



CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

I. General Statement of Purpose

The Corporate Governance and Nominating Committee (the "Corporate Governance Committee") of Novelion Therapeutics Inc. (the "Company") on behalf of the Board of Directors (the "Board") is responsible for identifying individuals qualified to become board members, consistent with criteria approved by the Board, and recommending that the Board select the director nominees for election at each annual meeting of shareholders. The Corporate Governance Committee is also responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to the Company, periodically reviewing such guidelines and recommending any changes thereto, and overseeing the evaluation of the Board and management.

II. Committee Composition

The Corporate Governance Committee shall have at least three members, all of whom shall be "independent" directors, as determined by the Board, in accordance with applicable stock exchange listing standards and applicable laws, instruments and policies.

The members of the Corporate Governance Committee shall be appointed annually by the Board and may be replaced or removed by the Board at any time, with or without cause. Resignation or removal of a director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Corporate Governance Committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Corporate Governance Committee to serve as Chair of the Corporate Governance Committee. All indemnification, exculpation, expense reimbursement and advancement provisions and rights available to members of the Corporate Governance Committee in their capacities as directors of the Company shall be fully applicable with respect to their service on the Corporate Governance Committee or any subcommittee thereof.

III. Committee Responsibilities

The Corporate Governance Committee shall be responsible for:

- A. identifying, considering and recommending to the Board qualified individuals for nomination for election to the Board at the annual meeting of shareholders or to fill Board vacancies;
- B. considering director nominees recommended by shareholders and overseeing the Company's policies and procedures with respect to the consideration of such nominations;
- C. retaining, overseeing and terminating search firms used to identify director candidates, legal counsel or other advisers, including approving their fees and terms of retention;

- D. considering and recommending to the Board director qualification standards;
- E. when required, expeditiously considering any resignation tendered by a director pursuant to the Company's Majority Voting Policy in accordance with the provisions of such policy and recommending to the Board whether to accept, delay accepting or reject such resignation;
- F. considering and recommending to the Board committee membership and membership standards;
- G. reviewing annually the Corporate Governance Committee's Charter and each of the Board Mandate and the Chairman of the Board Mandate, and recommending changes to the Board;
- H. evaluating the composition, size and structure of the Board, and making recommendations to the Board in respect of such matters, and overseeing an annual review by the Board of its practices and effectiveness;
- I. coordinating and overseeing an annual self-assessment of the Board, its committees and individual directors;
- J. recommending improvements to the functioning and effectiveness of the Board;
- K. developing, overseeing and reviewing annually corporate governance principles applicable to the Company, and recommending changes to the Board;
- L. developing and maintaining an orientation program for new Board members and a continuing education program for all Board members, including education on governance matters; and
- M. otherwise taking a leadership role in shaping the corporate governance of the Company.

The Corporate Governance Committee shall consider, develop and recommend to the Board such policies and procedures with respect to the nomination of directors and officers or other corporate governance matters as may be required or required to be disclosed pursuant to any rules promulgated under U.S. or Canadian securities laws or otherwise considered to be desirable and appropriate in the discretion of the Corporate Governance Committee.

In addition to the powers and responsibilities expressly delegated to the Corporate Governance Committee in this Charter, the Corporate Governance Committee shall carry out any other responsibilities and duties delegated by the Board to the Corporate Governance Committee related to the purposes of the Corporate Governance Committee set forth in Section III of this Charter.

IV. Board Administration

The Corporate Governance Committee shall be responsible for overseeing and reviewing management's processes for providing information to the Board.

V. Board Nominees and Officer Appointments

- The Corporate Governance Committee shall be responsible for nominating individuals to be elected to the Board and overseeing the appointment of individuals to the Board. At an appropriate time prior to each annual meeting of shareholders at which directors are to be elected or re-elected, the Corporate Governance Committee shall recommend to the Board for nomination by the Board such candidates as the independent directors, in the exercise of their judgment, have found to be well qualified and willing and able to serve. At an appropriate time after a vacancy arises on the Board or a director advises the Board of his or her intention to resign, the Corporate Governance Committee shall recommend to the Board for appointment by the Board to fill such vacancy, if desired, such prospective member of the Board as the Corporate Governance Committee, in the exercise of their judgment, have found to be well qualified and willing and available to serve. For the purposes of the foregoing, the Corporate Governance Committee may consider the following criteria, among others the Corporate Governance Committee shall deem appropriate, in recommending candidates for election to the Board: the nominee shall have experience at a strategic or policymaking level in a business, government, non-profit or academic organization of high standing;
- the nominee shall be highly accomplished in his or her respective field, with superior credentials and recognition;
- the nominee shall exhibit high standards of integrity, ethics, commitment and independence of thought and judgment;
- the nominee shall have significant business or professional experience or demonstrated an exceptional understanding of the pharmaceutical industry or other disciplines relevant to the business of the Company;
- the nominee shall have sufficient time and availability to devote to the affairs of the Company, particularly in light of the number of boards on which the nominee may serve; and
- to the extent such nominee serves or has previously served on other boards, the nominee shall have a demonstrated history of actively contributing at board meetings.

