then, subject to the limitations of Sections 10(b) and 26 below, Executive shall be entitled to receive:

(A) the Accrued Obligations.

(B) the Severance Benefits set forth in Section 10(a)(i) above, for an extended Severance Period of twelve (12) months from the date of termination;

(C) an amount equal to 100% of Executive's Annual Bonus for the year in which the termination occurs at the target level.

(D) accelerated vesting of any then-unvested shares subject to the Option such that one hundred percent (100%) of such shares shall be deemed immediately

vested and exercisable as of the later date of termination and the date of the Change in Control;

and (E) no other severance or benefits of any kind, unless required by law or pursuant to any written Company plans or policies, as then in effect.

(b) Conditions Precedent. Any severance payments contemplated by Section 10(a) above are conditional on Executive: (i) continuing to comply with the terms of this Agreement and the Confidential Information Agreement; and (ii) signing and not revoking a separation agreement and mutual release of known and unknown claims in the form provided by the Company (the "Release"), provided that the Release will not apply to claims, actions, causes of action and demands that the Company may have against the Executive under the Confidential Information Agreement (as defined below) and provided that such Release becomes effective and irrevocable no later than sixty (60) days following the termination date or such earlier date required by the release (such deadline, the "Release Deadline"). If the Release does not become effective by the Release Deadline, Executive will forfeit any rights to severance or benefits under this Section 10 or elsewhere in this Agreement. Any severance payments or other benefits under this Agreement that would be considered Deferred Compensation Separation Benefits (as defined in Section 26) will be paid on, or, in the case of installments, will not commence until, the sixtieth (60th) day following Executive's separation from service, or, if later, such time as required by Section 26(b). Except as required by Section 26(b), any installment payments that would have been made to Employee during the sixty (60) day period immediately following Executive's separation from service but for the preceding sentence will be paid to Executive on the sixtieth (60th) day following Executive's separation from service and the remaining payments will be made as provided in this Agreement, unless subject to the 6-month payment delay described herein. Any severance payments under this Agreement that would not be considered Deferred Compensation Separation Benefits will be paid on, or, in the case of installments, will not commence until, the first payroll date that occurs on or after the date the Release becomes effective and any installment payments that would have been made to Executive during the period prior to the date the Release becomes effective following Executive's separation from service but for the preceding sentence will be paid to Executive on the first payroll date that occurs on or after the date the Release becomes effective. Notwithstanding the foregoing, this Section 10(b) shall not limit Executive's ability to obtain expense reimbursements under Sections 6 or 7 or any other compensation or benefits otherwise required by law or in accordance with written Company plans or policies, as then in effect and shall not require Executive to waive claims for vested benefits under the Employee Retirement Income Security Act of 1974, as amended, claims as an option holder or shareholder, claims for post-employment indemnification, or the right to receive reimbursement hereunder for preparation of his Canadian tax returns.

11. Definitions.

(a) Cause. For purposes of this Agreement, "Cause" shall mean: (i) Executive's continued failure to substantially perform the material duties and obligations under this Agreement (for reasons other than death or Disability), which failure, if curable within the reasonable discretion of the Company, is not cured to the reasonable satisfaction of the Company within thirty (30) days after receipt of written notice from the Company of such failure; (ii) Executive's material failure or refusal to comply with the policies, standards and regulations established by the Company from time to time which failure, if curable in the discretion of the Company, is not cured to the reasonable satisfaction of the Company within thirty (30)

days after receipt of written notice of such failure from the Company; (iii) any act of personal dishonesty, fraud, embezzlement, misrepresentation, or other unlawful act committed by Executive that benefits Executive at the expense of the Company; (iv) the Executive's violation of a federal or state law or regulation applicable to the Company's business; (v) the Executive's violation of, or a plea of nolo contendre or guilty to, a felony under the laws of the United States or any state; or (vi) the Executive's material breach of the terms of this Agreement or the Confidential Information Agreement (defined below), which breach, if curable within the reasonable discretion of the Company, is not cured to the reasonable satisfaction of the Company within thirty (30) days after receipt of written notice from the Company of such failure.

(b) Change of Control. For purposes of this Agreement, "Change of Control" shall have the meaning attributed to such term in the Company's 2019 Equity Incentive Plan.

(c) Disability. For purposes of this Agreement, "Disability" means that Executive, at the time notice is given, has been unable to substantially perform Executive's duties under this Agreement for not less than one-hundred and twenty (120) consecutive work days within a twelve (12) consecutive month period as a result of Executive's incapacity due to a physical or mental condition and, if reasonable accommodation is required by law, after any reasonable accommodation.

(d) Good Reason. For purposes of this Agreement, "Good Reason" means one or more of the following without Executive's consent: (i) a material reduction of Executive's duties, position or responsibilities (provided, however, that any change in duties, position, or responsibilities due to the Company becoming a subsidiary or division of another entity in connection with a Change of Control shall not be Good Reason); (ii) a material reduction in Executive's Base Salary (other than a reduction of not more than 10% that is applicable to similarly situated executives of the Company); (iii) a material breach of this Agreement by the Company; or (iv) a material change in the geographic location of Executive's primary work facility or location; provided, that a relocation of less than 50 miles from Executive's then present location shall be considered a material change in geographic location for purposes of this Good Reason definition. Executive will not resign for Good Reason without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within 30 days of the initial existence of the grounds for "Good Reason," and upon receipt of such notice, the Company will have thirty (30) days during which it may remedy the "Good Reason" condition. If the "Good Reason" condition is not remedied within such thirty (30) day period, Executive may resign based on the "Good Reason" condition specified in the notice effective immediately upon or within thirty (30) days after the expiration of the thirty (30) day cure period.

12. Company Matters.

(a) Proprietary Information and Inventions. In connection with Executive's employment with the Company, Executive will receive and have access to Company confidential information and trade secrets. Accordingly, attached as Exhibit 1 to this Agreement is an Employee Confidential Information, Inventions, Non-Solicitation and Non-Competition Agreement (the "Confidential Information Agreement") which contains restrictive covenants and prohibits unauthorized use or disclosure of the Company's confidential information and trade secrets, among other obligations. Executive agrees to review the Confidential Information Agreement and only sign it after careful consideration.

(b) Ventures. If, during Executive's employment, Executive is engaged in or associated with planning or implementing of any project, program or venture involving the Company and any third parties, all rights in such project, program or venture shall belong to the Company (or third party, to the extent provided in any agreement between the Company and the third party). Except as approved by the Board in writing, Executive shall not be entitled to any interest in such project, program or venture or to any commission, finder's fee or other compensation in connection therewith other than the salary or other compensation to be paid to Executive as provided in this Agreement.

(c) Resignation on Termination. On termination of Executive's employment, regardless of the reason for such termination, Executive shall immediately (and with contemporaneous effect) resign any directorship, offices or other positions that Executive may hold in the Company or any affiliate, unless otherwise agreed in writing by the Parties.

(d) Notification of New Employer. In the event that Executive leaves the employ of the Company, Executive grants consent to notification by the Company to Executive's new employer about Executive's rights and obligations under this Agreement and the Confidential Information Agreement. Executive shall have the right to disclose the provisions of this Agreement and the Confidential Information Agreement to any future prospective employer.

13. Arbitration. To ensure the timely and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, Confidential Information Agreement, or Executive's employment, or the termination of Executive's employment, including but not limited to all statutory claims, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration by a single arbitrator conducted in ***Charlotte, North Carolina*** by Judicial Arbitration and Mediation Services Inc. ("**JAMS**") under the then applicable JAMS rules (at the following web address: https://www.jamsadr.com/rules-employment-arbitration/); provided, however, this arbitration provision shall not apply to sexual harassment claims to the extent prohibited by applicable law. A hard copy of the rules will be provided to Executive upon request. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. In addition, all claims, disputes, or causes of action under this section, whether by Executive or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity and may not preside over any form of representative or class proceeding. To the extent that the preceding sentence regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. The Company acknowledges that Executive will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this Agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award; and (c) be authorized to award any or all remedies that Executive or the

Company would be entitled to seek in a court of law. Executive and the Company shall equally share all JAMS' arbitration fees. Except as modified in the Confidential Information Agreement, each party is responsible for its own attorneys' fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered into and enforced as judgments in the federal and state courts of any competent jurisdiction. To the extent applicable law prohibits mandatory arbitration of sexual harassment claims, in the event Executive intends to bring multiple claims, including a sexual harassment claim, the sexual harassment may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

14. Assignment. This Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of Executive upon Executive's death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of Executive's right to compensation or other benefits will be null and void.

15. Notices. All notices, requests, demands and other communications called for under this Agreement shall be in writing and shall be delivered via e-mail, personally by hand or by courier, mailed by United States first-class mail, postage prepaid, or sent by facsimile directed to the Party to be notified at the address or facsimile number indicated for such Party on the signature page to this Agreement, or at such other address or facsimile number as such Party may designate by ten (10) days' advance written notice to the other Parties hereto. All such notices and other communications shall be deemed given upon personal delivery, seven (7) days after the date of mailing, or upon confirmation of facsimile transfer or e-mail. Notices sent via e-mail under this Section shall be sent to either the e-mail address in this Agreement, or for e-mails sent by the Company to Executive, to the last personal e-mail address on file with the Company.

16. Severability. In the event that any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement will continue in full force and effect without said provision.

17. Integration. This Agreement, together with the agreements pursuant to which the Options were issued to Executive and the Confidential Information Agreement represent the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration, or modification of any of the provisions of this Agreement will be binding unless in writing and signed by duly authorized representatives of the parties hereto.

18. Tax Withholding. All payments made pursuant to this Agreement will be subject to withholding of applicable taxes.

19. Waiver. No Party shall be deemed to have waived any right, power or privilege under this Agreement or any provisions hereof unless such waiver shall have been duly executed in writing and acknowledged by the Party to be charged with such waiver. The failure of any Party at any time to insist on performance of any of the provisions of this Agreement shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this Agreement or any part hereof. No waiver of any breach of this Agreement shall be held to be a waiver of any other subsequent breach

20. Governing Law. This Agreement will be governed by the laws of the State of North Carolina (with the exception of its conflict of law's provisions).

21. Acknowledgment. Executive acknowledges that Executive has had the opportunity to discuss this matter with and obtain advice from Executive's legal counsel, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

22. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute but one instrument.

23. Effect of Headings. The section and subsection headings contained herein are for convenience only and shall not affect the construction hereof.

24. Construction of Agreement. This Agreement has been negotiated by the respective Parties, and the language shall not be construed for or against either Party.

25. Parachute Payments. If any payment or benefit Executive would receive from the Company or otherwise in connection with a Change of Control or other similar transaction (a "280G Payment") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then any such 280G Payment (a "Payment") shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "Reduction Method") that results in the greatest economic benefit for Executive. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "Pro Rata Reduction Method"). Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without cause), shall be reduced (or

eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

(a) Unless Executive and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment shall perform the foregoing calculations. If the accounting firm engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company shall appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to Executive and the Company within 15 calendar days after the date on which Executive's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by Executive or the Company) or such other time as requested by Executive or the Company.

(b) If Executive receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, Executive shall promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, Executive shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

26. Section 409A.

(a) Notwithstanding anything to the contrary in this Agreement, no severance pay or benefits to be paid or provided to Executive, if any, pursuant to this Agreement, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A of the Code (together, the "**Deferred Compensation Separation Benefits**") will be paid or otherwise provided until Executive has a "separation from service" within the meaning of Section 409A of the Code.

(b) Notwithstanding anything to the contrary in this Agreement, if Executive is a "specified employee" within the meaning of Section 409A of the Code at the time of Executive's termination (other than due to death), then the Deferred Compensation Separation Benefits that are payable within the first six (6) months following Executive's separation from service, will become payable on the first payroll date that occurs on or after the date six (6) months and one (1) day following the date of Executive's separation from service. All subsequent Deferred Compensation Separation Benefits, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if Executive dies following Executive's separation from service, but prior to the six (6) month anniversary of the separation from service, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of Executive's death and all other Deferred Compensation Separation Benefits will be payable in accordance

with the payment schedule applicable to each payment or benefit to Executive's designated beneficiary or, in the absence of such a designation, to Executive's estate. Each payment and benefit payable under this Agreement is intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

(c) Any amount paid under this Agreement that satisfies the requirements of the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the Treasury Regulations will not constitute Deferred Compensation Separation Benefits for purposes of clause (a) above.

(d) Any amount paid under this Agreement that qualifies as a payment made as a result of an involuntary separation from service pursuant to Section 1.409A-1(b)(9)(iii) of the Treasury Regulations that does not exceed the Section 409A Limit will not constitute Deferred Compensation Separation Benefits for purposes of clause (a) above. For purposes of this Agreement, "**Section 409A Limit**" will mean the lesser of two (2) times: (i) Executive's annualized compensation based upon the annual rate of pay paid to Executive during the Executive's taxable year preceding Executive's taxable year of Executive's termination of employment as determined under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A)(1) and any Internal Revenue Service guidance issued with respect thereto; or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which Executive's employment is terminated.

