

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

BING LI, *et al.*,

Plaintiffs,

v.

AETERNA ZENTARIS, INC., *et al.*,

Defendants.

Civil Action No.  
3:14-cv-07081-PGS-TJB

**NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT;  
(II) SETTLEMENT FAIRNESS HEARING; AND  
(III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND LITIGATION EXPENSES**

***A Federal Court authorized this Notice. This is not a solicitation from a lawyer.***

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by the above-captioned securities class action (the “Action”) pending in the United States District Court for the District of New Jersey (the “Court”) if, during the period from August 30, 2011 through November 6, 2014, both dates inclusive (the “Class Period”), you purchased Aeterna Zentaris, Inc. (“Aeterna” or the “Company”) securities on a U.S. Exchange or in a U.S. transaction and did not sell such securities prior to November 6, 2014.<sup>1</sup>

**NOTICE OF SETTLEMENT:** Please also be advised that the Court-appointed Lead Plaintiffs Gregory Vizirgianakis, Phong Thomas Dinh, and Jamshid Khodavandi (“Lead Plaintiffs”), on behalf of themselves and the Class (as defined in paragraph 28 below), have reached a proposed settlement of the Action for \$6,500,000 in cash that, if approved, will resolve all claims in the Action (the “Settlement”).

**PLEASE READ THIS NOTICE CAREFULLY.** This Notice explains important rights you may have, including the possible receipt of a payment from the Settlement. If you are a member of the Class, your legal rights will be affected whether or not you act.

**If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact the Court, the Office of the Clerk of the Court, Defendants, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see paragraph 95 below).**

1. **Description of the Action and the Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that Defendants Aeterna, Juergen Engel, David Dodd, Paul Blake, and Nicholas Pelliccione (collectively, “Defendants,” and together with Plaintiffs, the “Parties”) violated the federal securities laws by making false and/or misleading statements regarding a diagnostic drug developed by Aeterna, typically referred to as Macimorelin or AEZS-130 during the Class Period. A more detailed description of the Action is set forth in paragraphs 11-27 below. As noted below, Defendants have denied and continue to deny all claims and allegations of wrongdoing asserted against them in the Action. The proposed Settlement, if approved by the Court, will settle claims of the Class, as defined in paragraph 28 below.

2. **Statement of the Class’s Recovery:** Subject to Court approval, Lead Plaintiffs, on behalf of themselves and the Class, have agreed to settle the Action in exchange for \$6,500,000 in cash (the “Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the “Settlement Fund”) less (i) any Taxes; (ii) any Notice and Administration Costs;

<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated July 22, 2020 (the “Stipulation”), which is available at [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com).

(iii) any Litigation Expenses awarded by the Court; (iv) any attorneys' fees awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is set forth in paragraphs 56-77 below. The Plan of Allocation will determine how the Net Settlement Fund shall be allocated among members of the Class.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Lead Plaintiffs' damages expert's estimate of the number of shares of publicly-traded Aeterna common stock purchased during the Class Period that may have been affected by the alleged conduct at issue in the Action, and assuming that all Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses, and costs as described herein) is \$0.112 per affected share of Aeterna common stock. Class Members should note, however, that the foregoing average recovery per share is only an estimate. Some Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased or sold their Aeterna securities, and the total number and value of valid Proof of Claim and Release forms ("Claim Forms") submitted. Distributions to Class Members will be made based on the Plan of Allocation set forth herein (*see* paragraphs 56-77 below) or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Class as a result of their conduct.

5. **Attorneys' Fees and Expenses Sought:** Plaintiffs' Counsel have been prosecuting the Action on a wholly contingent basis since its inception in 2014, have not received any payment of attorneys' fees for their representation of the Class, and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, The Rosen Law Firm and Glancy Prongay & Murray LLP, will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 33⅓% of the Settlement Fund. In addition, Lead Counsel will apply for payment of Litigation Expenses paid or incurred in connection with the institution, prosecution, and resolution of the Action in an amount not to exceed \$825,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. The estimated average cost for such fees and expense, if the Court approves Lead Counsel's fee and expense application, is \$0.0513 per affected share of Aeterna common stock. This does not include Notice and Administration Costs, which are expected to range from \$250,000 to \$350,000 and are paid from the Settlement Fund.<sup>2</sup>

6. **Identification of Attorneys' Representative:** Lead Plaintiffs and the Class are represented by Laurence Rosen, Esq. of The Rosen Law Firm, One Gateway Center, Suite 2600, Newark, NJ 07102, (973) 313-1887, info@rosenlegal.com and Kara M. Wolke, Esq. of Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (888) 773-9224, settlements@glancylaw.com.

7. **Reasons for the Settlement:** Lead Plaintiffs' principal reason for entering into the Settlement is the substantial and certain cash benefit for the Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery—or indeed no recovery at all—might be achieved after contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny that they have committed any act or omission giving rise to liability under the federal securities laws and any other alleged wrongdoing, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

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<sup>2</sup> These costs are paid to the Claims Administrator to disseminate notice of the Settlement, process claims, issue settlement payments, and provide other necessary administrative services. Lead Counsel selected Strategic Claims Services to serve as the Claims Administrator following a competitive bidding process.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:</b>	
<b>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN JANUARY 26, 2021.</b>	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Class Member and you remain in the Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in paragraph 38 below) that you have against Defendants and the other Defendants' Releasees (defined in paragraph 39 below), so it is in your interest to submit a Claim Form.
<b>EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN JANUARY 26, 2021.</b>	If you exclude yourself from the Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the other Defendants' Releasees concerning the Released Plaintiffs' Claims.
<b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN JANUARY 26, 2021.</b>	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for an award of attorneys' fees and Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Class Member and do not exclude yourself from the Class.
<b>ATTEND A TELEPHONIC HEARING ON FEBRUARY 16, 2021 AT 11:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN JANUARY 26, 2021.</b>	Filing a written objection and notice of intention to appear by January 26, 2021, allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. If you submit a written objection, you may (but do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
<b>DO NOTHING.</b>	If you are a member of the Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

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## WHY DID I RECEIVE THIS NOTICE?

8. The Court directed that this Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased Aeterna securities during the Class Period. The Court has directed us to send you this Notice because, as a potential Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Lead Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and the motion by Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses (the "Settlement Fairness Hearing"). See paragraphs 83-84 below for details about the Settlement Fairness Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

## WHAT IS THIS CASE ABOUT?

11. In this Action, Lead Plaintiffs allege that Defendants made false or misleading statements during the Class Period (from August 30, 2011 through November 6, 2014, inclusive) regarding the results of a clinical trial for a diagnostic drug developed by Aeterna, typically referred to as Macimorelin or AEZS-130.

12. Beginning in November 2014, certain related class actions (*Li v. Aeterna Zentaris, Inc., et al.*, No. 3:14-cv-07081-PGS-TJB; *Silverberg v. Aeterna Zentaris, Inc., et al.*, No. 3:14-cv-07164-PGS-DEA; *Abdul-Hassan v. Aeterna Zentaris, Inc., et al.*, No. 3:14-cv-07225-FLW-DEA; *Friedman v. Aeterna Zentaris, Inc., et al.*, No. 3:14-cv-07301-FLW-TJB, and *Khodavandi v. Aeterna Zentaris, Inc., et al.*, No. 3:15-cv-00091-PGS-TJB) were filed in the United States District Court for the District of New Jersey alleging violations of the federal securities laws.

13. By Order dated March 3, 2015, the Court (with the Honorable Peter G. Sheridan presiding) consolidated these class actions under Case No. 3:14-cv-07081-PGS-TJB.

14. In its Order dated March 3, 2015, the Court appointed Lead Plaintiffs, and approved Lead Plaintiffs' selection of The Rosen Law Firm and Glancy Prongay & Murray LLP<sup>3</sup> as Lead Counsel and Carella Byrne Cecchi Olstein Brody & Agnello, P.C. as Liaison Counsel.

15. On April 10, 2015, Lead Plaintiffs filed and served their Amended Class Action Complaint for Violations of the Federal Securities Laws (the "First Amended Complaint") asserting claims against: (i) Aeterna, the Individual Defendants, Dennis Turpin ("Turpin"), Richard Sachse ("Sachse"), and Jude Dinges ("Dinges") for alleged violations of Sections 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder; and (ii) the Individual Defendants, Turpin, Sachse, and Dinges under Section 20(a) of the Exchange Act. The First Amended Complaint alleged that Defendants made false or misleading statements concerning the Phase 3 trial results of a diagnostic drug, AEZS-130, developed by Aeterna. Specifically, it alleged that a press release announcing "favorable top-line results" of the Phase 3 trial that met the parameters of a Special Protocol Assessment with the Food and Drug Administration ("FDA") was false and/or misleading. The First Amended Complaint further alleged that the price of Aeterna common stock was artificially inflated as a result of the allegedly false and/or misleading statements and declined when the alleged truth of those misstatements was publicly revealed.

16. On May 26, 2015, Defendants filed a motion to dismiss the First Amended Complaint. On September 14, 2015, the Court granted Defendants' motion to dismiss the First Amended Complaint, finding that Lead Plaintiffs failed to adequately plead scienter, but allowed Lead Plaintiffs to amend again.

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<sup>3</sup> At the time of the order, the name of Lead Counsel's firm was Glancy Binkow & Goldberg LLP.

17. On October 14, 2015, Lead Plaintiffs filed and served their Second Amended Class Action Complaint for Violations of the Federal Securities Laws (the “Second Amended Complaint”) asserting claims against Aeterna, the Individual Defendants, Turpin, Sachse, and Dinges for alleged violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder.

18. On November 11, 2015, Defendants filed a motion to dismiss the Second Amended Complaint. On March 2, 2016, the Court granted in part and denied in part Defendants’ motion to dismiss the Second Amended Complaint. The Court dismissed all claims asserted against Turpin, Sachse, and Dinges, as well as dismissed all direct Section 10(b) and Rule 10b-5 claims against Dodd, Blake, and Pelliccione, but permitted the remaining asserted claims to proceed.

19. On April 6, 2016, Defendants filed their Answer and Affirmative Defenses to the Second Amended Complaint. Among other things, Defendants’ Answer denied Lead Plaintiffs’ allegations of wrongdoing and asserted various defenses to the claims pled against them.

20. Discovery in the Action commenced in August 2016. Since that time, more than 13,000 documents have been produced by the Parties and third parties in response to discovery in the Action. The Parties have also conducted nearly twenty fact or expert depositions. In addition, the Parties have exchanged numerous letters and other correspondence concerning disputed discovery issues.

21. While fact discovery was ongoing, on December 9, 2016, Lead Plaintiffs served their motion for class certification, together with the declaration of Dr. Adam Werner regarding market efficiency. In February and March 2017, Defendants deposed each of the Lead Plaintiffs and Lead Plaintiffs’ market efficiency expert. On March 23, 2017, Defendants served their papers in opposition to the motion for class certification, together with an expert report of David I. Tabak, Ph.D. seeking to rebut Dr. Werner’s declaration. On April 21, 2017, Lead Plaintiffs deposed Dr. Tabak. On May 8, 2017, Lead Plaintiffs filed and served their reply papers in further support of their motion for class certification, together with an expert rebuttal report of Dr. Adam Werner.

22. On May 11, 2017, Defendants requested leave to file a sur-reply to the motion for class certification, which was granted by the Court on May 22, 2017. On May 31, 2017, Defendants filed and served their sur-reply. On July 20, 2017, the Court heard oral argument on Lead Plaintiffs’ motion for class certification, and on February 28, 2018, the Court granted Lead Plaintiffs’ motion for class certification.

23. Defendants subsequently petitioned the United States Court of Appeals for the Third Circuit under Federal Rule of Civil Procedure 23(f) for interlocutory review of the Court’s order granting class certification, which the Third Circuit granted. Following full briefing, on May 30, 2019, the Third Circuit affirmed the Court’s decision granting class certification.

24. The Parties also discussed the possibility of resolving the litigation through settlement while discovery was ongoing, and prior to the Court granting Lead Plaintiffs’ motion for class certification. On August 25, 2017, the Parties engaged in a private mediation, with Robert A. Meyer, Esq., of JAMS serving as the mediator. In advance of that session, the Parties exchanged and submitted detailed mediation statements with numerous exhibits. The session ended without any agreement being reached.

25. The Parties completed expert discovery in January 2020 and were proceeding to summary judgment filings set for March 2020. Before filing summary judgment motions, however, the Parties engaged in an additional mediation in an effort to resolve the Action via settlement. On March 4, 2020, the Parties engaged in a private mediation with the Honorable Daniel Weinstein (Ret.) of JAMS serving as mediator. In advance of that session, the Parties again exchanged and submitted detailed mediation statements with numerous exhibits. In the days following the mediation, the Parties reached an agreement in principle to settle the Action pursuant to Judge Weinstein’s recommendation that was memorialized in a term sheet executed on March 9, 2020 (the “Term Sheet”). The Term Sheet set forth, among other things, the Parties’ agreement to settle and release all claims against Defendants in the Action in exchange for a cash payment of \$6,500,000 for the benefit of the Class, subject to certain terms and conditions and the execution of a customary “long form” stipulation and agreement of settlement and related papers.

26. On July 22, 2020, the Parties entered into the Stipulation, which sets forth the terms and conditions of the Settlement. The Stipulation is available at [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com).

27. On September 29, 2020, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Class Members, and scheduled the Settlement Fairness Hearing to consider whether to grant final approval to the Settlement.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?  
WHO IS INCLUDED IN THE CLASS?**

28. If you are a member of the Class, you are subject to the Settlement, unless you timely request to be excluded. The Class consists of:

all Persons who purchased Aeterna securities on a U.S. Exchange or in a U.S. transaction during the period from August 30, 2011 through November 6, 2014, both dates inclusive, and who did not sell such securities prior to November 6, 2014.

Excluded from the Class are: (i) the Defendants and Former Defendants; (ii) any current or former Officers or directors of Aeterna; (iii) the Immediate Family Members of Defendants or Former Defendants, or any current or former Officer or director of Aeterna; and (iv) any entity that any Defendants or Former Defendant owns or controls, or owned or controlled during the Class Period. Also excluded from the Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. *See* “What If I Do Not Want To Be A Member Of The Class? How Do I Exclude Myself,” on page 13 below.

**PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO A PAYMENT FROM THE SETTLEMENT. IF YOU ARE A CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO RECEIVE A PAYMENT FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN, EITHER ONLINE OR POSTMARKED NO LATER THAN JANUARY 26, 2021.**

**WHAT ARE LEAD PLAINTIFFS’ REASONS FOR THE SETTLEMENT?**

29. Lead Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against Defendants through summary judgment, trial, and appeals, as well as the very substantial risks they would face in establishing liability and damages. For example, Lead Plaintiffs would face substantial challenges in proving that Aeterna’s statements about its drug trial results were false. Among other defenses, Defendants would argue that the none of the challenged statements were false or misleading, and that the difference of opinion between Aeterna and the FDA concerning the results of the Phase 3 trial did not render any challenged statement false or misleading. Moreover, Lead Plaintiffs would face challenges in proving that Defendants made the alleged false statements with the intent to mislead investors or were severely reckless in making the statements. Defendants would contend that Plaintiffs could not make that required showing.