(e) Except as specifically permitted by Section 409A of the Code the reimbursements and in-kind benefits provided to Executive under this Agreement during any calendar year shall not affect the reimbursements or in-kind benefits to be provided to Executive under the relevant section of this Agreement in any other calendar year, and the right to such reimbursements and in-kind benefits cannot be liquidated or exchanged for any other benefit and shall be provided in accordance with Treas. Reg. Section 1.409A-3(i)(1)(iv) or any successor thereto. Further, in the case of reimbursement payments, such payments shall be made to Executive on or before the last day of the calendar year following the calendar year in which the underlying fee, cost or expense is incurred.

(f) The provisions of this Agreement are intended to be exempt from, or comply with, the requirements of Section 409A of the Code so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A of the Code, and any ambiguities herein will be interpreted to be exempt from or to so comply. The Company and Executive agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A of the Code. Notwithstanding any of the foregoing, in no event will the Company be liable for any additional tax, interest, or penalties that may be imposed on Executive under Section 409A of the Code oor any damages because a payment pursuant to this Agreement was determined to not be in compliance with Section 409A of the Code.

[*Remainder of page is intentionally blank; Signature page follows*]

IN WITNESS WHEREOF, each of the Parties has executed this Agreement as of the day and year first above written.

"COMPANY"

MILESTONE PHARMACEUTICALS USA, INC.

By: /s/ Joseph Oliveto
Name: Joseph Oliveto
Title: President and CEO

"EXECUTIVE"

David Sandoval

/s/ David Sandoval
David Sandoval

Exhibit 10.3

Execution Version

Milestone Pharmaceuticals Inc.
Common Shares
(without par value)

Controlled Equity Offering[SM]

Sales Agreement

May 13, 2026

Cantor Fitzgerald & Co.
499 Park Avenue
New York, NY 10022

Ladies and Gentlemen:

Milestone Pharmaceuticals Inc., a corporation continued under the laws of the Province of Québec, Canada (the "**Company**"), confirms its agreement (this "**Agreement**") with Cantor Fitzgerald & Co. (the "**Agent**"), as follows:

1. Issuance and Sale of Shares. The Company agrees that, from time to time during the term of this Agreement, on the terms and subject to the conditions set forth herein, it may issue and sell to or through the Agent, as sales agent or principal, common shares of the Company, without par value per share ("**Common Shares**") which shall be referred to herein as the "**Placement Shares**"; *provided*, *however*, that in no event shall the Company issue or sell through the Agent such number or dollar amount of Placement Shares that would (a) exceed the number or dollar amount of Common Shares registered on the effective Registration Statement (defined below) pursuant to which the offering is being made, (b) exceed the number of authorized but unissued Common Shares (less Common Shares issuable upon exercise, conversion or exchange of any outstanding securities of the Company or otherwise reserved from the Company's authorized capital stock), (c) exceed the number or dollar amount of Common Shares permitted to be sold under Form S-3 (including General Instruction I.B.6 thereof, if applicable) or (d) exceed the number or dollar amount of Common Shares for which the Company has filed a Sales Agreement Prospectus (defined below) (the lesser of (a), (b), (c) and (d), the "**Maximum Amount**"). Notwithstanding anything to the contrary contained herein, the parties hereto agree that compliance with the limitations set forth in this Section 1 on the amount of Placement Shares issued and sold under this Agreement shall be the sole responsibility of the Company and that the Agent shall have no obligation in connection with such compliance. The offer and sale of Placement Shares through the Agent will be effected pursuant to the Registration Statement (as defined below) filed by the Company and which will be declared effective by the Securities and Exchange Commission (the "**Commission**"), although nothing in this Agreement shall be construed as requiring the Company to use the Registration Statement to issue Placement Shares.

The Company has prepared and filed, or will file, in accordance with the provisions of the Securities Act of 1933, as amended, and the rules and regulations thereunder (the "**Securities Act** "), with the Commission a registration statement on Form S-3,

including a base prospectus, relating to certain securities, including the Placement Shares to be issued from time to time by the Company, and which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "**Exchange Act**"). The Company has prepared a prospectus supplement to the base prospectus included as part of the registration statement, which prospectus supplement relates to the Placement Shares to be issued from time to time by the Company (the "**Sales Agreement Prospectus**"). The Company will furnish to the Agent, for use by the Agent, copies of the prospectus included as part of such registration statement, as may be supplemented by any prospectus supplement, relating to the Placement Shares to be issued from time to time by the Company. Except where the context otherwise requires, such registration statement(s), including all documents filed as part thereof or incorporated by reference therein, and including any information contained in the Prospectus (as defined below) subsequently filed with the Commission pursuant to Rule 424(b) under the Securities Act or deemed to be a part of such registration statement pursuant to Rule 430B of the Securities Act, and any one or more additional effective registration statements on Form S-3 from time to time that will contain a base prospectus and, if applicable, a related prospectus or prospectus supplement with respect to the Placement Shares, is herein called the "**Registration Statement**." The Registration Statement at the time it originally became effective is herein called the "**Original Registration Statement**." The base prospectus and the Sales Agreement Prospectus, including all documents incorporated therein by reference, included in the Registration Statement, as they may be supplemented, if necessary, by one or more prospectus supplements relating to the Placement Shares to be issued from time to time by the Company, in the form in which such prospectus supplement(s) have most recently been filed by the Company with the Commission pursuant to Rule 424(b) under the Securities Act, together with the then issued Issuer Free Writing Prospectus(es) (as defined below), is herein called the "**Prospectus**."

Any reference herein to the Registration Statement, the Sales Agreement Prospectus, the Prospectus or any Issuer Free Writing Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference therein (the "**Incorporated Documents**"), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, any prospectus supplement, the Prospectus or any Issuer Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act on or after the most-recent effective date of the Registration Statement, or the date of the prospectus supplement, Prospectus or such Issuer Free Writing Prospectus, as the case may be, and incorporated therein by reference. For purposes of this Agreement, all references to the Registration Statement, the Prospectus or to any amendment or supplement thereto shall be deemed to include the most recent copy filed with the Commission pursuant to its Electronic Data Gathering Analysis and Retrieval system, or if applicable, the Interactive Data Electronic Application system when used by the Commission (collectively, "**EDGAR**").

All references in this Agreement to financial statements and schedules and other information that is "contained," "included" or "stated" in the Registration Statement or the

Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that is incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

All references in this Agreement to the Registration Statement, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to EDGAR; all references in this Agreement to any Issuer Free Writing Prospectus (other than any Issuer Free Writing Prospectuses that, pursuant to Rule 433, are not required to be filed with the Commission) shall be deemed to include the copy thereof filed with the Commission pursuant to EDGAR; and all references in this Agreement to "supplements" to the Prospectus shall include, without limitation, any supplements, "wrappers" or similar materials prepared in connection with any offering, sale or private placement of any Placement Shares by the Agent outside of the United States.

2. Placements. Each time that the Company wishes to issue and sell Placement Shares hereunder (each, a "**Placement**"), it will notify the Agent by email notice (or other method mutually agreed to by the parties) of the number of Placement Shares to be issued, the time period during which sales are requested to be made, any limitation on the number of Placement Shares that may be sold in any one day and any minimum price below which sales of Placement Shares may not be made (a "**Placement Notice**"), the form of which is attached hereto as Schedule 1. The Placement Notice shall originate from any of the individuals authorized to act on behalf of the Company, which individuals have been identified by the Company on Schedule 3, (with a copy to each of the other individuals identified by the Company on such schedule), and shall be addressed to each of the individuals identified by the Agent on Schedule 3, as such Schedule 3 may be updated by either party from time to time by sending a written notice containing a revised Schedule 3 to the other party in the manner provided in Section 13. The Placement Notice shall be effective unless and until (i) in accordance with the notice requirements set forth in Section 4, the Agent declines in writing to accept the terms contained therein for any reason, in its sole discretion, (ii) all of the Placement Shares authorized to be sold under such Placement Notice have been sold, (iii) in accordance with the notice requirements set forth in Section 4, the Company suspends, amends, supersedes or terminates the Placement Notice, (iv) the Company issues a subsequent Placement Notice, (v) in accordance with the notice requirements set forth in Section 4, the Company suspends sales under or terminates the Placement Notice for any reason in its sole discretion, or (vi) this Agreement has been terminated under the provisions of Section 12. The amount of any discount, commission or other compensation to be paid by the Company to the Agent in connection with the sale of the Placement Shares shall be calculated in accordance with the terms set forth in Schedule 2. It is expressly acknowledged and agreed that neither the Company nor the Agent will have any obligation whatsoever with respect to a Placement or any Placement Shares unless and until the Company delivers a Placement Notice to the Agent and the Agent does not decline (and the Company does not suspend or terminate) such Placement Notice pursuant to the terms set forth above, and then only upon the terms specified therein and herein. In the event of a conflict between the terms of this Agreement and the terms of a Placement Notice, the terms of the Placement Notice will control. Subject to the provisions of Section 5(a), the Agent, for the period specified in the Placement Notice, will use its commercially reasonable efforts consistent with its normal trading and sales

practices and applicable state and federal laws, rules and regulations and the rules of the Nasdaq Global Select Market (the "**Exchange**"), to sell the Placement Shares up to the amount specified in, and otherwise in accordance with the terms of, such Placement Notice.

3. Sale of Placement Shares by the Agent. The Agent will provide written confirmation to the Company no later than the opening of the Trading Day (as defined below) immediately following the Trading Day on which it has made sales of Placement Shares hereunder setting forth the number of Placement Shares sold on such day, the compensation payable by the Company to the Agent pursuant to Section 2 with respect to such sales, and the Net Proceeds (as defined below) payable to the Company, with an itemization of the deductions made by the Agent (as set forth in Section 5(b)) from the gross proceeds that it receives from such sales. Subject to the terms of the Placement Notice, the Agent may sell Placement Shares (i) in negotiated transactions with the consent of the Company; (ii) as block transactions; or (iii) by any other method permitted by law deemed to be an "at the market offering" as defined in Rule 415(a)(4) of the Securities Act, including sales made directly on the Exchange or sales made into any other existing trading market of the Common Shares. The Company acknowledges and agrees that (i) there can be no assurance that the Agent will be successful in selling Placement Shares, (ii) the Agent will incur no liability or obligation to the Company or any other person or entity if it does not sell Placement Shares for any reason other than a failure by the Agent to use its commercially reasonable efforts consistent with its normal trading and sales practices to sell such Placement Shares as required under this Agreement and (iii) the Agent shall be under no obligation to purchase Placement Shares on a principal basis pursuant to this Agreement. "**Trading Day**" means any day on which Common Shares are traded on the Exchange.

4. Suspension of Sales. The Company or the Agent may, upon notice to the other party in writing (including by email correspondence to each of the individuals of the other party set forth on Schedule 3, if receipt of such correspondence is actually acknowledged by any of the individuals to whom the notice is sent, other than via auto-reply) or by telephone (confirmed immediately by verifiable facsimile transmission or email correspondence to each of the individuals of the other party set forth on Schedule 3), suspend any sale of Placement Shares (a "**Suspension**"); *provided*, *however*, that such Suspension shall not affect or impair any party's obligations with respect to any Placement Shares sold hereunder prior to the receipt of such notice. While a Suspension is in effect any obligation under Sections 7(l), 7(m), and 7(n) with respect to the delivery of certificates, opinions, or comfort letters to the Agent, shall be waived. Each of the parties agrees that no such notice under this Section 4 shall be effective against any other party unless it is made to one of the individuals identified on Schedule 3, as such Schedule may be updated by either party from time to time by sending a written notice containing a revised Schedule 3 to the other party in the manner provided in Section 13. Notwithstanding any other provision of this Agreement, during any period in which the Company is in possession of material non-public information, the Company and the Agent agree that (i) no sale of Placement Shares will take place, (ii) the Company shall not request the sale of any Placement Shares and shall cancel any effective Placement Notices instructing the Agent to make any sales, and (iii) the Agent shall not be obligated to sell or offer to sell any Placement Shares.

5. Settlement; Delivery to the Agent.

(a) Settlement of Placement Shares. Unless otherwise specified in the applicable Placement Notice, settlement for sales of Placement Shares will occur on the first (1st) Trading Day (or such earlier day as is industry practice or as is required for regular-way trading) following the date on which such sales are made (each, a "**Settlement Date**"). The Agent shall notify the Company of each sale of Placement Shares no later than the opening of the Trading Day immediately following the Trading Day on which it has made sales of Placement Shares hereunder. The amount of proceeds to be delivered to the Company on a Settlement Date against receipt of the Placement Shares sold (the "**Net Proceeds**") will be equal to the aggregate sales price received by the Agent, after deduction for (i) the Agent's commission, discount or other compensation for such sales payable by the Company pursuant to Section 2 hereof, (ii) any other amounts due and payable by the Company to the Agent hereunder pursuant to Section 8 hereof and (iii) any transaction fees imposed by any Governmental Authority in respect of such sales.