30. Lead Plaintiffs also would face hurdles in proving “loss causation”—*i.e.*, that the alleged misstatements were the cause of investors’ losses—and in proving damages. For example, Defendants have argued that the change in stock price on November 6, 2014 was not due to revelation of any alleged fraud, but rather to non-fraud factors, meaning that those losses could not be recovered in the Action.

31. In light of these and other risks, the amount of the Settlement, and the immediacy of recovery to the Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class. Lead Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Class, namely \$6,500,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller recovery, or no recovery, after summary judgment, trial, and appeals, possibly years in the future.

32. Defendants have denied and continue to deny the claims asserted against them in the Action and deny that the Class was harmed or suffered any damages as a result of the conduct alleged in the Action. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

**WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?**

33. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Lead Plaintiffs nor the other members of the Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, either at

summary judgment, at trial, or on appeal, the Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

**HOW ARE CLASS MEMBERS AFFECTED  
BY THE ACTION AND THE SETTLEMENT?**

34. As a Class Member, you are represented by Lead Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement? Do I Have to Come to the Hearing? May I Speak At The Hearing If I Don’t Like The Settlement?,” below.

35. If you are a Class Member and do not wish to remain a Class Member, you may exclude yourself from the Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Class? How Do I Exclude Myself?,” below.

36. If you are a Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and Litigation Expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement? Do I Have to Come to the Hearing? May I Speak At The Hearing If I Don’t Like The Settlement?,” below.

37. If you are a Class Member and you do not exclude yourself from the Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged any or all of the Released Plaintiffs’ Claims (as defined in paragraph 38 below) against Defendants and the other Defendants’ Releasees (as defined in paragraph 39 below), and will forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees.

38. “Released Plaintiffs’ Claims” means all claims (including Unknown Claims, as defined in paragraph 40 below), debts, disputes, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, sums of money due, judgments, suits, amounts, matters, issues and charges of any kind whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts, or liabilities whatsoever), whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether individual or class in nature, whether arising under federal or state statutory or common law or any other law, rule, or regulation, whether foreign or domestic, that Lead Plaintiffs or any other member of the Class: (i) (A) asserted in any of the complaints filed in the Action; or (B) could have asserted in the Action or in any other action or in any other forum that arise out of, are based upon, are related to, or are in consequence of any of the facts, allegations, transactions, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts, omissions, or failures to act that were involved, set forth, or referred to in any of the complaints filed in the Action, or that otherwise would have been barred by res judicata had the Action been fully litigated to a final judgment; *and* (ii) relate to the purchase or sale of Aeterna securities on a U.S. Exchange or in a U.S. transaction during the Class Period. Released Plaintiffs’ Claims do not include: (i) any claims relating to the enforcement of the Settlement, or (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

39. “Defendants’ Releasees” means Defendants, Former Defendants, Defendants’ Counsel, and their current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, Immediate Family Members, insurers, reinsurers, and attorneys.

40. “Unknown Claims” means any Released Plaintiffs’ Claims which Lead Plaintiffs or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant or Former Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and Defendants shall expressly waive, and each of the other Class Members and each of the Former Defendants shall be deemed to have waived,

and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Lead Plaintiffs and Defendants acknowledge, and each of the other Class Members and each of the Former Defendants shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

41. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants and Former Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged any or all of the Released Defendants' Claims (as defined in paragraph 42 below) against Lead Plaintiffs and the other Plaintiffs' Releasees (as defined in paragraph 43 below), and will forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees.

42. "Released Defendants' Claims" means all claims (including Unknown Claims), debts, disputes, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, sums of money due, judgments, suits, amounts, matters, issues and charges of any kind whatsoever (including, but not limited to, any claims for interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, amounts, or liabilities whatsoever), whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether arising under federal or state statutory or common law or any other law, rule, or regulation, whether foreign or domestic, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action. Released Defendants' Claims do not include: (i) claims or rights related to indemnification or insurance related to claims asserted in the Action; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims against any person or entity who or which submits a request for exclusion from the Class that is accepted by the Court.

43. "Plaintiffs' Releasees" means Lead Plaintiffs, Plaintiffs' Counsel, all other plaintiffs in the Action, their respective attorneys, all other Class Members, and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, Immediate Family Members, insurers, reinsurers, and attorneys.

#### **HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?**

44. To be eligible for a payment from the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation to the Claims Administrator **either online at [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com), by fax to (610) 565-7985, or *postmarked* to the Claims Administrator's address in paragraph 95 below no later than January 26, 2021.** A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com). You may also request that a Claim Form be mailed to you by calling the Claims Administrator toll free at (866) 274-4004 or by emailing the Claims Administrator at [info@strategicclaims.net](mailto:info@strategicclaims.net). Please retain all records of your ownership of and transactions in Aeterna securities, as they will be needed to document your Claim. The Parties and Claims Administrator do not have information about your transactions in Aeterna securities.

45. If you request exclusion from the Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

#### **HOW MUCH WILL MY PAYMENT BE?**

46. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.

47. Pursuant to the Settlement, Aeterna has agreed to pay or caused to be paid a total of \$6,500,000 in cash (the "Settlement Amount"). The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon after deposit in the Escrow Account is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses

awarded by the Court; (iv) any attorneys' fees awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed to Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

48. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal, or review, whether by certiorari or otherwise, has expired.

49. Neither Aeterna nor any other person or entity that paid any portion of the Settlement Amount on its behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the plan of allocation.

50. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

51. Unless the Court otherwise orders, any Class Member who or which fails to submit a Claim Form online or postmarked on or before January 26, 2021 to the Claims Administrator shall be fully and forever barred from receiving payments pursuant to the Settlement, but will in all other respects remain a member of the Class and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Class Member releases the Released Plaintiffs' Claims (as defined in paragraph 38 above) against the Defendants' Releasees (as defined in paragraph 39 above) and will be barred and enjoined from prosecuting any of the Released Plaintiffs' Claims against any of the Defendants' Releasees whether or not such Class Member submits a Claim Form.

52. Participants in, and beneficiaries of, an Aeterna employee benefit plan covered by ERISA ("ERISA Plan") should NOT include any information relating to their transactions in Aeterna securities held through the ERISA Plan in any Claim Form that they submit in this Action. They should include ONLY those shares that they purchased outside of the ERISA Plan. Claims based on any ERISA Plan's purchases of Aeterna securities during the Class Period may be made by the plan's trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in the ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the ERISA Plan.

53. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Class Member.

54. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim Form.

55. Only Class Members, *i.e.*, persons and entities who purchased Aeterna securities on a U.S. Exchange or in a U.S. transaction during the Class Period and were damaged as a result of such purchases, will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Class by definition or that exclude themselves from the Class pursuant to request will not be eligible for a payment and should not submit Claim Forms.

### **PROPOSED PLAN OF ALLOCATION**

56. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Class Members who had economic losses as a proximate result of the alleged violations of the federal securities laws. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

57. In developing the Plan of Allocation, Lead Plaintiffs' damages expert calculated the estimated amounts of artificial inflation in the per share closing price of publicly-traded Aeterna common stock which allegedly was proximately caused by Defendants' alleged materially false and misleading statements and omissions.

58. In calculating the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Lead Plaintiffs' damages expert considered price changes in publicly-traded Aeterna common stock in reaction to certain public announcements allegedly revealing the truth concerning Defendants' alleged misrepresentations and omissions. These inflation amounts were adjusted for price changes that were attributable to market or industry forces, other negative information unrelated to Lead Plaintiffs' allegations, and to account for the strength of the claims, including potential difficulties in proving the claims.

59. In order to have recoverable damages, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of Aeterna securities. In this case, Lead Plaintiffs allege that Defendants made false statements and omitted material facts during the Class Period (*i.e.*, from August 30, 2011 through November 6, 2014, inclusive), which had the effect of artificially inflating the price of publicly-traded Aeterna securities.

60. Recognized Loss Amounts are based primarily on the difference in the amount of alleged artificial inflation in the price of publicly-traded Aeterna securities at the time of purchase and at the time of sale or the difference between the actual purchase price and sale price. Accordingly, in order to have a Recognized Loss Amount under the Plan of Allocation, a Class Member who or which purchased publicly-traded Aeterna securities prior to the corrective disclosure, which occurred on November 6, 2014, must have held his, her, or its shares of Aeterna securities through at least November 6, 2014.

#### **CALCULATION OF RECOGNIZED LOSS AMOUNTS**

61. Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. Based on the formula stated below, a “Recognized Loss Amount” will be calculated for each purchase of Aeterna securities on a U.S. Exchange or in a U.S. transaction during the Class Period that is listed on the Claim Form and for which adequate documentation is provided.<sup>4</sup> If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero. All Recognized Loss Amounts for a Claimant’s claim will be summed to arrive at the total Recognized Claim.

62. For each share of Aeterna securities purchased during the period from August 30, 2011 through the close of trading on November 6, 2014, and

- (a) Sold prior to the close of trading on November 5, 2014, the Recognized Loss Amount is zero.
- (b) Retained beyond the close of trading on November 5, 2014, and sold prior to the close of trading on November 6, 2014, the Recognized Loss Amount per share shall be equal to the *lesser* of (i) \$0.64 per share; and (ii) the difference between the purchase price and the sale price.
- (c) Retained beyond the close of trading on November 6, 2014, and sold prior to the close of trading on February 4, 2015, the Recognized Loss Amount per share shall be equal to the *least* of (i) \$0.64 per share; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average closing price up to the date of sale as set forth in Table-A below.
- (d) Retained at the close of trading on February 4, 2015, or sold thereafter, the Recognized Loss Amount per share shall be equal to the *lesser* of: (i) \$0.64 per share; and (ii) the difference between the purchase price and \$0.58 per share.<sup>5</sup>

<b>TABLE-A</b>								
<b>90-Day Look-Back Table for Publicly-Traded Aeterna Common Stock</b>								
<b>(Average Closing Price: November 7, 2014 – February 4, 2015)</b>								
<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Through Date Shown</b>	<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Through Date Shown</b>	<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Through Date Shown</b>
11/7/2014	\$0.57	\$0.57	12/8/2014	\$0.67	\$0.60	1/7/2015	\$0.60	\$0.60
11/10/2014	\$0.62	\$0.59	12/9/2014	\$0.63	\$0.60	1/8/2015	\$0.59	\$0.60

<sup>4</sup> On or about October 3, 2012, Aeterna conducted a reverse stock split and consolidated its outstanding shares on a six-to-one basis, effectively reducing the shares outstanding from 112.4 million to 18.7 million. All calculations described herein take this reverse stock split into account.

<sup>5</sup> Pursuant to Section 21D(e)(1) of the Exchange Act, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Aeterna common stock during the 90-day look-back period. The mean (average) closing price for Aeterna common stock during this 90-day look-back period was \$0.58 as shown in Table-A.

11/11/2014	\$0.59	\$0.59	12/10/2014	\$0.60	\$0.60	1/9/2015	\$0.61	\$0.60
11/12/2014	\$0.61	\$0.59	12/11/2014	\$0.57	\$0.60	1/12/2015	\$0.59	\$0.60
11/13/2014	\$0.59	\$0.59	12/12/2014	\$0.60	\$0.60	1/13/2015	\$0.59	\$0.60
11/14/2014	\$0.56	\$0.59	12/15/2014	\$0.61	\$0.60	1/14/2015	\$0.59	\$0.60
11/17/2014	\$0.55	\$0.58	12/16/2014	\$0.62	\$0.60	1/15/2015	\$0.56	\$0.60
11/18/2014	\$0.55	\$0.58	12/17/2014	\$0.61	\$0.60	1/16/2015	\$0.58	\$0.60
11/19/2014	\$0.54	\$0.57	12/18/2014	\$0.61	\$0.60	1/20/2015	\$0.56	\$0.60
11/20/2014	\$0.53	\$0.57	12/19/2014	\$0.61	\$0.60	1/21/2015	\$0.55	\$0.60
11/21/2014	\$0.53	\$0.57	12/22/2014	\$0.61	\$0.60	1/22/2015	\$0.53	\$0.60
11/24/2014	\$0.53	\$0.56	12/23/2014	\$0.61	\$0.60	1/23/2015	\$0.52	\$0.59
11/25/2014	\$0.53	\$0.56	12/24/2014	\$0.59	\$0.60	1/26/2015	\$0.54	\$0.59
11/26/2014	\$0.53	\$0.56	12/26/2014	\$0.59	\$0.60	1/27/2015	\$0.52	\$0.59
11/28/2014	\$0.52	\$0.56	12/29/2014	\$0.62	\$0.60	1/28/2015	\$0.53	\$0.59
12/1/2014	\$0.64	\$0.56	12/30/2014	\$0.64	\$0.60	1/29/2015	\$0.54	\$0.59
12/2/2014	\$0.78	\$0.57	12/31/2014	\$0.60	\$0.60	1/30/2015	\$0.53	\$0.59
12/3/2014	\$0.76	\$0.58	1/2/2015	\$0.60	\$0.60	2/2/2015	\$0.52	\$0.59
12/4/2014	\$0.68	\$0.59	1/5/2015	\$0.60	\$0.60	2/3/2015	\$0.53	\$0.59
12/5/2014	\$0.64	\$0.59	1/6/2015	\$0.58	\$0.60	2/4/2015	\$0.51	\$0.58

### **ADDITIONAL PROVISIONS**

63. **Calculation of Claimant’s “Recognized Claim”:** A Claimant’s “Recognized Claim” will be the sum of his, her, or its Recognized Loss Amounts as calculated under paragraph 62 above.

64. **FIFO Matching:** If a Class Member made more than one purchase or sale of Aeterna securities during the Class Period, all purchases and sales will be matched on a First In, First Out (“FIFO”) basis. In the event that a Class Member has multiple transactions in Aeterna securities during the Class Period, the first sales will be matched first against any securities held at the close of trading on August 29, 2011, then chronologically against purchases made during the Class Period.

65. **Purchase/Sale Prices:** For the purposes of calculations in paragraph 62 above, “purchase price” means the actual price paid, excluding any fees, commissions, and taxes, and “sale price” means the actual amount received, not deducting any fees, commissions, and taxes.