(b) Delivery of Placement Shares. On or before each Settlement Date, the Company will, or will cause its transfer agent to, electronically transfer the Placement Shares being sold by crediting the Agent's or its designee's account (provided the Agent shall have given the Company written notice of such designee on or prior to the Settlement Date) at The Depository Trust Company through its Deposit and Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties hereto which in all cases shall be freely tradeable, transferable, registered shares in good deliverable form. On each Settlement Date, the Agent will deliver the related Net Proceeds in same day funds to an account designated by the Company on, or prior to, the Settlement Date. If the Company, or its transfer agent (if applicable), defaults in its obligation to deliver Placement Shares on a Settlement Date, the Company agrees that, in addition to and in no way limiting the rights and obligations set forth in Section 10(a) hereto, it will (i) hold the Agent harmless against any loss, claim, damage, or reasonable and documented expense (including reasonable and documented legal fees and expenses), as incurred, arising out of or in connection with such default by the Company or its transfer agent (as applicable) and (ii) pay to the Agent any commission, discount, or other compensation to which it would otherwise have been entitled absent such default.

(c) Denominations; Registration. Certificates for the Placement Shares, if any, shall be in such denominations and registered in such names as the Agent may request in writing at least one full Business Day (as defined below) before the applicable Settlement Date. The certificates for the Placement Shares, if any, will be made available by the Company for examination and packaging by the Agent in The City of New York not later than noon (New York time) on the Business Day prior to the applicable Settlement Date.

(d) Limitations on Offering Size. Under no circumstances shall the Company cause or request the offer or sale of any Placement Shares if, after giving effect to the sale of such Placement Shares, the aggregate gross sales proceeds of Placement Shares

sold pursuant to this Agreement would exceed the lesser of (A) the Maximum Amount and (B) the amount authorized from time to time to be issued and sold under this Agreement by the Company's board of directors, a duly authorized committee thereof or a duly authorized executive committee (such entity, the "**Company Authorization Body**"). Under no circumstances shall the Company cause or request the offer or sale of any Placement Shares pursuant to this Agreement at a price lower than the minimum price authorized from time to time by the Company Authorization Body.

6. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with the Agent that as of the date of this Agreement and as of each Applicable Time (as defined below), unless such representation, warranty or agreement specifies a different time:

(a) Registration Statement and Prospectus. The Company and the transactions contemplated by this Agreement meet the requirements for and comply with the applicable conditions set forth in Form S-3 (including General Instructions I.A and I.B) under the Securities Act. The Registration Statement has been or will be filed with the Commission and has been or will be declared effective by the Commission under the Securities Act prior to the issuance of any Placement Notices by the Company. Prior to the delivery of the first Placement Notice and as of each Applicable Time thereafter, the Registration Statement is and will be effective. The Prospectus will name the Agent as the agent in the section entitled "Plan of Distribution." The Company has not received, and has no notice of, any order of the Commission preventing or suspending the use of the Registration Statement, or threatening or instituting proceedings for that purpose. The Registration Statement and the offer and sale of Placement Shares as contemplated hereby meet the requirements of Rule 415 under the Securities Act and comply in all material respects with said Rule. Any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been so described or filed. Copies of the Registration Statement, the Prospectus, and any such amendments or supplements and all documents incorporated by reference therein that were filed with the Commission on or prior to the date of this Agreement have been delivered, or are available through EDGAR, to the Agent and its counsel. The Company has not distributed and, prior to the later to occur of each Settlement Date and completion of the distribution of the Placement Shares, will not distribute any offering material in connection with the offering or sale of the Placement Shares other than the Registration Statement and the Prospectus and any Issuer Free Writing Prospectus to which the Agent has consented, and any such consent not to be unreasonably withheld, conditioned or delayed.

(b) No Misstatement or Omission. The Original Registration Statement and any Rule 462(b) Registration Statement has been or will be declared effective by the Commission or become effective under the Securities Act prior to the date on which any Placement Notice is delivered to Agent hereunder following such filing. The Company has complied to the Commission's satisfaction with all requests of the

Commission for additional or supplemental information, if any. No stop order suspending the effectiveness of the Registration Statement or any Rule 462(b) Registration Statement is in effect and no proceedings for such purpose have been instituted or are pending or, to the Company's knowledge, are contemplated or threatened by the Commission.

The Prospectus when filed complied in all material respects with the Securities Act and, if filed with the Commission through EDGAR (except as may be permitted by Regulation S-T under the Securities Act), was identical to the copy thereof delivered to the Agent for use in connection with the issuance and sale of the Placement Shares. Each of the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendment or supplement thereto, at the time it became or becomes effective and at each Representation Date, complied and will comply in all material respects with the Securities Act and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. As of the date of this Agreement, the Prospectus and any Free Writing Prospectus considered together (collectively, the "**Time of Sale Information**") did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Prospectus as of its date, did not, and at each Representation Date and each Settlement Date, the Prospectus, as amended or supplemented, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The representations and warranties set forth in the three immediately preceding sentences do not apply to statements in or omissions from the Registration Statement, any Rule 462(b) Registration Statement, or any post-effective amendment or supplement thereto, or the Prospectus, or any amendments or supplements thereto, or the Time of Sale Information, made in reliance upon and in conformity with information relating to the Agent furnished to the Company in writing by the Agent expressly for use therein, it being understood and agreed that the only such information furnished by the Agent to the Company consists of the information described in Section 10 below. There are no contracts or other documents required to be described in the Prospectus or to be filed as exhibits to the Registration Statement which have not been described or filed as required. The Registration Statement and the offer and sale of the Placement Shares as contemplated hereby meet the requirements of Rule 415 under the Securities Act and comply in all material respects with said rule.

(c) Ineligible Issuer Status. The Company is not an "ineligible issuer" in connection with the offering of the Placement Shares pursuant to Rules 164, 405 and 433 under the Securities Act. Any Issuer Free Writing Prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act. Each Issuer Free Writing Prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or

on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of Rule 433 under the Securities Act including timely filing with the Commission or retention where required and legending, and each such Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the issuance and sale of the Placement Shares did not, does not and will not include any information that conflicted, conflicts with or will conflict with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein. Except for the Issuer Free Writing Prospectuses, if any, and electronic road shows, if any, furnished to you before first use, the Company has not prepared, used or referred to, and will not, without your prior consent, which consent shall not be unreasonably withheld or delayed, prepare, use or refer to, any Issuer Free Writing Prospectus.

(d) Incorporated Documents. The documents incorporated or deemed to be incorporated by reference in the Registration Statement and the Prospectus, at the time they were filed with the Commission, complied in all material respects with the requirements of the Securities Act or the Exchange Act, as applicable, and, when read together with the other information in the Prospectus, do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(e) Exchange Act Compliance. The documents incorporated or deemed to be incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, and any Issuer Free Writing Prospectus or amendment or supplement thereto complied and will comply in all material respects with the requirements of the Exchange Act, and, when read together with the other information in the Prospectus, at the time the Registration Statement and any amendments thereto become effective and at each Time of Sale, as the case may be, will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) Statistical and Market-Related Data. All statistical, demographic and market-related data included in the Registration Statement or the Prospectus are based on or derived from sources that the Company believes, after reasonable inquiry, to be reliable and accurate in all material respects. To the extent required, the Company has obtained the written consent for the use of such data from such sources.

(g) Company's Accounting System. The Company and each of its subsidiaries make and keep accurate books and records in all material respects and maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles, as applied in the United States, and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific

authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement and the Prospectus fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto. Since the end of the Company's most recent audited fiscal year, there have been no significant deficiencies or material weaknesses in the Company's internal control over financial reporting (whether or not remediated) and no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is not aware of any change in its internal control over financial reporting that has occurred during its most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(h) Disclosure Controls. The Company maintains disclosure controls and procedures (as such is defined in Rule 13a-15(e) of the Exchange Act Rules) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management to allow timely decisions regarding disclosures. The Company has conducted evaluations of the effectiveness of its disclosure controls as required by Rule 13a-15 of the Exchange Act.

(i) This Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(j) Authorization of the Placement Shares. The Placement Shares have been duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered by the Company against payment therefor pursuant to this Agreement, will be validly issued, fully paid and nonassessable, and the issuance and sale of the Placement Shares is not subject to any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase any Placement Shares.

(k) No Applicable Registration or Other Similar Rights. There are no persons with registration or other similar rights to have any equity or debt securities registered for sale under the Registration Statement or included in the offering contemplated by this Agreement, except for such rights as have been duly waived.

(l) No Material Adverse Change. Except as otherwise disclosed in the Registration Statement and the Prospectus, subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus: (i) there has been no material adverse change, or any development that could be expected to result in a material adverse change, in (A) the condition, financial or otherwise, or

in the earnings, business, properties, operations, operating results, assets, liabilities or prospects, whether or not arising from transactions in the ordinary course of business, of the Company and the Subsidiary (as defined below), considered as one entity or (B) the ability of the Company to consummate the transactions contemplated by this Agreement or perform its obligations hereunder (any such change being referred to herein as a "**Material Adverse Change**"); (ii) the Company and the Subsidiary, considered as one entity, have not incurred any material liability or obligation, indirect, direct or contingent, including without limitation any losses or interference with their business from fire, explosion, flood, earthquakes, accident or other calamity, whether or not covered by insurance, or from any strike, labor dispute or court or governmental action, order or decree, that are material, individually or in the aggregate, to the Company and the Subsidiary, considered as one entity, and have not entered into any transactions not in the ordinary course of business; and (iii) there has not been any material decrease in the share capital or any material increase in any short-term or long-term indebtedness of the Company or the Subsidiary and there has been no dividend or distribution of any kind declared, paid or made by the Company or, except for dividends paid to the Company, by the Subsidiary on any class of share capital, or any repurchase or redemption by the Company or the Subsidiary of any class of share capital.

(m) Independent Accountants. PricewaterhouseCoopers LLP, which has expressed its opinion with respect to the financial statements (which term as used in this Agreement includes the related notes thereto) or reviewed the financial statements, each as filed with the Commission as a part of the Registration Statement and the Prospectus, is (i) an independent registered public accounting firm as required by the Securities Act, the Exchange Act, and the rules of the Public Company Accounting Oversight Board ("**PCAOB**"), (ii) in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X under the Securities Act and (iii) a registered public accounting firm as defined by the PCAOB whose registration has not been suspended or revoked and who has not requested such registration to be withdrawn.

(n) Financial Statements. The financial statements filed with the Commission as a part of the Registration Statement and the Prospectus present fairly, in all material respects, the consolidated financial position of the Company and the Subsidiary as of and at the dates indicated and the results of their operations, changes in shareholders' equity and cash flows for the periods specified. Such financial statements have been prepared in conformity with generally accepted accounting principles as applied in the United States applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto, and except in the case of unaudited financial statements, which are subject to normal and recurring year-end adjustments and do not contain all footnotes as permitted by the applicable rules of the Commission. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and

guidelines applicable thereto. No other financial statements or supporting schedules are required to be included in the Registration Statement or the Prospectus. To the Company's knowledge, no person who has been suspended or barred from being associated with a registered public accounting firm, or who has failed to comply with any sanction pursuant to Rule 5300 promulgated by the PCAOB, has participated in or otherwise aided the preparation of, or audited, the financial statements or other financial data filed with the Commission as a part of the Registration Statement and the Prospectus.

(o) Company's Accounting System. The Company and the Subsidiary make and keep books and records that are accurate in all material respects and maintain a system of internal accounting controls designed to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement and the Prospectus fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(p) Incorporation and Valid Existence of the Company. The Company has been duly continued and is validly existing as a corporation under the Business Corporations Act (Québec) and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Prospectus and to enter into and perform its obligations under this Agreement.

(q) Subsidiaries. The Company has no "significant subsidiaries" (as defined in Rule 1-02 of Regulation S-X under the Securities Act). The Company has no subsidiaries (for purposes of this Agreement, as defined in Rule 405 under the Securities Act) other than Milestone Pharmaceuticals USA, Inc., a Delaware corporation (the "**Subsidiary**"). The Subsidiary has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware and has the power and authority (corporate or other) to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Prospectus. The Subsidiary is duly qualified as a foreign corporation to transact business and is in good standing in the State of North Carolina and each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to be so qualified or in good standing would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. All of the issued and outstanding shares of capital stock or other equity or ownership interests

of the Subsidiary have been duly authorized and validly issued, are fully paid and nonassessable and are owned by the Company directly free and clear of any security interest, mortgage, pledge, lien, encumbrance or adverse claim. None of the outstanding capital stock of the Subsidiary was issued in violation of preemptive or similar rights of any security holder of the Subsidiary. The organizational documents of the Subsidiary comply in all material respects with the requirements of applicable laws of its jurisdiction of incorporation and are in full force and effect. The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the Subsidiary.

(r) Capitalization and Other Share Capital Matters. The authorized, issued and outstanding share capital of the Company is as set forth in the Registration Statement and the Prospectus (other than for subsequent issuances, if any, pursuant to employee benefit plans, or upon the exercise of outstanding options or warrants, in each case described in the Registration Statement and the Prospectus). The Common Shares (including the Placement Shares) conform in all material respects to the description thereof contained in the Prospectus. All of the issued and outstanding Common Shares have been duly authorized and validly issued, are fully paid and nonassessable and have been issued in compliance with all U.S. and Canadian federal, state and provincial securities laws. None of the outstanding Common Shares were issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any share capital of the Company or the Subsidiary other than those described in the Registration Statement and the Prospectus. The descriptions of the Company's share option, share bonus and other share plans or arrangements, and the options or other rights granted thereunder, set forth in the Registration Statement and the Prospectus accurately and fairly presents, in all material respects, the information required to be shown with respect to such plans, arrangements, options and rights.