66. **“Purchase/Acquisition/Sale” Dates:** Purchases or acquisitions and sales of Aeterna securities will be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.<sup>6</sup> The receipt or grant by gift, inheritance, or operation of law of Aeterna securities during the Class Period will not be deemed a purchase or sale of Aeterna securities for the calculation of a Claimant’s Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/sale of Aeterna securities unless: (i) the donor or decedent purchased or sold such Aeterna securities during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to shares of such shares of Aeterna securities.

67. **Short Sales:** The date of covering a “short sale” is deemed to be the date of purchase of the Aeterna securities. The date of a “short sale” is deemed to be the date of sale of the Aeterna securities. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” and the purchases covering “short sales” is zero.

68. In the event that a Claimant has an opening short position in Aeterna securities, the earliest purchases of Aeterna securities during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

69. **Common Stock Purchased/Sold Through the Exercise of Options:** With respect to Aeterna common stock purchased or sold through the exercise of an option, the purchase/sale date of the security is the exercise date of the option and the purchase/sale price is the exercise price of the option.

<sup>6</sup> Any transactions in Aeterna securities executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

70. **Market Gains and Losses:** The Claims Administrator will determine if the Claimant had a “Market Gain” or a “Market Loss” with respect to his, her, or its overall transactions in Aeterna securities during the Class Period. For purposes of making this calculation, the Claims Administrator will determine the difference between (i) the Claimant’s Total Purchase Amount<sup>7</sup> and (ii) the sum of the Claimant’s Total Sales Proceeds<sup>8</sup> and the Claimant’s Holding Value.<sup>9</sup> If the Claimant’s Total Purchase Amount minus the sum of the Claimant’s Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant’s Market Loss; if the number is a negative number or zero, that number will be the Claimant’s Market Gain.

71. If a Claimant had a Market Gain with respect to his, her, or its overall transactions in Aeterna securities during the Class Period, the value of the Claimant’s Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in Aeterna securities during the Class Period, but that Market Loss was less than the Claimant’s Recognized Claim calculated pursuant to paragraphs 61-62 above, then the Claimant’s Recognized Claim will be limited to the amount of the Market Loss.

72. **Determination of Distribution Amount:** If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant will receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share will be the Authorized Claimant’s Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

73. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund will be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

74. If an Authorized Claimant’s Distribution Amount calculates to less than \$10.00, no distribution will be made to that Authorized Claimant.

75. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator, no less than six (6) months after the initial distribution, will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s), to be recommended by Lead Counsel and approved by the Court.

76. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, will be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiffs, Plaintiffs’ Counsel, Lead Plaintiffs’ damages or consulting experts, Defendants, Defendants’ Counsel, or any of the other Plaintiffs’ Releasees or Defendants’ Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Lead Plaintiffs, Defendants, and their respective counsel, and all other Defendants’ Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Claim or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

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<sup>7</sup> The “Total Purchase Amount” is the total amount the Claimant paid (excluding any fees, commissions, and taxes) for all shares of Aeterna securities purchased during the Class Period.

<sup>8</sup> The Claims Administrator will match any sales of Aeterna securities during the Class Period first against the Claimant’s opening position in Aeterna securities (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (not deducting any fees, commissions, and taxes) for sales of the remaining shares of Aeterna securities sold during the Class Period is the “Total Sales Proceeds.”

<sup>9</sup> The Claims Administrator will ascribe a “Holding Value” of \$0.65 to each share of publicly-traded Aeterna common stock purchased during the Class Period that was still held as of the close of trading on November 6, 2014.

77. The Plan of Allocation stated herein is the plan that is being proposed to the Court for its approval by Lead Plaintiffs after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the Settlement website, [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com).

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?**

78. Plaintiffs' Counsel have not received any payment for their services in pursuing claims asserted in the Action on behalf of the Class, nor have Plaintiffs' Counsel been paid for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 33⅓% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses incurred by Plaintiffs' Counsel in an amount not to exceed \$825,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Class, pursuant to the PSLRA. The Court will determine the amount of any award of attorneys' fees or Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

**WHAT IF I DO NOT WANT TO BE A MEMBER OF THE CLASS? HOW DO I EXCLUDE MYSELF?**

79. Each Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Class, addressed to the Claims Administrator at Aeterna Zentaris, Inc. Securities Settlement - EXCLUSIONS, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA 19063, that is accepted by the Court. The Request for Exclusion must be **received no later than January 26, 2021**. You will not be able to exclude yourself from the Class after that date. Each Request for Exclusion must (i) state the name, address, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person; (ii) state that such person or entity "requests exclusion from the Class in *Bing Li, et al. v. Aeterna Zentaris, et al.*, No. 3:14-cv-07081-PGS-TJB"; (iii) state the number of Aeterna securities that the person or entity requesting exclusion (A) owned as of the opening of trading on August 30, 2011 and (B) purchased/acquired and/or sold during the Class Period (*i.e.*, from August 30, 2011 through November 6, 2014, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and sale; and (iv) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion that does not provide all the information called for in this paragraph and is not received within the time stated above will be invalid and will not be allowed or accepted. Lead Counsel may request that the person or entity requesting exclusion submit documentation sufficient to prove his, her, or its holdings and trading in Aeterna securities as called for above.

80. If you do not want to be part of the Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Defendants' Releasees.

81. If you ask to be excluded from the Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

82. Aeterna has the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Class in an amount that exceeds an amount agreed to by Lead Plaintiffs and Defendants.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

83. **Class Members do not need to attend the Settlement Fairness Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Fairness Hearing.** Please Note: The date and time of the Settlement Fairness Hearing may change without further written notice to the Class. You should monitor the Court's docket and the Settlement website, [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com), before making plans to attend the Settlement Fairness Hearing. You may also confirm the date and time of the Settlement Fairness Hearing by contacting Lead Counsel.

84. The Settlement Fairness Hearing will be held telephonically on **February 16, 2021 at 11:00 a.m.**, before the Honorable Peter G. Sheridan at the United States District Court for the District of New Jersey (Toll-Free Dial-In Number: 844-891-8300; Conference ID: 817 247 369#) to determine, among other things, (i) whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class, and should be finally approved by the Court; (ii) whether the Action should be dismissed with prejudice against Defendants and the Releases specified and described in the Stipulation (and in this Notice) should be granted; (iii) whether the proposed Plan of Allocation should be approved as fair and reasonable; (iv) whether Lead Counsel’s application for an award of attorneys’ fees and Litigation Expenses should be approved; and (v) any other matters that may properly be brought before the Court in connection with the Settlement. The Court reserves the right to approve the Settlement, the Plan of Allocation, and Lead Counsel’s motion for an award of attorneys’ fees and Litigation Expenses, and/or consider any other matter related to the Settlement, at or after the Settlement Fairness Hearing without further notice to the members of the Class.

85. Any Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation, or Lead Counsel’s motion for attorneys’ fees and Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, electronically with the Court or by letter mailed to the Clerk’s Office at the United States District Court for the District of New Jersey at the address set forth below **so that it is received on or before January 26, 2021**. You must also serve the papers on Lead Counsel and on Defendants’ Counsel at the addresses set forth below so that the papers are **received on or before January 26, 2021**.