(s) Stock Exchange Listing. The Common Shares are registered pursuant to Section 12(b) or 12(g) of the Exchange Act and are listed on the Exchange, and the Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Shares under the Exchange Act or delisting the Common Shares from the Exchange, nor has the Company received any notification that the Commission or the Exchange is contemplating terminating such registration or listing. To the Company's knowledge, it is in compliance with all applicable listing requirements of the Exchange.

(t) Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required. Neither the Company nor the Subsidiary is in violation of its articles or by-laws or similar organizational documents, as applicable, or is in default (or, with the giving of notice or lapse of time, would be in default) ("**Default**") under any indenture, loan, credit agreement, note, lease, license agreement, contract, franchise or other instrument (including, without limitation,

any pledge agreement, security agreement, mortgage or other instrument or agreement evidencing, guaranteeing, securing or relating to indebtedness) to which the Company or the Subsidiary is a party or by which it or any of them may be bound, or to which any of their respective properties or assets are subject (each, an "**Existing Instrument**"), except for such Defaults as could not be expected, individually or in the aggregate, to result in a Material Adverse Change. The Company's execution, delivery and performance of this Agreement, consummation of the transactions contemplated hereby and by the Registration Statement and the Prospectus and the issuance and sale of the Placement Shares (including the use of proceeds from the sale of the Placement Shares as described in the Registration Statement and the Prospectus under the caption "Use of Proceeds") (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the articles or by-laws or similar organizational documents, as applicable, of the Company or the Subsidiary (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or the Subsidiary pursuant to, or require the consent of any other party to, any Existing Instrument and (iii) will not result in any violation of any law, administrative regulation or administrative or court decree applicable to the Company or the Subsidiary, except in the case of (ii) and (iii) as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency, is required for the Company's execution, delivery and performance of this Agreement and consummation of the transactions contemplated hereby and by the Registration Statement and the Prospectus, except such as have been obtained or made by the Company and are in full force and effect under the Securities Act and such as may be required under applicable state securities or blue sky laws or FINRA (as defined below). As used herein, a "**Debt Repayment Triggering Event**" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or the Subsidiary.

(u) No Material Actions or Proceedings. Except as otherwise disclosed in the Prospectus, there is no action, suit, proceeding, inquiry or investigation brought by or before any legal or governmental entity now pending or, to the Company's knowledge, threatened, against or affecting the Company or the Subsidiary, which would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. No material labor dispute with the employees of the Company or the Subsidiary, or with the employees of any principal supplier, manufacturer, customer or contractor of the Company, exists or, to the Company's knowledge, is threatened or imminent.

(v) Intellectual Property Rights. The Company and the Subsidiary own, or have obtained valid and enforceable licenses, if any, for, the inventions, patent

applications, patents, trademarks, trade names, service names, copyrights, trade secrets and other intellectual property described in the Registration Statement and the Prospectus as being owned or licensed by them or which are necessary for the conduct of their respective businesses as currently conducted or as currently proposed to be conducted (collectively,

"**Intellectual Property**"), except where the failure to have such Intellectual Property would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Change. To the Company's knowledge: (i) there are no third parties who have rights to any Intellectual Property that is disclosed in the Registration Statement and the Prospectus; and (ii) there is no infringement by third parties of any Intellectual Property. There is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others: (A) challenging the Company's rights in or to any Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; (B) challenging the validity, enforceability or scope of any material Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim; or (C) asserting that the Company or the Subsidiary infringes or otherwise violates, or would, upon the commercialization of any product or service described in the Registration Statement or the Prospectus as under development, infringe or violate, any patent, trademark, trade name, service name, copyright, trade secret or other proprietary rights of others, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding or claim. The product candidates described in the Registration Statement and the Prospectus as under development by the Company or the Subsidiary fall within the scope of the claims of one or more patents owned by, or exclusively licensed to, the Company or the Subsidiary.

(w) IT Systems. The Company and the Subsidiary's information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems**") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and the Subsidiary as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and the Subsidiary have implemented and maintained commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data, including "Personal Data," used in connection with their businesses. "**Personal Data**" means (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (ii) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; (iii) "personal data" as defined by GDPR; (iv) any information which would qualify as "protected health information" under the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for

Economic and Clinical Health Act (collectively, "**HIPAA**"); and (v) any other piece of information that permits the collection or analysis of any data related to an identified person's health or sexual orientation. There have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company and the Subsidiary are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification.

(x) Privacy Laws. The Company and the Subsidiary have complied and are presently in compliance, in all material respects, with all applicable state and federal data privacy and security laws and regulations, including without limitation HIPAA, and the Company and the Subsidiary have taken commercially reasonable actions to prepare to comply with, and since May 25, 2018, have been and currently are in compliance with, the European Union General Data Protection Regulation ("**GDPR**") (EU 2016/679) (collectively, the "**Privacy Laws**"). To ensure compliance with the Privacy Laws, the Company and the Subsidiary have in place, comply with, and take appropriate steps reasonably designed to ensure compliance in all material respects with their policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the "**Policies**"). The Company and the Subsidiary have at all times made all disclosures to users or customers required by applicable laws and regulatory rules or requirements, and none of such disclosures made or contained in any Policy have, to the knowledge of the Company, been inaccurate or in violation of any applicable laws and regulatory rules or requirements in any material respect. The Company further certifies that neither it nor the Subsidiary: (i) has received notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

(y) All Necessary Permits, etc. Except as otherwise disclosed in the Prospectus, the Company and the Subsidiary possess such valid and current certificates, authorizations or permits required by state, federal, provincial or foreign regulatory agencies or bodies to conduct their respective businesses as currently conducted and as described in the Registration Statement or the Prospectus ("**Permits**"), except where the failure to so possess would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. Neither the Company nor the Subsidiary is in violation of, or in default under, any of the Permits or has received any notice of proceedings relating to the revocation or

modification of, or non-compliance with, any such certificate, authorization or permit, except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change.

(z) Title to Properties. Except as otherwise disclosed in the Prospectus, the Company and the Subsidiary have good and marketable title to all of the real and personal property or, in Québec, good and valid title to all real property and all personal property and other assets reflected as owned in the financial statements referred to in Section 6(n) above (or elsewhere in the Registration Statement or the Prospectus, in each case free and clear of any security interests, mortgages, liens, encumbrances, equities, adverse claims and other defects, except where the failure to so possess would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. The real property, improvements, equipment and personal property held under lease by the Company or the Subsidiary are held under valid and enforceable leases, with such exceptions as are not material and do not materially interfere with the use made or proposed to be made of such real property, improvements, equipment or personal property by the Company or the Subsidiary.

(aa) Tax Law Compliance. The Company and the Subsidiary have filed all U.S. and Canadian federal and material state, provincial, municipal and local and any other foreign tax returns that are required to be filed or have properly requested extensions thereof and have paid all taxes required to be paid by any of them and, if due and payable, any related or similar assessment, fine or penalty levied against any of them except as may be contested in good faith and by appropriate proceedings and except where the failure to file or pay would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change. The Company has made adequate charges, accruals and reserves in the applicable financial statements referred to in Section 6(n) above in respect of all U.S. and Canadian federal, state, provincial, municipal, local and foreign taxes for all periods as to which the tax liability of the Company or the Subsidiary has not been finally determined, except where the failure to make such adequate charge, accrual or reserve would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change.

(bb) Company Not an "Investment Company." The Company is not, and will not be, either after receipt of payment for the Placement Shares or after the application of the proceeds therefrom as described under "Use of Proceeds" in the Registration Statement or the Prospectus, required to register as an "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(cc) Insurance. Except as otherwise disclosed in the Prospectus, each of the Company and the Subsidiary are insured by recognized, financially sound and reputable institutions with policies in such amounts and with such deductibles and covering such risks as are generally deemed adequate and customary for their businesses including, but not limited to, policies covering material real and personal property owned or leased by the Company and the Subsidiary against theft, damage,

destruction, acts of vandalism and earthquakes and policies covering the Company and the Subsidiary for product liability claims and clinical trial liability claims. The Company has no reason to believe that it or the Subsidiary will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that could not reasonably be expected to result in a Material Adverse Change. Neither the Company nor the Subsidiary has been denied any insurance coverage which it has sought or for which it has applied.

(dd) No Price Stabilization or Manipulation; Compliance with Regulation M. Neither the Company nor the Subsidiary has taken, directly or indirectly, and excluding any activities by the Agent, any action designed to or that might cause or result in stabilization or manipulation of the price of the Common Shares or of any "reference security" (as defined in Rule 100 of Regulation M under the Exchange Act ("**Regulation M**")) with respect to the Common Shares, whether to facilitate the sale or resale of the Placement Shares or otherwise, and has taken no action which would directly or indirectly violate Regulation M.

(ee) Related Party Transactions. There are no business relationships or related-party transactions involving the Company or the Subsidiary or any other person required to be described in the Registration Statement or the Prospectus which have not been described as required.

(ff) No Applicable Registration or Other Similar Rights. There are no persons with registration or other similar rights to have any equity or debt securities registered for sale under the Registration Statement.

(gg) PFIC. The Company was not classified as a passive foreign investment company within the meaning of Section 1297 of the Code (as defined below) for the taxable year ended December 31, 2025.

(hh) Forward-Looking Statements. Each financial or operational projection or other "forward-looking statement" (as defined by Section 27A of the Securities Act or Section 21E of the Exchange Act) contained in the Registration Statement or the Prospectus (i) was so included by the Company in good faith and with reasonable basis after due consideration by the Company of the underlying assumptions, estimates and other applicable facts and circumstances and (ii) as required, is accompanied by meaningful cautionary statements identifying those factors that could cause actual results to differ materially from those in such forward-looking statement. No such statement was made with the knowledge of an "officer" (within the meaning of Rule 16a-1(f) under the Exchange Act) or director of the Company that it was false or misleading.

(ii) FINRA Matters. All of the information provided to the Agent or to counsel for the Agent by the Company, and, to the Company's knowledge, its officers and directors, its counsel and the holders of any securities (debt or equity) or options to acquire any securities of the Company in connection with the offering of the

Placement Shares is true, complete and correct in all material respects and compliant with Financial Industry Regulatory Authority, Inc.'s ("**FINRA**") rules and any letters, filings or other supplemental information provided to FINRA pursuant to FINRA Rules or NASD Conduct Rules is true, complete and correct in all material respects. The Company qualifies as an "experienced issuer" (within the meaning of FINRA Conduct Rule 5110(j)(6)) for purposes of the exemption from filing under FINRA Conduct Rule 5110(h)(1)(C)..

(jj) No Unlawful Contributions or Other Payments. Except as otherwise disclosed in the Prospectus, neither the Company nor the Subsidiary nor, to the Company's knowledge, any employee or agent of the Company or the Subsidiary, has made any contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office in violation of any law or of the character required to be disclosed in the Registration Statement and the Prospectus.

(kk) Compliance with Environmental Laws. Except as described in the Prospectus and except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Change; (i) neither the Company nor the Subsidiary is in violation of any federal, state, provincial, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"), (ii) the Company and the Subsidiary have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (iii) there are no pending or, to the Company's knowledge, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or the Subsidiary and (iv) to the Company's knowledge, there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or the Subsidiary relating to Hazardous Materials or any Environmental Laws.

(ll) ERISA and Pension Compliance. Except as otherwise disclosed in the Prospectus, the Company and the Subsidiary and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "**ERISA**")) established or maintained by the Company, the Subsidiary or their "ERISA Affiliates" (as defined below) are in compliance in all material respects with

ERISA. "**ERISA Affiliate**" means, with respect to the Company or the Subsidiary, any member of any group of organizations described in Sections 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "**Code**") of which the Company or the Subsidiary is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company, the Subsidiary or any of their ERISA Affiliates. No "employee benefit plan" established or maintained by the Company, the Subsidiary or any of their ERISA Affiliates, if such "employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither the Company, the Subsidiary nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each "employee benefit plan" established or maintained by the Company, the Subsidiary or any of their ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification. Neither the Company nor the Subsidiary has any actual or contingent liability or obligation to or in respect of any employee benefit plan with a "defined benefit provision" (within the meaning of subsection 147.1(1) of the Income Tax Act (Canada)), or any other plan that is required to be registered pursuant to applicable pension benefit standards legislation of provincial or federal jurisdiction in Canada, including without limitation the Supplemental Pension Plans Act (Québec).

(mm) Brokers. Except as otherwise disclosed in the Prospectus, there is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(nn) No Outstanding Loans or Other Extensions of Credit. The Company does not have any outstanding extension of credit, in the form of a personal loan, to or for any director or executive officer (or equivalent thereof) of the Company except for such extensions of credit as are expressly permitted by Section 13(k) of the Exchange Act.

(oo) [Reserved].

(pp) Dividend Restrictions. Except as disclosed in the Prospectus, the Subsidiary is not prohibited or restricted, directly or indirectly, from paying dividends to the Company, or from making any other distribution with respect to the Subsidiary's equity securities or from repaying to the Company any amounts that may from time to time become due under any loans or advances to the Subsidiary from the Company or from transferring any property or assets to the Company.

(qq) Anti-Corruption and Anti-Bribery Laws. Neither the Company nor the Subsidiary nor, to the Company's knowledge, any director, officer, employee, agent, affiliate or other person acting on behalf of the Company or the Subsidiary, has (i) used any

corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) made any direct or indirect unlawful payment to foreign or domestic government officials or employees, political parties or campaigns, political party officials, or candidates for political office from corporate funds, (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), the Corruption of Foreign Public Officials Act (Canada), the UK Bribery Act 2010, or any applicable anti-corruption laws, rules, or regulation of any other jurisdiction in which the Company or the Subsidiary conducts business, or (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback, or other unlawful payment to any person. The Company and the Subsidiary and, to the knowledge of the Company, the Company's affiliates have conducted their respective businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(rr) Statistical and Market Data. All statistical, demographic and market-related data included in the Registration Statement or the Prospectus are based on or derived from sources that the Company reasonably believes to be reliable and accurate in all material respects. To the extent required, the Company has obtained the written consent to the use of such data from such sources.

(ss) Money Laundering Laws. The operations of the Company and the Subsidiary are and have been conducted at all times in compliance with all applicable financial recordkeeping and reporting requirements, including those of the U.S. Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company and the Subsidiary conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or the Subsidiary with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(tt) Clinical Data and Regulatory Compliance. The preclinical tests and clinical trials, and other studies (collectively, "studies") that are described in, or the results of which are referred to in, the Registration Statement or the Prospectus were and, if still pending, are being conducted in all material respects in accordance with the protocols, procedures and controls designed and approved for such studies and with standard medical and scientific research procedures; each description of the results of such studies is accurate and complete in all material respects and fairly presents the data derived from such studies, and the Company and the Subsidiary have no knowledge of any other studies the results of which are inconsistent with, or otherwise call into question, the results described or referred to in the Registration

Statement or the Prospectus; the Company and the Subsidiary have made all such filings and obtained all such approvals as may be required for the conduct of its business by the Food and Drug Administration of the U.S. Department of Health and Human Services or any committee thereof or from any other U.S. or foreign government or drug or medical device regulatory agency, or health care facility Institutional Review Board (collectively, the "**Regulatory Agencies**"); neither the Company nor the Subsidiary has received any notice of, or correspondence from, any Regulatory Agency requiring the termination, suspension or modification of any clinical trials that are described or referred to in the Registration Statement or the Prospectus; and the Company and the Subsidiary have each operated and currently are in compliance in all material respects with all applicable rules, regulations and policies of the Regulatory Agencies.

(uu) Sanctions.

(i) Neither the Company nor the Subsidiary, nor any director, officer or employee thereof, nor, to the Company's knowledge, any agent, affiliate, representative or other person acting on behalf of the Company or the Subsidiary, is an individual or entity ("**Person**") that is, or is owned or controlled by a Person that is: (i) the subject of any economic, financial or trade sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**"), the United Nations Security Council ("**UNSC**"), the European Union ("**EU**"), His Majesty's Treasury ("**HMT**"), Global Affairs Canada, the Swiss Secretariat of Economic Affairs, or other relevant sanctions authority (collectively, "**Sanctions**"), nor (ii) located, organized or resident in a country or territory that is the subject of a U.S. government or Canadian government embargo (including, without limitation, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Crimea Region of Ukraine, the non-government controlled areas of the Zaporizhzhia and Kherson Regions, Cuba, Iran, North Korea and Syria).

(ii) The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to the Subsidiary, or any joint venture partner or other Person: (i) to fund or facilitate any activities or business of or with any Person that, at the time of such funding or facilitation, is the subject of Sanctions, or in any country or territory that, at the time of such funding or facilitation, is the subject of a U.S. government or Canadian government embargo; or (ii) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) Since April 24, 2019, the Company and the Subsidiary have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any direct or indirect dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject of Sanctions or any country

or territory that, at the time of the dealing or transaction is or was the subject of a U.S. government embargo.

(vv) Export and Import Laws. Each of the Company and the Subsidiary, and, to the Company's knowledge, each of their affiliates and any director, officer, agent or employee of the Company has acted at all times in compliance with applicable Export and Import Laws (as defined below) applicable to the Company except, in each case, as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Change, and there are no claims, complaints, charges, investigations or proceedings pending or expected or, to the knowledge of the Company, threatened between the Company or the Subsidiary and any governmental authority under any Export or Import Laws. The term "Export and Import Laws" means the Arms Export Control Act, the International Traffic in Arms Regulations, the Export Administration Act of 1979, as amended, the Export Administration Regulations, and all other laws and regulations of the United States government regulating the provision of services to non-U.S. parties or the export and import of articles or information from and to the United States of America, and all similar laws and regulations of any foreign government regulating the provision of services to parties not of the foreign country or the export and import of articles and information from and to the foreign country to parties not of the foreign country.

(ww) Sarbanes-Oxley. There is, and has been, no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply in all material respects with any applicable provision of the Sarbanes-Oxley Act and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(xx) Canadian Reporting Issuer. The Company is a reporting issuer in the Province of Québec and is not on the list of defaulting reporting issuers maintained by the the *Autorité des marchés financiers* (Québec) ("**AMF**"). The Company has not filed any confidential material changes reports that remain confidential at the date hereof.

(yy) Québec Securities Laws. The Company has complied with the securities laws of the Province of Québec, including the rules and regulations made thereunder together with applicable published national and local instruments, policy statements, notices, blanket rulings and orders of the AMF, and all discretionary rulings and orders applicable to the Company, if any, of the Canadian securities commissions required to be complied with by the Company in order to sell the Placement Shares outside Canada as contemplated by this Agreement. To the Company's knowledge, no order, ruling or decision of any court or any securities regulatory authority in Canada is in effect that restricts or ceases trades in securities of the Company.

(zz) Section 12 Order. The Company has obtained from the AMF an order under Section 12 of the *Securities Act* (Québec) (the "**Québec Securities Act**") allowing the sales thereunder of Common Shares to persons established outside the Province of

Québec, Canada. The Company will file such documents as may be required by the laws of the Province of Québec so that an order under Section 12 of the Québec Securities Act is in effect for so long as required for the distribution of the Placement Shares.

(aaa) Duties, Transfer Taxes, Etc. No stamp or other issuance or transfer taxes or duties and no capital gains, income, withholding or other taxes are payable by the Agent in the United States or any political subdivision or taxing authority thereof or therein in connection with the execution, delivery or performance of this Agreement by the Company or the sale and delivery by the Company of the Placement Shares.

(bbb) Cybersecurity. (i) To the Company's knowledge, there has been no security breach or other compromise of or relating to any of the information technology and computer systems, networks, hardware, software, data, equipment or technology owned, held or used by or for the Company (including the data of its customers, employees, suppliers, vendors and any third party data maintained by or on behalf of the Company) (collectively, the "**IT Systems and Data**"), (ii) the Company has not been notified of, and has no knowledge of any event or condition that would reasonably be expected to result in, any material security breach or other material compromise to the IT Systems and Data; (iii) the Company has complied, and is presently in compliance, with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to (x) the collection, use, transfer, storage, protection, disposal and/or disclosure of personally identifiable information collected from or provided by third parties, (y) the privacy and security of the IT Systems and Data and (z) the protection of the IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not reasonably be expected, in the case of this clause (iii), individually or in the aggregate, result in a Material Adverse Change; and (iv) the Company has taken commercially reasonable steps to protect the IT Systems and Data, including by implementing backup, security and disaster recovery plans, procedures and technology consistent with industry standards and practices.

(ccc) Submission to Jurisdiction. The Company has the power to submit, and pursuant to Section 19 of this Agreement, has legally, validly, effectively and irrevocably submitted, to the personal jurisdiction of the courts specified in Section 18 hereof, and the Company has the power to designate, appoint and authorize, and pursuant to Section 19 of this Agreement, has legally, validly, effectively and irrevocably designated, appointed and authorized an agent for service of process in any action arising out of or relating to this Agreement or the Placement Shares in any court specified in Section 18 hereof, and service of process effected on such authorized agent will be effective to confer valid personal jurisdiction over the Company as provided in Section 19 hereof.

(ddd) Judgment. The courts of Canada would recognize as a valid judgment any final monetary judgment obtained against the Company in the courts of the State of New York.

(eee) Immunity. Neither the Company nor the Subsidiary nor any of its or their properties or assets has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) under the federal laws of Canada or the laws of the Province of Québec. The irrevocable and unconditional waiver and agreement of the Company contained in Section 18 hereof not to plead or claim any such immunity in any legal action, suit or proceeding based on this Agreement is valid and binding under the federal laws of Canada and the laws of the Province of Québec.

(fff) Choice of Law. The choice of law of the State of New York as the governing law of this Agreement is a valid choice of law under the laws of the Province of Québec and will be honored by the courts of Québec. The Company has the power to submit, and pursuant to Section 19 hereof has, to the extent permitted by law, legally, validly, effectively and irrevocably submitted, to the jurisdiction of the courts specified in Section 18 hereof.

(ggg) Other Underwriting Agreements. The Company is not a party to any agreement with an agent or underwriter for any other "at the market" or continuous equity transaction.

Any certificate signed by an officer of the Company and delivered to the Agent or to counsel for the Agent pursuant to or in connection with this Agreement shall be deemed to be a representation and warranty by the Company, as applicable, to the Agent as to the matters set forth therein.

7. Covenants of the Company. The Company covenants and agrees with the Agent that:

(a) Registration Statement Amendments. After the date of this Agreement and during any period in which a Prospectus relating to any Placement Shares is required to be delivered by the Agent under the Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act or similar rule), (i) the Company will notify the Agent promptly of the time when any subsequent amendment to the Registration Statement has been filed with the Commission and/or has become effective, any Rule 462(b) Registration Statement has been filed with the Commission or any subsequent supplement to the Prospectus has been filed and of any request by the Commission for any amendment or supplement to the Registration Statement or Prospectus or for additional information (*provided*, *however*, that that the Company shall not be obligated to notify the Agent of the filing of any Incorporated Documents which do not discuss this Agreement, the Placement or the Agent), (ii) the Company will prepare and file with the Commission, promptly upon the Agent's reasonable request, any amendments or supplements to the Registration Statement or Prospectus that, in the Agent's reasonable opinion, may be necessary or advisable in connection with the distribution of the Placement Shares by the Agent (*provided*, *however*, that the failure of the Agent to make such request shall not relieve the Company of any obligation or liability hereunder, or affect the Agent's right to rely on the representations and warranties made by the Company in this Agreement and

provided, *further*, that the only remedy the Agent shall have with respect to the failure by the Company to make such filing (but without limiting the Agent's rights under Section 10 hereof) shall be to cease making sales under this Agreement until such amendment or supplement is filed); (iii) the Company will not file any amendment or supplement to the Registration Statement or Prospectus or any Rule 462(b) Registration Statement relating to the Placement Shares or a security convertible into or exchangeable or exercisable for the Placement Shares unless a copy thereof has been submitted to the Agent within a reasonable period of time before the filing and the Agent has not objected thereto (*provided*, *however*, that the failure of the Agent to make such objection shall not relieve the Company of any obligation or liability hereunder, or affect the Agent's right to rely on the representations and warranties made by the Company in this Agreement and *provided*, *further*, that the only remedy the Agent shall have with respect to the failure by the Company to obtain such consent (but without limiting the Agent's rights under Section 10 hereof) shall be to cease making sales under this Agreement) and the Company will furnish to the Agent at the time of filing thereof a copy of any Incorporated Documents, except for those documents available via EDGAR; and (iv) the Company will cause each amendment or supplement to the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the Securities Act or, in the case of Incorporated Documents, to be filed with the Commission as required pursuant to the Exchange Act, within the time period prescribed (the determination to file or not file any amendment or supplement with the Commission under this Section 7(a), based on the Company's reasonable opinion or reasonable objections, shall be made exclusively by the Company).

(b) Notice of Commission Stop Orders. The Company will advise the Agent, promptly after it receives notice or obtains knowledge thereof, of the issuance or threatened issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any Rule 462(b) Registration Statement, of the suspension of the qualification of the Placement Shares for offering or sale in any jurisdiction, or of the initiation or threatening of any proceeding for any such purpose; and it will promptly use its commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such a stop order should be issued. The Company will advise the Agent promptly after it receives any request by the Commission for any amendments to the Registration Statement or any Rule 462(b) Registration Statement or any amendment or supplements to the Prospectus or any Issuer Free Writing Prospectus or for additional information related to the offering of the Placement Shares or for additional information related to the Registration Statement, any Rule 462(b) Registration Statement, the Prospectus or any Issuer Free Writing Prospectus.