<b>CLERK’S OFFICE</b>	
United States District Court District of New Jersey Clerk’s Office Clarkson S. Fisher Building and United States Courthouse 402 East State Street Room 2020 Trenton, NJ 08608	
<b>LEAD COUNSEL</b>	<b>DEFENDANTS’ COUNSEL</b>
<b>The Rosen Law Firm</b> Laurence Rosen, Esq. One Gateway Center, Suite 2600 Newark, NJ 07102  <b>Glancy Prongay &amp; Murray LLP</b> Kara Wolke, Esq. 1925 Century Park East, Ste. 2100 Los Angeles, CA 90067	<b>Norton Rose Fulbright US LLP</b> Gerard G. Pecht, Esq. Fulbright Tower 1301 McKinney, Suite 5100 Houston, TX 77010  <b>King &amp; Spalding LLP</b> Michael R. Smith, Esq. B. Warren Pope, Esq. Brandon Keel, Esq. 1180 Peachtree Street NE, Suite 1600 Atlanta, GA 30309

86. To object, you must send a letter stating that you object to the Settlement. Your objection must include:
- (1) The name of this proceeding, *Bing Li, et al. v. Aeterna Zentaris, Inc, et al.*, No. 3:14-cv-07081-PGS-TJB, or similar identifying words such as “Aeterna Securities Litigation”;
  - (2) The full name, current address, and telephone number of the person or entity objecting;
  - (3) Your personal signature (your attorney’s signature is not enough);
  - (4) A statement providing the specific reasons for your objection, including adequate details to support the objection and a description of any evidence or identity of witnesses you may offer in support of your objection, and whether your objection applies only to the objector, to a specific subset of the Class, or to the entire Class;
  - (5) Documents sufficient to prove membership in the Class, including documents showing the number of Aeterna securities that you: (A) owned as of the opening of trading on August 30, 2011 and (B) purchased/acquired and/or sold during the Class Period (*i.e.*, from August 30, 2011 through November 6, 2014, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and sale. Documentation establishing membership in the Class must consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an

authorized statement from your broker containing the transactional and holding information found in a broker confirmation slip or account statement;

- (6) A statement identifying by case name, case number, and court, all class action settlements to which you have objected in the previous five (5) years; and
- (7) A statement as to whether you intend to appear at the Settlement Fairness Hearing, either *pro se* (i.e. representing yourself) or through a lawyer.

If you are represented by a lawyer, your written objection must also include:

- (8) Your lawyer's name, address, and telephone number; and
- (9) A statement indicating whether your lawyer will appear at the Settlement Fairness Hearing to present your objection on your behalf.

Additionally, if you are represented by a lawyer, and your lawyer intends to seek compensation for his or her services from anyone other than you, your written objection letter must include:

- (10) The identity of all lawyers that represent you, including any former or current lawyer who may be entitled to compensation for any reason related to the objection;
- (11) A statement identifying all instances in which your lawyer or your lawyer's law firm objected to a class action settlement in the previous five (5) years, providing the case name, case number, and court;
- (12) A statement identifying all agreements or contracts that relate to the objection or the process of objecting—whether written or oral—between you, your lawyer, and/or any other person or entity;
- (13) A description of your lawyer's legal background and prior experience in connection with class action litigation; and
- (14) A statement regarding whether your lawyer's compensation will be calculated on the basis of a lodestar, contingency, or other method; an estimate of the amount of fees to be sought; the factual and legal justification for any fees to be sought; the number of hours already spent by your lawyer and an estimate of the hours to be spent in the future; and the lawyer's hourly rate.

87. You may not object to the Settlement, the Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses if you exclude yourself from the Class or if you are not a member of the Class.

88. If you object to the Settlement or the requested for attorneys' fees and/or reimbursement of Litigation Expenses, you subject yourself to the jurisdiction of the District Court in this matter and consent to being deposed in your district of residence and producing in advance of a deposition any responsive documents to a discovery request prior to the Settlement Hearing.

89. You may file a written objection without having to appear at the Settlement Fairness Hearing. You may not, however, appear at the Settlement Fairness Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

90. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, assuming you timely file and serve a written objection as described above, you must also file a notice of appearance electronically with the Court or by letter mailed to the Clerks' office and serve it on Lead Counsel and on Defendants' Counsel at the addresses set forth in ¶ 85 above so that it is **received on or before January 26, 2021**. Objectors and/or their counsel may be heard orally at the discretion of the Court.

91. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Fairness Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶ 85 above so that the notice is **received on or before January 26, 2021**.

92. The Settlement Fairness Hearing may be rescheduled at the Court's discretion. If you intend to attend the Settlement Fairness Hearing, you should confirm the date, time, and dial-in information on the settlement website, [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com).

**93. Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses. Class Members do not need to appear at the Settlement Fairness Hearing or take any other action to indicate their approval.**

**WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?**

94. If you purchased Aeterna securities on a U.S. Exchange or in a U.S. transaction during the period from August 30, 2011 through November 6, 2014, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either: (i) within seven (7) calendar days of receipt of the letter providing notice of the Settlement, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; (ii) within seven (7) calendar days of receipt of the letter, request an electronic copy of the Notice Packet and transmit it via email to all such beneficial owners for whom email addresses are available within seven (7) days of receiving the electronic copy; or (iii) within seven (7) calendar days of receipt of the letter, provide a list of the names, addresses, and email addresses (if available) of all such beneficial owners to Strategic Claims Services, 600 N. Jackson St., Suite 205, P.O. Box 230, Media, PA 19063, info@strategicclaims.net. If you choose the third option, the Claims Administrator will send a copy of the Notice Packet to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, up to a maximum of \$0.20 per Notice Packet plus postage at the current pre-sort rate used by the Claims Administrator if the Notice Packet is mailed by the broker or nominee; or \$0.05 per Notice Packet transmitted by email by the broker or nominee; or \$0.10 per name, mailing address, and email address (to the extent available), by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the Settlement website, www.aeternasecuritieslitigation.com, by calling the Claims Administrator toll-free at (866) 274-4004 or by emailing the Claims Administrator at info@strategicclaims.net.

**CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?**

95. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the District of New Jersey, Clarkson S. Fisher Building and United States Courthouse, 402 East State Street, Room 2020 Trenton, NJ 08608. Please visit the Court's website at <https://www.njd.uscourts.gov> to determine whether the Court is open due to the exigent circumstances created by the COVID-19 pandemic. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the Settlement website, www.aeternasecuritieslitigation.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

*Aeterna Zentaris, Inc. Securities Litigation*  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson St., Suite 205  
Media, PA 19063  
Toll-Free: (866) 274-4004  
Fax: (610) 565-7985  
info@strategicclaims.net

and/or

Laurence Rosen, Esq.  
The Rosen Law Firm  
One Gateway Center, Suite 2600  
Newark, NJ 07102  
(973) 313-1887  
info@rosenlegal.com

Kara Wolke, Esq.  
Glancy Prongay & Murray LLP  
1925 Century Park East, Ste. 2100  
Los Angeles, CA 90067  
(888) 773-9224  
settlements@glancylaw.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: September 29, 2020

By Order of the Court  
United States District Court  
District of New Jersey

## PROOF OF CLAIM AND RELEASE

To be potentially eligible to receive a share of the Net Settlement Fund in connection with the settlement of *Bing Li, et al. v. Aeterna Zentaris, Inc., et al.*, No. 3:14-cv-07081-PGS-TJB (the “Action”), you must complete and sign this Proof of Claim and Release form (“Claim Form”) and either mail it by first-class mail to the address below, with supporting documentation, **postmarked no later than JANUARY 26, 2021, or submit it online at [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com) by JANUARY 26, 2021.**

### Mail to:

*Aeterna Zentaris, Inc. Securities Litigation*  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson St., Suite 205  
Media, PA 19063  
Fax: (610) 565-7985  
[info@strategicclaims.net](mailto:info@strategicclaims.net)

Failure to submit your Claim Form by the date specified will subject your claim to rejection and may preclude you from being eligible to receive a payment from the Settlement.