(c) Delivery of Prospectus; Subsequent Changes. During any period in which a Prospectus relating to the Placement Shares is required to be delivered by the Agent under the Securities Act with respect to the offer and sale of the Placement Shares, (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act or a similar rule), the Company will comply with

all requirements imposed upon it by the Securities Act, as from time to time in force, and will file on or before their respective due dates all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Sections 13(a), 13(c), 14, 15(d) or any other provision of or under the Exchange Act. If the Company has omitted any information from the Registration Statement pursuant to Rule 430B under the Securities Act, it will use its best efforts to comply with the provisions of and make all requisite filings with the Commission pursuant to said Rule 430B and to notify the Agent promptly of all such filings and to notify the Agent promptly of all such filings if not available on EDGAR. If during such period any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances then existing, not misleading, or if during such period it is necessary to amend or supplement the Registration Statement or Prospectus to comply with the Securities Act, the Company will promptly notify the Agent to suspend the offering of Placement Shares during such period and the Company will promptly amend or supplement the Registration Statement or Prospectus (at the expense of the Company) so as to correct such statement or omission or effect such compliance (*provided*, *however*, that the only remedy the Agent shall have with respect to the failure by the Company to file such amendment or supplement to the Registration Statement or Prospectus (but without limiting the Agent's rights under Section 10 hereof) shall be to cease making sales under this Agreement).

(d) Listing of Placement Shares. During any period in which the Prospectus relating to the Placement Shares is required to be delivered by the Agent under the Securities Act with respect to a pending sale of the Placement Shares (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act), the Company will use its commercially reasonable efforts to maintain the listing of the Placement Shares or to cause the Placement Shares to be listed on the Exchange, as applicable.

(e) Delivery of Registration Statement and Prospectus. The Company will furnish to the Agent and its counsel (at the expense of the Company) copies of the Registration Statement, the Prospectus (including all documents incorporated by reference therein) and all amendments and supplements to the Registration Statement or Prospectus that are filed with the Commission during any period in which a Prospectus relating to the Placement Shares is required to be delivered under the Securities Act (including all Incorporated Documents), in each case as soon as reasonably practicable and in such quantities as the Agent may from time to time reasonably request and, at the Agent's request, will also furnish copies of the Prospectus to each exchange or market on which sales of the Placement Shares may be made; *provided*, *however*, that the Company shall not be required to furnish any document (other than the Prospectus) to the Agent to the extent such document is available on EDGAR.

(f) Earning Statement. The Company will make generally available to its security holders and to the Agent as soon as practicable, but in any event not later than 15 months after the end of the Company's current fiscal quarter, an earnings statement covering a 12-month period that satisfies the provisions of Section 11(a) of and Rule 158 under the Securities Act.; *provided*, that the Company will be deemed to have furnished such statement to its security holders to the extent it is available on EDGAR.

(g) Use of Proceeds. The Company will use the Net Proceeds as described in the Prospectus in the section entitled "Use of Proceeds."

(h) Notice of Other Sales. Without the prior written consent of the Agent, the Company will not, directly or indirectly, offer to sell, sell, contract to sell, grant any option to sell or otherwise dispose of any Common Shares (other than the Placement Shares offered pursuant to this Agreement) or securities convertible into or exchangeable or exercisable for Common Shares, warrants or any rights to purchase or acquire, Common Shares during the period beginning on the fifth (5th) Trading Day immediately prior to the date on which any Placement Notice is delivered to Agent hereunder and ending on the fifth (5th) Trading Day immediately following the final Settlement Date with respect to Placement Shares sold pursuant to such Placement Notice (or, if the Placement Notice has been terminated or suspended prior to the sale of all Placement Shares covered by a Placement Notice, the date of such suspension or termination); and will not directly or indirectly in any other "at the market", equity line of credit or other continuous equity transaction offer to sell, sell, contract to sell, grant any option to sell or otherwise dispose of any Common Shares (other than the Placement Shares offered pursuant to this Agreement) or securities convertible into or exchangeable or exercisable for Common Shares, warrants or any rights to purchase or acquire, Common Shares prior to the sixtieth (60th) day immediately following the termination of this Agreement; *provided*, *however*, that such restrictions will not be required in connection with the Company's issuance or sale of (i) Common Shares, options to purchase Common Shares or Common Shares issuable upon the exercise of options, pursuant to any employee or director stock option or benefits plan, stock ownership plan or dividend reinvestment plan (but not Common Shares subject to a waiver to exceed plan limits in its dividend reinvestment plan) of the Company whether now in effect or hereafter implemented, (ii) Common Shares issuable upon conversion of securities or the exercise of warrants, options or other rights in effect or outstanding, and disclosed in filings by the Company available on EDGAR or otherwise in writing to the Agent and (iii) Common Shares or securities convertible into or exchangeable for Common Shares as consideration for mergers, acquisitions, other business combinations or research, collaboration, technology license, development, marketing or other similar agreements or strategic partnerships or strategic alliances occurring after the date of this Agreement which are not issued for capital raising purposes.

(i) Change of Circumstances. The Company will, at any time during the pendency of a Placement Notice, advise the Agent promptly after it shall have received notice

or obtained knowledge thereof, of any information or fact that would alter or affect in any material respect any opinion, certificate, letter or other document provided or required to be provided to the Agent pursuant to this Agreement.

(j) Due Diligence Cooperation. The Company will cooperate with any reasonable due diligence review conducted by the Agent or its representatives in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company's principal offices or via remote digital access, as the Agent may reasonably request.

(k) Required Filings Relating to Placement of Placement Shares. The Company shall disclose, in its Quarterly Reports on Form 10-Q and in its Annual Report on Form 10-K to be filed by the Company with the Commission from time to time, the number of the Placement Shares sold through the Agent under this Agreement, and the net proceeds to the Company from the sale of the Placement Shares pursuant to this Agreement during the relevant quarter or, in the case of an Annual Report on Form 10-K, during the fiscal year covered by such Annual Report and the fourth quarter of such fiscal year. The Company agrees that on such dates as the Securities Act shall require, with respect to the Placement Shares, the Company will (i) file a prospectus supplement with the Commission under the applicable paragraph of Rule 424(b) under the Securities Act (each and every filing date under Rule 424(b), a "**Filing Date**"), which prospectus supplement will set forth, within the relevant period, the amount of Placement Shares sold through the Agent, the Net Proceeds to the Company and the compensation payable by the Company to the Agent with respect to such Placement Shares, and (ii) deliver such number of copies of each such prospectus supplement to each exchange or market on which such sales were effected as may be required by the rules or regulations of such exchange or market.

(l) Representation Dates; Certificate. (1) On or prior to the date of the first Placement Notice and (2) each time the Company:

(i) files the Prospectus relating to the Placement Shares or amends or supplements (other than a prospectus supplement relating solely to an offering of securities other than the Placement Shares) the Registration Statement or the Prospectus relating to the Placement Shares by means of a post-effective amendment, sticker, or supplement but not by means of incorporation of documents by reference into the Registration Statement or the Prospectus relating to the Placement Shares;

(ii) files an Annual Report on Form 10-K under the Exchange Act (including any Form 10-K/A containing amended financial information or a material amendment to the previously filed Form 10-K);

(iii) files its Quarterly Reports on Form 10-Q under the Exchange Act; or

(iv) files a Current Report on Form 8-K containing (x) amended financial information (other than information "furnished" pursuant to Items 2.02 or

7.01 of Form 8-K or to provide disclosure pursuant to Item 8.01 of Form 8-K relating to the reclassification of certain properties as discontinued operations in accordance with Statement of Financial Accounting Standards No. 144) or (y) disclosing any material transaction requiring the filing of historical or pro forma financial statements under Item 9.01 of Form 8-K and subject to the guidance set forth in Section 2050.3 of the Financial Reporting Manual of the Commission under the Exchange Act (each date of filing of one or more of the documents referred to in clauses (i) through (iv) shall be a "**Representation Date**");

the Company shall furnish the Agent (but in the case of clause (iv) above only if the Agent reasonably determines that the information contained in such Form 8-K is material) with a certificate dated the Representation Date, in the form attached hereto as Exhibit 7(l), modified, as necessary, to relate to the Registration Statement and the Prospectus as amended or supplemented. The requirement to provide a certificate under this Section 7(l) shall be waived for any Representation Date occurring at a time when no Placement Notice is outstanding or a Suspension is in effect, which waiver shall continue until the earlier to occur of the date the Company delivers instructions for the sale of Placement Shares hereunder (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the Company subsequently decides to sell Placement Shares following a Representation Date when a Suspension was in effect and did not provide the Agent with a certificate under this Section 7(l), then before the Company delivers the instructions for the sale of Placement Shares or the Agent sells any Placement Shares pursuant to such instructions, the Company shall provide the Agent with a certificate in the form attached hereto as Exhibit 7(l) dated as of the date that the instructions for the sale of Placement Shares are issued.

(m) Legal Opinions. (1) On or prior to the date of the first Placement Notice and (2) within five (5) Trading Days of each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(l) for which no waiver is applicable and excluding the date of this Agreement, the Company shall cause to be furnished to the Agent a written opinion and negative assurance letter of Cooley LLP, U.S. counsel to the Company, Osler, Hoskin & Harcourt LLP, Canadian Counsel to the Company, and Clark & Elbing LLP, intellectual property counsel to the Company, or other counsel satisfactory to the Agent in form and substance reasonably satisfactory to the Agent and its counsel, substantially similar to the form previously provided to the Agent and its counsel, modified, as necessary, to relate to the Registration Statement and the Prospectus as then amended or supplemented; *provided*, that in lieu of such opinions or negative assurance letters for subsequent periodic filings under the Exchange Act, counsel may furnish the Agent with a letter (a "**Reliance Letter**") to the effect that the Agent may rely on a prior opinion or negative assurance letter delivered under this Section 7(m) to the same extent as if it were dated the date of such letter (except that statements in such prior opinion or negative assurance letter, as the case may be, shall be deemed to relate to the Registration Statement and the Prospectus as amended or supplemented as of the date of the Reliance Letter).

(n) Comfort Letter. (1) **On or Prior to the date of the first Placement Notice** and (2) on each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(l) for which no waiver is applicable and excluding the date of this Agreement, the Company shall cause its independent registered public accounting firm (and any other independent accountants whose report is included in the Registration Statement or the Prospectus) to furnish the Agent letters (the "**Comfort Letters**"), dated the date the Comfort Letter is delivered, which shall meet the requirements set forth in this Section 7(n). If requested by the Agent, the Company shall also cause a comfort letter to be furnished to the Agent on the date of occurrence of any material transaction or event requiring the filing of a Current Report on Form 8-K containing material amended financial information of the Company, including the restatement of the Company's financial statements. The Comfort Letter from the Company's independent registered public accounting firm shall be in a form and substance reasonably satisfactory to the Agent, (i) confirming that they are an independent registered public accounting firm within the meaning of the Securities Act and the PCAOB, (ii) stating, as of such date, the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings (the first such letter, the "**Initial Comfort Letter**") and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement and the Prospectus, as amended and supplemented to the date of such letter.

(o) Market Activities; Compliance with Regulation M. The Company will not, directly or indirectly, (i) take any action designed to cause or result in, or that constitutes or would reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of Common Shares or (ii) sell, bid for, or purchase Common Shares in violation of Regulation M, or pay anyone any compensation for soliciting purchases of the Placement Shares other than the Agent.

(p) Investment Company Act. The Company will conduct its affairs in such a manner so as to reasonably ensure that neither it nor any of its Subsidiaries will be or become, at any time prior to the termination of this Agreement, an "investment company," as such term is defined in the Investment Company Act.

(q) Securities Act and Exchange Act Compliance. The Company will use its best efforts to comply with all requirements imposed upon it by the Securities Act and the Exchange Act as from time to time in force, so far as necessary to permit the sales of, or dealings in, the Placement Shares as contemplated by the provisions hereof and the Prospectus.

(r) No Offer to Sell. Other than an Issuer Free Writing Prospectus approved in advance by the Company and the Agent in its capacity as agent hereunder, neither the Agent nor the Company (including its agents and representatives, other than the Agent in its capacity as such) will make, use, prepare, authorize, approve or refer to any

written communication (as defined in Rule 405 under the Securities Act), required to be filed with the Commission, that constitutes an offer to sell or solicitation of an offer to buy Placement Shares hereunder.

(s) Blue Sky and Other Qualifications. The Company will use its commercially reasonable efforts, in cooperation with the Agent, to qualify the Placement Shares for offering and sale, or to obtain an exemption for the Placement Shares to be offered and sold, under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Agent may designate and to maintain such qualifications and exemptions in effect for so long as required for the distribution of the Placement Shares (but in no event for less than one year from the date of this Agreement); *provided*, *however*, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. In each jurisdiction in which the Placement Shares have been so qualified or exempt, the Company will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification or exemption, as the case may be, in effect for so long as required for the distribution of the Placement Shares (but in no event for less than one year from the date of this Agreement).

(t) Sarbanes-Oxley Act. The Company and the Subsidiaries will maintain and keep accurate books and records reflecting their assets and maintain internal accounting controls in a manner designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and including those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the Company's consolidated financial statements in accordance with GAAP, (iii) that receipts and expenditures of the Company are being made only in accordance with management's and the Company's directors' authorization, and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements. The Company and the Subsidiaries will maintain such controls and other procedures, including, without limitation, those required by Sections 302 and 906 of the Sarbanes-Oxley Act, and the applicable regulations thereunder that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow

timely decisions regarding required disclosure and to ensure that material information relating to the Company or the Subsidiaries is made known to them by others within those entities, particularly during the period in which such periodic reports are being prepared.

(u) Secretary's Certificate; Further Documentation. Prior to the date of the first Placement Notice, the Company shall deliver to the Agent a certificate of the Secretary of the Company and attested to by an executive officer of the Company, dated as of such date, certifying as to (i) the Certificate of Incorporation of the Company, (ii) the By-laws of the Company, (iii) the resolutions of the Board of Directors of the Company and any other authorized committee authorizing the execution, delivery and performance of this Agreement and the issuance of the Placement Shares and (iv) the incumbency of the officers duly authorized to execute this Agreement and the other documents contemplated by this Agreement. Within five (5) Trading Days of each Representation Date, the Company shall have furnished to the Agent such further information, certificates and documents as the Agent may reasonably request.

8. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation and filing of the Registration Statement, including any fees required by the Commission, and the printing or electronic delivery of the Prospectus as originally filed and of each amendment and supplement thereto, in such number as the Agent shall deem necessary, (ii) the printing and delivery to the Agent of this Agreement and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Placement Shares, (iii) the preparation, issuance and delivery of the certificates, if any, for the Placement Shares to the Agent, including any stock or other transfer taxes and any capital duties, stamp duties or other duties or taxes payable upon the sale, issuance or delivery of the Placement Shares to the Agent, (iv) the fees and disbursements of the counsel, accountants and other advisors to the Company, (v) the reasonable and documented fees and expenses of Agent including but not limited to the reasonable and documented fees and expenses of the counsel to the Agent, payable upon the execution of this Agreement, (a) in an amount not to exceed $100,000 in connection with the execution of this Agreement, (b) in an amount not to exceed $25,000 per calendar quarter thereafter payable in connection with each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(l) for which no waiver is applicable and excluding the date of this Agreement, and (c) in an amount not to exceed $50,000 for each program "refresh" (filing of a new registration statement, prospectus or prospectus supplement relating to the Placement Shares and/or an amendment of this Agreement) executed pursuant to this Agreement, (vi) the qualification or exemption of the Placement Shares under state securities laws in accordance with the provisions of Section 7(r) hereof, including filing fees, but excluding fees of the Agent's counsel, (vii) the printing and delivery to the Agent of copies of any Permitted Issuer Free Writing Prospectus and the Prospectus and any amendments or supplements thereto in such number as the Agent shall deem necessary, (viii) the preparation, printing and delivery to the Agent of copies of the blue sky survey, (ix) the fees and expenses of the transfer agent and registrar for the Common Shares, (x) the filing and other fees incident to any review by FINRA of the terms of the sale of the

Placement Shares including the fees of the Agent's counsel (subject to the cap, set forth in clause (v) above), and (xi) the fees and expenses incurred in connection with the listing of the Placement Shares on the Exchange. The Company agrees to pay the fees and expenses of counsel to the Agent set forth in clause (v) above by wire transfer of immediately available funds directly to such counsel upon presentation of an invoice containing the requisite payment information prepared by such counsel.

9. Conditions to Agent's Obligations. The obligations of the Agent hereunder with respect to a Placement will be subject to the continuing accuracy and completeness of the representations and warranties made by the Company herein, to the due performance by the Company of its obligations hereunder, to the completion by the Agent of a due diligence review satisfactory to it in its reasonable judgment, and to the continuing satisfaction (or waiver by the Agent in its sole discretion) of the following additional conditions:

(a) Registration Statement Effective. The Registration Statement shall be effective and shall be available for the (i) resale of all Placement Shares issued to the Agent and not yet sold by the Agent and (ii) sale of all Placement Shares contemplated to be issued by any Placement Notice.

(b) No Material Notices. None of the following events shall have occurred and be continuing: (i) receipt by the Company of any request for additional information from the Commission or any other federal or state Governmental Authority during the period of effectiveness of the Registration Statement, the response to which would require any post-effective amendments or supplements to the Registration Statement or the Prospectus; (ii) the issuance by the Commission or any other federal or state Governmental Authority of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose; (iii) receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Placement Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; or (iv) the occurrence of any event that makes any statement of a material fact made in the Registration Statement or the Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue or that requires the making of any changes in the Registration Statement, the Prospectus or documents so that, in the case of the Registration Statement, it will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and, that in the case of the Prospectus, it will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) No Misstatement or Material Omission. Agent shall not have advised the Company that the Registration Statement or Prospectus, or any amendment or supplement thereto, contains an untrue statement of fact that in the Agent's reasonable opinion, in consultation with outside counsel, is material, or omits to state a fact that in the Agent's reasonable opinion is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(d) Material Changes. Except as contemplated in the Prospectus, or disclosed in the Company's reports filed with the Commission, there shall not have been any material adverse change in the authorized capital stock of the Company or any Material Adverse Effect or any development that would cause a Material Adverse Effect, or a downgrading in or withdrawal of the rating assigned to any of the Company's securities (other than asset backed securities) by any rating organization or a public announcement by any rating organization that it has under surveillance or review its rating of any of the Company's securities (other than asset backed securities), the effect of which, in the case of any such action by a rating organization described above, in the reasonable judgment of the Agent (without relieving the Company of any obligation or liability it may otherwise have), is so material as to make it impracticable or inadvisable to proceed with the offering of the Placement Shares on the terms and in the manner contemplated in the Prospectus.

(e) Legal Opinions. The Agent shall have received the opinions and negative assurance letters required to be delivered pursuant to Section 7(m) on or before the date on which such delivery of such opinions and negative assurance letters is required pursuant to Section 7(m).

(f) Comfort Letter. The Agent shall have received the Comfort Letter required to be delivered pursuant to Section 7(n) on or before the date on which such delivery of such Comfort Letter is required pursuant to Section 7(n).

(g) Representation Certificate. The Agent shall have received the certificate required to be delivered pursuant to Section 7(l) on or before the date on which delivery of such certificate is required pursuant to Section 7(l).

(h) Secretary's Certificate. The Agent shall have received the certificate required to be delivered pursuant to Section 7(u) on or before the date on which delivery of such certificate is required pursuant to Section 7(u).

(i) No Suspension. Trading in the Common Shares shall not have been suspended on the Exchange and the Common Shares shall not have been delisted from the Exchange.

(j) Other Materials. On each date on which the Company is required to deliver a certificate pursuant to Section 7(l), the Company shall have furnished to the Agent such appropriate further information, opinions, certificates, letters and other documents as the Agent may reasonably request. All such opinions, certificates, letters and other documents will be in compliance with the provisions hereof.

(k) Securities Act Filings Made. All filings with the Commission required by Rule 424 or Rule 433 under the Securities Act to have been filed prior to the issuance of any Placement Notice hereunder shall have been made within the applicable time period prescribed for such filing by Rule 424 or Rule 433, as applicable.

(l) Canadian Filings Made. All filings with the AMF required under applicable Canadian securities laws to have been filed prior to the issuance of any Placement Notice hereunder shall have been made within the applicable time period prescribed for such filing by applicable Canadian securities laws.

(m) Approval for Listing. The Placement Shares shall either have been (i) approved for listing on the Exchange, subject only to notice of issuance, or (ii) the Company shall have filed an application for listing of the Placement Shares on the Exchange at, or prior to, the issuance of any Placement Notice and the Exchange shall have reviewed such application and not provided any objections thereto.

(n) FINRA. If applicable, FINRA shall have raised no objection to the terms of this offering and the amount of compensation allowable or payable to the Agent as described in the Prospectus.

(o) No Termination Event. There shall not have occurred any event that would permit the Agent to terminate this Agreement pursuant to Section 12(a).

10. Indemnification and Contribution.

(a) Company Indemnification. The Company agrees to indemnify and hold harmless the Agent, its affiliates and their respective partners, members, directors, officers, employees and agents and each person, if any, who controls the Agent or any affiliate within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, joint or several, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of any untrue statement or alleged untrue statement of a material fact included in any related Issuer Free Writing Prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, joint or several, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any Governmental Authority, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; *provided* that (subject to Section 10(d) below) any such settlement is effected with the written consent of the Company, which consent shall not unreasonably be delayed or withheld; and

(iii) against any and all expense whatsoever, as incurred (including the reasonable and documented fees and disbursements of counsel), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any Governmental Authority, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission (whether or not a party), to the extent that any such expense is not paid under (i) or (ii) above,

provided, *however*, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made solely in reliance upon and in conformity with the Agent Information (as defined below). The indemnity agreement set forth in this Section 10(a) shall be in addition to any liabilities that the Company may otherwise have.

(b) Agent Indemnification. Agent agrees to indemnify and hold harmless the Company and its directors and each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 10(a), as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendments thereto), the Prospectus (or any amendment or supplement thereto) or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with information relating to the Agent and furnished to the Company in writing by the Agent expressly for use therein. The Company hereby acknowledges that the only information that the Agent has furnished to the Company expressly for use in the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) are the statements set forth in the second sentence of the sixth paragraph under the caption "Plan of Distribution" in the Prospectus (the "**Agent Information**").

(c) Procedure. Any party that proposes to assert the right to be indemnified under this Section 10 will, promptly after receipt of notice of commencement of any action against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section 10, notify each such indemnifying party of the commencement of such action, enclosing a copy of all papers served, but the omission so to notify such indemnifying party will not relieve the indemnifying party from (i) any liability that it might have to any indemnified party otherwise than under this Section 10 and (ii) any liability that it may have to any indemnified party under the foregoing provision of this Section 10 unless, and only to the extent that, such omission results in the forfeiture of substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies the indemnifying party of its commencement, the indemnifying party will be entitled to participate in and, to the extent that it elects by delivering written

notice to the indemnified party promptly after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to the indemnified party of its election to assume the defense, the indemnifying party will not be liable to the indemnified party for any other legal expenses except as provided below and except for the reasonable and documented costs of investigation subsequently incurred by the indemnified party in connection with the defense. The indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel to assume the defense of such action or counsel reasonably satisfactory to the indemnified party, in each case, within a reasonable time after receiving notice of the commencement of the action; in each of which cases the reasonable and documented fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable and documented fees, disbursements and other charges of more than one separate firm (plus local counsel) admitted to practice in such jurisdiction at any one time for all such indemnified party or parties. All such fees, disbursements and other charges will be reimbursed by the indemnifying party promptly as they are incurred and after the indemnifying party has received a written invoice relating to such fees, disbursements and other changes. An indemnifying party will not, in any event, be liable for any settlement of any action or claim effected without its written consent. No indemnifying party shall, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding relating to the matters contemplated by this Section 10 (whether or not any indemnified party is a party thereto), unless such settlement, compromise or consent (1) includes an express and unconditional release of each indemnified party, in form and substance reasonably satisfactory to such indemnified party, from all liability arising out of such litigation, investigation, proceeding or claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party. Indemnified parties will reasonably cooperate with the indemnifying party or indemnifying parties in the investigation and defense of any claim for which indemnification is sought hereunder.

(d) Settlement Without Consent if Failure to Reimburse. If an indemnified party shall have requested in writing an indemnifying party to reimburse the indemnified party for reasonable and documented fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 10(a)(ii) effected without its written consent if (1) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (2) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (3) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in the foregoing paragraphs of this Section 10 is applicable in accordance with its terms but for any reason is held to be unavailable or insufficient from the Company or the Agent, the Company and the Agent will contribute to the total losses, claims, liabilities, expenses and damages (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) to which the Company and the Agent may be subject in such proportion as shall be appropriate to reflect the relative benefits received by the Company on the one hand and the Agent on the other hand. The relative benefits received by the Company on the one hand and the Agent on the other hand shall be deemed to be in the same proportion as the total net proceeds from the sale of the Placement Shares (before deducting expenses) received by the Company bear to the total compensation received by the Agent from the sale of Placement Shares on behalf of the Company. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and the Agent, on the other hand, with respect to the statements or omission that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to such offering. Such relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Agent, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Agent agree that it would not be just and equitable if contributions pursuant to this Section 10(e) were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, liability, expense, or damage, or action in respect thereof, referred to above in this Section 10(e) shall be deemed to include, for the purpose of this Section 10(e), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim to the extent consistent with Section 10(c) hereof. Notwithstanding the foregoing

provisions of this Section 10(e), the Agent shall not be required to contribute any amount in excess of the commissions received by it under this Agreement and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 10(e), any person who controls a party to this Agreement within the meaning of the Securities Act, any affiliates of the Agent and any officers, directors, partners, employees or agents of the Agent or any of its affiliates, will have the same rights to contribution as that party, and each director of the Company and each officer of the Company who signed the Registration Statement will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against such party in respect of which a claim for contribution may be made under this Section 10(e), will notify any such party or parties from whom contribution may be sought, but the omission to so notify will not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 10(e) except to the extent that the failure to so notify such other party materially prejudiced the substantive rights or defenses of the party from whom contribution is sought. Except for a settlement entered into pursuant to the last sentence of Section 10(c) hereof, no party will be liable for contribution with respect to any action or claim settled without its written consent if such consent is required pursuant to Section 10(c) hereof.

11. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 10 of this Agreement and all representations and warranties of the Company herein or in certificates delivered pursuant hereto shall survive, as of their respective dates, regardless of (i) any investigation made by or on behalf of the Agent, any controlling persons, or the Company (or any of their respective officers, directors, employees or controlling persons), (ii) delivery and acceptance of the Placement Shares and payment therefor or (iii) any termination of this Agreement.