**Do not mail or deliver your Claim Form to the Court, Lead Counsel, Defendants’ Counsel, or any of the Parties to the Action. Submit your Claim Form only to the Claims Administrator at the address set forth above.**

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## PART I – CLAIMANT INFORMATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above. Complete names of all persons and entities must be provided.

Beneficial Owner's Name

Joint Beneficial Owner's Name (if applicable)

If this claim is submitted for an IRA, and if you would like any check that you MAY be eligible to receive made payable to the IRA, please include "IRA" in the "Last Name" box above (e.g., Jones IRA).

Entity Name (if the Beneficial Owner is not an individual)

Name of Representative, if applicable (executor, administrator, trustee, c/o, etc.), if different from Beneficial Owner

Taxpayer Identification Number (for entities, trusts, estates, etc...) or Social Security Number (for individuals)

Street Address

City

State/Province

Zip Code

Foreign Postal Code (if applicable)

Foreign Country (if applicable)

Telephone Number (Day)

Telephone Number (Evening)

Email Address (email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim)

### Type of Beneficial Owner:

Specify one of the following:

Individual(s)

Corporation

UGMA Custodian

IRA

Partnership

Estate

Trust

Other (describe: \_\_\_\_\_)

## PART II – GENERAL INSTRUCTIONS

1. It is important that you completely read and understand the Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Litigation Expenses (the "Notice") that accompanies this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read and that you understand the Notice, including the terms of the releases described therein and provided for herein.

2. By submitting this Claim Form, you will be making a request to receive a payment from the Settlement described in the Notice. **IF YOU ARE NOT A CLASS MEMBER** (*see* the definition of the Class on page 6 of the Notice, which sets forth who is included in and who is excluded from the Class), **OR IF YOU, OR SOMEONE ACTING ON YOUR BEHALF, SUBMITTED A REQUEST FOR EXCLUSION FROM THE CLASS, DO NOT SUBMIT A CLAIM FORM. YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT IF YOU ARE NOT A CLASS MEMBER.** **THUS, IF YOU ARE EXCLUDED FROM THE CLASS, ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, WILL NOT BE ACCEPTED.**

3. **Submission of this Claim Form does not guarantee that you will be eligible to receive a payment from the Settlement. The distribution of the Net Settlement Fund will be governed by the Plan of Allocation set forth in the Notice, if it is approved by the Court, or by such other plan of allocation as the Court approves.**

4. Use the Schedule of Transactions in Part III of this Claim Form to supply all required details of your transaction(s) in, and holdings of, Aeterna common stock. On this schedule, provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of Aeterna common stock (including free transfers and deliveries), whether such transactions resulted in a profit or a loss. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

5. **Please note:** Only Aeterna securities purchased on a U.S. Exchange or in a U.S. transaction during the period from August 30, 2011 through November 6, 2014, both dates inclusive, and not sold prior to November 6, 2014, are eligible under the Settlement. However, under the "90-day look-back period" (described in the Plan of Allocation set forth in the Notice), sales of Aeterna common stock during the period from November 7, 2014 through and including the close of trading on February 4, 2015, will be used for purposes of calculating your claim under the Plan of Allocation. Therefore, in order for the Claims Administrator to be able to balance your claim, the requested purchase/acquisition information during this period must also be provided.

6. You are required to submit genuine and sufficient documentation for all of your transactions in and holdings of Aeterna securities set forth in the Schedule of Transactions in Part III of this Claim Form. Documentation may consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from your broker containing the transactional and holding information found in a broker confirmation slip or account statement. The Parties and the Claims Administrator do not independently have information about your investments in Aeterna securities. **IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OF THE DOCUMENTS OR EQUIVALENT DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION MAY RESULT IN THE REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS. Please keep a copy of all documents that you send to the Claims Administrator. Also, do not highlight any portion of the Claim Form or any supporting documents.**

7. Use Part I of this Claim Form entitled "CLAIMANT INFORMATION" to identify the beneficial owner(s) of Aeterna securities. The complete name(s) of the beneficial owner(s) must be entered. If you held the Aeterna security in your own name, you were the beneficial owner as well as the record owner. If, however, your Aeterna securities were registered in the name of a third party, such as a nominee or brokerage firm, you were the beneficial owner of these shares, but the third party was the record owner. The beneficial owner, not the record owner, must sign this Claim Form to be eligible to participate in the Settlement. If there were joint beneficial owners, each must sign this Claim Form and each of their names must be included in Part I of this Claim Form.

8. **One Claim should be submitted for each separate legal entity.** Separate Claim Forms should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions

made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (e.g., a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

9. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons represented by them, and they must:

- (a) expressly state the capacity in which they are acting;
- (b) identify the name, account number, address, and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Aeterna securities; and
- (c) furnish herewith evidence of their authority to bind to the Claim Form the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade securities in another person's accounts.)

10. By submitting a signed Claim Form, you will be swearing that you:

- (a) own(ed) the Aeterna securities you have listed in the Claim Form; or
- (b) are expressly authorized to act on behalf of the owner thereof.

11. By submitting a signed Claim Form, you will be swearing to the truth of the statements contained therein and the genuineness of the documents attached thereto, subject to penalties of perjury under the laws of the United States of America. The making of false statements, or the submission of forged or fraudulent documentation, will result in the rejection of your claim and may subject you to civil liability or criminal prosecution.

12. If the Court approves the Settlement, payments to eligible Authorized Claimants pursuant to the Plan of Allocation (or such other plan of allocation as the Court approves) will be made after any appeals are resolved, and after the completion of all claims processing. The claims process will take substantial time to complete fully and fairly. Please be patient.

13. **PLEASE NOTE:** As set forth in the Plan of Allocation, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

14. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Notice, you may contact the Claims Administrator, Strategic Claims Services, at the above address, by email at [info@strategicclaims.net](mailto:info@strategicclaims.net), or by toll-free phone at (866) 274-4004, or you can visit the Settlement website, [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com), where copies of the Claim Form and Notice are available for downloading.

15. **NOTICE REGARDING ELECTRONIC FILES:** Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the **mandatory** electronic filing requirements and file layout, you may visit the Settlement website at [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com) or you may email the Claims Administrator's electronic filing department at [efile@strategicclaims.net](mailto:efile@strategicclaims.net). **Any file not in accordance with the required electronic filing format will be subject to rejection.** Only one claim should be submitted for each separate legal entity (*see* paragraph 8 above) and the **complete** name of the beneficial owner of the securities must be entered where called for (*see* paragraph 7 above). No electronic files will be considered to have been submitted unless the Claims Administrator issues an email to that effect. **Do not assume that your file has been received until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at [efile@strategicclaims.net](mailto:efile@strategicclaims.net) to inquire about your file and confirm it was received.**

#### **IMPORTANT: PLEASE NOTE**

**YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM WITHIN 60 DAYS OF YOUR SUBMISSION. IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, CONTACT THE CLAIMS ADMINISTRATOR TOLL FREE AT (866) 274-4004 OR BY EMAIL AT [INFO@STRATEGICCLAIMS.NET](mailto:INFO@STRATEGICCLAIMS.NET).**

**PART III – SCHEDULE OF TRANSACTIONS IN AETERNA COMMON STOCK**

Please only include information regarding Aeterna common stock (NASDAQ: AEZS, CUSIP: 007975402). Please include proper documentation with your Claim Form as described in detail in Part II – General Instructions, paragraph 6 above.