12. Termination.

(a) The Agent may terminate this Agreement, by notice to the Company, as hereinafter specified at any time (1) if any Material Adverse Effect, or any development that could reasonably be expected to result in a Material Adverse Effect, has occurred, which individually or in the aggregate, in the sole judgment of the Agent makes it impractical or inadvisable to market the Placement Shares or to enforce contracts for the sale of the Placement Shares, (2) the Company shall have failed, refused or been unable to perform any agreement on its part to be performed hereunder (3) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Agent, impracticable or inadvisable to market the Placement

Shares or to enforce contracts for the sale of the Placement Shares, (4) if trading in the Common Shares has been suspended or limited by the Commission or the Exchange, or if trading generally on the Exchange has been suspended or limited, or minimum prices for trading have been fixed on the Exchange, (5) if any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market shall have occurred and be continuing, (6) if a major disruption of securities settlements or clearance services in the United States shall have occurred and be continuing, or (7) if a banking moratorium has been declared by either U.S. Federal or New York authorities. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8 (Payment of Expenses), Section 10 (Indemnification and Contribution), Section 11 (Representations and Agreements to Survive Delivery), Section 18 (Governing Law and Time; Waiver of Jury Trial) and Section 19 (Consent to Jurisdiction) hereof shall remain in full force and effect notwithstanding such termination. If the Agent elects to terminate this Agreement as provided in this Section 12(a), the Agent shall provide the required notice as specified in Section 13 (Notices).

(b) The Company shall have the right, by giving ten (10) Business Days' notice as hereinafter specified to terminate this Agreement in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8, Section 10, Section 11, Section 18 and Section 19 hereof shall remain in full force and effect notwithstanding such termination.

(c) The Agent shall have the right, by giving ten (10) Business Days' notice as hereinafter specified to terminate this Agreement in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8, Section 10, Section 11, Section 18 and Section 19 hereof shall remain in full force and effect notwithstanding such termination.

(d) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 12(a), (b), or (c) above or otherwise by mutual agreement of the parties; *provided*, *however*, that any such termination by mutual agreement shall in all cases be deemed to provide that Section 8, Section 10, Section 11, Section 18 and Section 19 shall remain in full force and effect.

(e) Any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided*, *however*, that such termination shall not be effective until the close of business on the date of receipt of such notice by the Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Placement Shares, such Placement Shares shall settle in accordance with the provisions of this Agreement.

13. Notices. All notices or other communications required or permitted to be given by any party to any other party pursuant to the terms of this Agreement shall be in writing, unless otherwise specified, and if sent to the Agent, shall be delivered to:

Cantor Fitzgerald & Co.
110 East 59th Street
New York, New York 10022
Attention: Capital Markets
Email: CFCEO@cantor.com

and:

Cantor Fitzgerald & Co.
110 East 59th Street
New York, New York 10022
Attention: General Counsel
Email: legal-IBD@cantor.com

with a copy to:

Wilmer Cutler Pickering Hale and Dorr LLP
7 World Trade Center
250 Greenwich Street
New York, New York 10007
Attention: Lisa Firenze
E-mail: lisa.firenze@wilmerhale.com

and if to the Company, shall be delivered to:

Milestone Pharmaceuticals Inc.
1111, Dr. Frederik-Philips Blvd.
Suite 420
Montréal, Québec H4M 2XC
Attention: Joseph G. Oliveto, President and CEO

with a copy to:

Cooley LLP
500 Boylston Street
Boston, Massachusetts 02116
Email: rsansom@cooley.com
Attention: Ryan Sansom

Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose. Each such notice or other communication shall be deemed given (i) when delivered personally or by verifiable facsimile transmission (with an original to follow) on or before 4:30 p.m., New York City time, on a Business Day or, if such day is not a Business Day, on the next succeeding Business Day, (ii) by Electronic Notice, as set forth below, (iii) on the next Business Day after timely delivery to a nationally-recognized overnight courier and (iv) on the Business Day actually received if deposited in the U.S. mail (certified or registered mail, return receipt requested, postage prepaid).

For purposes of this Agreement, "**Business Day**" shall mean any day on which the Exchange and commercial banks in the City of New York are open for business.

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this Section 13 if sent to the electronic mail address specified by the receiving party under separate cover. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form ("**Nonelectronic Notice**") which shall be sent to the requesting party within ten (10) days of receipt of the written request for Nonelectronic Notice.

14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Company and the Agent and their respective successors and the parties referred to in Section 10 hereof. References to any of the parties contained in this Agreement shall be deemed to include the successors and permitted assigns of such party. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party; *provided*, *however*, that the Agent may assign its rights and obligations hereunder to an affiliate thereof without obtaining the Company's consent.

15. Adjustments for Stock Splits. The parties acknowledge and agree that all share-related numbers contained in this Agreement shall be adjusted to take into account any stock split, stock dividend or similar event effected with respect to the Placement Shares.

16. Entire Agreement; Amendment; Severability; Waiver. This Agreement (including all schedules and exhibits attached hereto and Placement Notices issued pursuant hereto) constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. Neither this Agreement nor any term hereof may be amended except pursuant to a written instrument executed by the Company and the Agent. In the event that

any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable as written by a court of competent jurisdiction, then such provision shall be given full force and effect to the fullest possible extent that it is valid, legal and enforceable, and the remainder of the terms and provisions herein shall be construed as if such invalid, illegal or unenforceable term or provision was not contained herein, but only to the extent that giving effect to such provision and the remainder of the terms and provisions hereof shall be in accordance with the intent of the parties as reflected in this Agreement. No implied waiver by a party shall arise in the absence of a waiver in writing signed by such party. No failure or delay in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereunder.

17. Recognition of U.S. Special Resolutions Regimes. In the event that the Agent is a Covered Entity and becomes subject to a proceeding under a U.S. Special Resolution Regime, the

transfer from the Agent of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States. In the event that the Agent is a Covered Entity and the Agent or a BHC Act Affiliate of the Agent becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against the Agent are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States. For purposes of this Agreement, (A) "**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k); (B) "**Covered Entity**" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b); (C) "**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable; and (D) "**U.S. Special Resolution Regime**" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

18. **GOVERNING LAW AND TIME; WAIVER OF JURY TRIAL. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS. SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

19. **CONSENT TO JURISDICTION. EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH ANY TRANSACTION CONTEMPLATED HEREBY, AND HEREBY IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT, THAT SUCH SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR THAT THE VENUE OF SUCH SUIT, ACTION OR PROCEEDING IS IMPROPER. EACH PARTY HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF (CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR**

NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW.

20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

21. Construction. The section and exhibit headings herein are for convenience only and shall not affect the construction hereof. References herein to any law, statute, ordinance, code, regulation, rule or other requirement of any Governmental Authority shall be deemed to refer to such law, statute, ordinance, code, regulation, rule or other requirement of any Governmental Authority as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.

22. Permitted Free Writing Prospectuses. The Company represents, warrants and agrees that, unless it obtains the prior written consent of the Agent, and the Agent represents, warrants and agrees that, unless it obtains the prior written consent of the Company, it has not made and will not make any offer relating to the Placement Shares that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Agent or by the Company, as the case may be, is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents and warrants that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping. For the purposes of clarity, the parties hereto agree that all free writing prospectuses, if any, listed in Exhibit 21 hereto are Permitted Free Writing Prospectuses.

23. Absence of Fiduciary Relationship. The Company acknowledges and agrees that:

(a) the Agent is acting solely as agent in connection with the public offering of the Placement Shares and in connection with each transaction contemplated by this Agreement and the process leading to such transactions, and no fiduciary or advisory relationship between the Company or any of its respective affiliates, stockholders (or other equity holders), creditors or employees or any other party, on the one hand, and the Agent, on the other hand, has been or will be created in respect of any of the transactions contemplated by this Agreement, irrespective of

whether or not the Agent has advised or is advising the Company on other matters, and the Agent has no obligation to the Company with respect to the transactions contemplated by this Agreement except the obligations expressly set forth in this Agreement;

(b) it is capable of evaluating and understanding, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) neither the Agent nor its affiliates have provided any legal, accounting, regulatory or tax advice with respect to the transactions contemplated by this Agreement and it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate;

(d) it is aware that the Agent and its affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and the Agent and its affiliates have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship or otherwise; and

(e) it waives, to the fullest extent permitted by law, any claims it may have against the Agent or its affiliates for breach of fiduciary duty or alleged breach of fiduciary duty in connection with the sale of Placement Shares under this Agreement and agrees that the Agent and its affiliates shall not have any liability (whether direct or indirect, in contract, tort or otherwise) to it in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on its behalf or in right of it or the Company, employees or creditors of Company.

24. Definitions. As used in this Agreement, the following terms have the respective meanings set forth below:

"**Applicable Time**" means (i) each Representation Date, (ii) each date on which a Placement Notice is given (iii) the time of each sale of any Placement Shares pursuant to this Agreement (each, a "**Time of Sale**") and (iv) each Settlement Date.

"**Governmental Authority**" means (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); (ii) any self-regulatory organization; or (iii) any political subdivision of any of the foregoing.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Placement Shares that (1) is required to be filed with the Commission by the Company, (2) is a "road show" that is a "written communication" within the meaning of Rule 433(d)(8)(i) whether or not required to be filed with the Commission, or (3) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Placement Shares or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g) under the Securities Act.

"**Rule 164**," "**Rule 172**," "**Rule 405**," "**Rule 415**," "**Rule 424**," "**Rule 424(b)**," "**Rule 430B**," and "**Rule 433**" refer to such rules under the Securities Act.

"**Rule 462(b) Registration Statement**" means any registration statement filed by the Company pursuant to Rule 462(b) under the Securities Act in connection with the offer and sale of Placement Shares.

[*Signature Page Follows*]

If the foregoing correctly sets forth the understanding between the Company and the Agent, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between the Company and the Agent.

Very truly yours,
MILESTONE PHARMACEUTICALS INC.

By: /s/ Amit Hasija
Name: Amit Hasija
Title: Chief Financial Officer

ACCEPTED as of the date first-above written:

CANTOR FITZGERALD & CO.

By: /s/ Sameer Vasudev
Name: Sameer Vasudev
Title: Managing Director

SCHEDULE 1

Form of Placement Notice

From: Milestone Pharmaceuticals Inc.

To: Cantor Fitzgerald & Co.
Attention: [•]

Subject: Placement Notice

Date: [•], 201[•]

Ladies and Gentlemen:

Pursuant to the terms and subject to the conditions contained in the Sales Agreement between Milestone Pharmaceuticals Inc., a corporation continued under the laws of the Province of Québec, Canada (the "**Company**"), and Cantor Fitzgerald & Co. ("**Agent**"), dated May 13, 2026, the Company hereby requests that the Agent sell up to [•] of the Company's common shares without par value, at a minimum market price of $[•] per share, during the time period beginning [month, day, time] and ending [month, day, time].

SCHEDULE 2

Compensation

The Company shall pay to the Agent in cash, upon each sale of Placement Shares pursuant to this Agreement, an amount equal to 3.0% of the aggregate gross proceeds from each sale of Placement Shares.

SCHEDULE 3

Notice Parties

The Company

Joseph Oliveto

Amit Hasija

David Sandoval

The Agent

Sameer Vasudev (svasudev@cantor.com)

With copies to:

CFCEO@cantor.com

Exhibit 7(l)

Form of Representation Date Certificate Pursuant to Section 7(l)

The undersigned, the duly qualified and elected [•], of Milestone Pharmaceuticals Inc., a corporation continued under the laws of the Province of Québec, Canada (the "Company"), does hereby certify in such capacity and on behalf of the Company, pursuant to Section 7(l) of the Sales Agreement, dated May 13, 2026 (the "Sales Agreement"), between the Company and Cantor Fitzgerald & Co., that to the best of the knowledge of the undersigned:

(i) The representations and warranties of the Company in Section 6 of the Sales Agreement are true and correct on and as of the date hereof with the same force and effect as if expressly made on and as of the date hereof, except for those representations and warranties that speak solely as of a specific date and which were true and correct as of such date; *provided*, *however*, that such representations and warranties also shall be qualified by the disclosure included or incorporated by reference in the Registration Statement and Prospectus; and

(ii) The Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied pursuant to the Sales Agreement at or prior to the date hereof.

Capitalized terms used herein without definition shall have the meanings given to such terms in the Sales Agreement.

Milestone Pharmaceuticals Inc.

By: _____
Name: _____
Title: _____

Date: [•]

Exhibit 21

Permitted Free Writing Prospectus

None.

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph Oliveto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Milestone Pharmaceuticals Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2026

/s/ Joseph Oliveto
Joseph Oliveto
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Amit Hasija, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Milestone Pharmaceuticals Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2026

/s/ Amit Hasija
Amit Hasija
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Joseph Oliveto, Chief Executive Officer of Milestone Pharmaceuticals Inc. (the "Company"), and Amit Hasija, Chief Financial Officer of the Company, each hereby certifies that, to the best of his or her knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 31, 2026, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 13, 2026

/s/ Joseph Oliveto
Joseph Oliveto
Chief Executive Officer
(Principal Executive Officer)

/s/ Amit Hasija
Amit Hasija
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)