<b>1. HOLDINGS AS OF AUGUST 30, 2011</b> – State the total number of shares of Aeterna common stock held as of the close of trading on August 29, 2011. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="radio"/>
<b>2. PURCHASES/ACQUISITIONS FROM AUGUST 30, 2011 THROUGH NOVEMBER 6, 2014</b> – Separately list each and every purchase or acquisition (including free receipts) of Aeterna common stock from after the opening of trading on August 30, 2011 through and including the close of trading on November 6, 2014. (Must be documented.)				
Date of Purchase/ Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/ Acquired	Purchase/ Acquisition Price Per Share	Total Purchase/ Acquisition Price (excluding any fees, commissions, and taxes)	Confirm Proof of Purchase/ Acquisition Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>3. PURCHASES/ACQUISITIONS FROM NOVEMBER 7, 2014 THROUGH FEBRUARY 4, 2015</b> – State the total number of shares of Aeterna common stock purchased or acquired (including free receipts) from November 7, 2014 through and including the close of trading on February 4, 2015. If none, write “zero” or “0.” <sup>10</sup> _____				
<b>4. SALES FROM AUGUST 30, 2011 THROUGH FEBRUARY 4, 2015</b> – Separately list each and every sale or disposition (including free deliveries) of Aeterna common stock from after the opening of trading on August 30, 2011 through and including the close of trading on February 4, 2015. (Must be documented.)				<b>IF NONE, CHECK HERE</b> <input type="radio"/>
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (not deducting any fees, commissions, and taxes)	Confirm Proof of Sale Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>5. HOLDINGS AS OF FEBRUARY 4, 2015</b> – State the total number of shares of Aeterna common stock held as of the close of trading on February 4, 2015. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="radio"/>
<b>IF YOU REQUIRE ADDITIONAL SPACE FOR THE SCHEDULE ABOVE, ATTACH EXTRA SCHEDULES IN THE SAME FORMAT. PRINT THE BENEFICIAL OWNER’S FULL NAME ON EACH ADDITIONAL PAGE. IF YOU DO ATTACH EXTRA SCHEDULES, CHECK THIS BOX.</b>				<input type="checkbox"/>

<sup>10</sup> **Please note:** Information requested with respect to your purchases and acquisitions of Aeterna common stock from November 7, 2014 through and including the close of trading on February 4, 2015 is needed in order to balance your claim; purchases during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim under the Plan of Allocation.

## PART IV - RELEASE OF CLAIMS AND SIGNATURE

### YOU MUST ALSO READ THE RELEASE AND CERTIFICATION BELOW AND SIGN ON PAGE 23 OF THIS CLAIM FORM.

I (we) hereby acknowledge that, pursuant to the terms set forth in the Stipulation, without further action by anyone, upon the Effective Date of the Settlement, I (we), on behalf of myself (ourselves) and my (our) (the claimant(s)') heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such only, shall be deemed to have, and by operation of law and of the judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged any or all of the Released Plaintiffs' Claims against Defendants and the other Defendants' Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendants' Releasees.

### CERTIFICATION

By signing and submitting this Claim Form, the claimant(s) or the person(s) who represent(s) the claimant(s) agree(s) to the release above and certifies (certify) as follows:

1. that I (we) have read and understand the contents of the Notice and this Claim Form, including the releases provided for in the Settlement and the terms of the Plan of Allocation;
2. that the claimant(s) is a (are) Class Member(s), as defined in the Notice, and is (are) not excluded by definition from the Class as set forth in the Notice;
3. that the claimant(s) did **not** submit a request for exclusion from the Class;
4. that I (we) own(ed) the Aeterna securities identified in the Claim Form and have not assigned the claim against any of the Defendants or any of the other Defendants' Releasees to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
5. that the claimant(s) has (have) not submitted any other claim covering the same purchases of Aeterna securities and knows (know) of no other person having done so on the claimant's (claimants') behalf;
6. that the claimant(s) submit(s) to the jurisdiction of the Court with respect to claimant's (claimants') claim and for purposes of enforcing the releases set forth herein;
7. that I (we) agree to furnish such additional information with respect to this Claim Form as Lead Counsel, the Claims Administrator, or the Court may require;
8. that the claimant(s) waive(s) the right to trial by jury, to the extent it exists, and agree(s) to the determination by the Court of the validity or amount of this claim, and waives any right of appeal or review with respect to such determination;
9. that I (we) acknowledge that the claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and
10. that the claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (i) the claimant(s) is (are) exempt from backup withholding or (ii) the claimant(s) has (have) not been notified by the IRS that he, she, or it is subject to backup withholding as a result of a failure to report all interest or dividends or (iii) the IRS has notified the claimant(s) that he, she, or it is no longer subject to backup withholding. **If the IRS has notified the claimant(s) that he, she, it, or they is (are) subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS CLAIM FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS SUBMITTED HEREWITH ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

---

Signature of claimant

Date

---

Print claimant name here

---

Signature of joint claimant, if any

Date

---

Print joint claimant name, if any, here

***If the claimant is other than an individual, or is not the person completing this form, the following also must be provided:***

---

Signature of person signing on behalf of claimant

Date

---

Print name of person signing on behalf of claimant here

---

Capacity of person signing on behalf of claimant, if other than an individual, *e.g.*, executor, president, trustee, custodian, etc. (Must provide evidence of authority to act on behalf of claimant – see ¶ 9 on page 20 of this Claim Form.)

THIS CLAIM FORM MUST BE EITHER MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, ***POSTMARKED NO LATER THAN JANUARY 26, 2021***, ADDRESSED AS FOLLOWS:

*Aeterna Zentaris, Inc. Securities Litigation*  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson St., Suite 205  
Media, PA 19063  
Fax: (610) 565-7985  
info@strategicclaims.net

OR SUBMITTED ONLINE AT: [WWW.AETERNASECURITIESLITIGATION.COM](http://WWW.AETERNASECURITIESLITIGATION.COM) BY JANUARY 26, 2021.

A Claim Form received by the Claims Administrator shall be deemed to have been submitted when posted, if a postmark date on or before January 26, 2021 is indicated on the envelope and it is mailed First Class, and addressed in accordance with the above instructions. In all other cases, a Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to fully process all of the Claim Forms. Please be patient and notify the Claims Administrator of any change of address.

Aeterna Zentaris, Inc. Securities Litigation  
c/o Strategic Claims Services  
600 N. Jackson St., Ste. 205  
Media, PA 19063

**IMPORTANT LEGAL DOCUMENT – PLEASE FORWARD**

**REMINDER CHECKLIST**

1. Sign the above release and certification. If this Claim Form is being made on behalf of joint claimants, then both must sign.
2. Attach only *copies* of acceptable supporting documentation as these documents will not be returned to you.
3. Do not highlight any portion of the Claim Form or any supporting documents.
4. Keep copies of the completed Claim Form and documentation for your own records.
5. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days of your submission. Your claim is not deemed filed until you receive an acknowledgement postcard. **If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at (866) 274-4004.**
6. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, you must send the Claims Administrator written notification of your new address. If you change your name, inform the Claims Administrator.
7. If you have any questions or concerns regarding your claim, contact the Claims Administrator at the address below, by email at [info@strategicclaims.net](mailto:info@strategicclaims.net), or by toll-free phone at (866) 274-4004, or you may visit [www.aeternasecuritieslitigation.com](http://www.aeternasecuritieslitigation.com). DO NOT call Aeterna or its counsel with questions regarding your claim.