In addition to the minimum qualifications for each nominee set forth above, the Corporate Governance Committee shall recommend that the Board select persons for nomination to help ensure that the Board and committee membership are consistent with all applicable laws and stock exchange rules, including:

- a majority of the Board shall be “independent” in accordance with the standards established pursuant to NASDAQ Listing Rule 5605(a)(2) and NP 58-201 of the Canadian Securities Administrators;
- each of the Audit Committee, the Compensation Committee, the Compliance Committee and the Corporate Governance and Nominating Committee shall be comprised entirely of independent directors;

- members of the Audit Committee and the Compensation Committee shall meet the additional independence standards specified in such committees' charters; and
- members of the Audit Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in such individuals' financial sophistication, including being or having been a chief executive officer, principal financial officer or other senior officer with financial oversight responsibilities, and at least one member of the Audit Committee shall qualify as an "audit committee financial expert" as defined by the rules of the Securities and Exchange Commission.

Finally, in addition to any other standards the Corporate Governance Committee may deem appropriate from time to time, the Corporate Governance Committee may consider the following factors when recommending that the Board select persons for nominations:

- any direct experience in the pharmaceutical industry or in the markets in which the Company operates;
- any experience as a board member of another publicly-held company;
- annual or special shareholder meeting voting results; and
- whether the nominee, if elected, assists in achieving a mix of Board members that represent a diversity of background and experience, as well as diversity by gender, age, geography, members of minority groups and persons with disabilities in accordance with the Company's Diversity Policy.

VI. Meetings

The Corporate Governance Committee shall meet as frequently as necessary to carry out its responsibilities. The Corporate Governance Committee may, at its discretion, include in its meetings members of the Company's management, or any other person whose presence the Corporate Governance Committee believes to be desirable and appropriate. Notwithstanding the foregoing, the Corporate Governance Committee may exclude from its meetings any person it deems appropriate, including, but not limited to, any non-management director who is not a member of the Corporate Governance Committee.

A majority of the members of the Corporate Governance Committee shall constitute a quorum for purposes of holding a meeting and the Corporate Governance Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Corporate Governance Committee may act by unanimous written consent (including by way of electronic transmission) in accordance with the Company's Articles. The Chair of the Corporate Governance Committee, in consultation with the other members, as he or she deems necessary, may determine the frequency and length of the Corporate Governance Committee meetings and may set meeting agendas consistent with this Charter.

VII. Company Subsidiaries

The Corporate Governance Committee shall be responsible to annually review the membership and composition of the boards of directors and officer positions of the Company's direct and indirect subsidiaries.

VIII. Conflicts

The Corporate Governance Committee will ensure that the directors and officers of the Company are aware that there is an obligation on individual directors and officers to bring to the attention of the Corporate Governance Committee any conflict of interest or competing interest which may create an actual or perceived conflict between their duties as a director or officer of the Company and the competing interest.

IX. Share Ownership Guidelines

On an annual basis, the Corporate Governance Committee will review compliance by the directors and executive officers, as applicable, with the share ownership guidelines established by the Board and bring any issue of non-compliance to the attention of any director or executive officer who is not then complying with the terms of the guidelines.

X. Succession Planning

The Corporate Governance Committee is responsible for developing succession plans for the positions of Chair of the Board and Chief Executive Officer, and will review the plans periodically. The Corporate Governance Committee will review and discuss with the Board succession plans for other key officers of the Company.

XI. Delegation

The Corporate Governance Committee may delegate any of the foregoing duties and responsibilities to one or more members of the Corporate Governance Committee so long as such delegation is not otherwise inconsistent with the Company's Articles or applicable law or rules or regulations. Any such delegation may be revoked by the Corporate Governance Committee at any time.

XII. General

- The Corporate Governance Committee shall make regular reports to the Board concerning areas of the Corporate Governance Committee's responsibility and maintain minutes or other records of Corporate Governance Committee meetings and activities.
- In discharging its role, the Corporate Governance Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Company. The Corporate Governance Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company

to render advice to the Company attend a meeting of the Corporate Governance Committee or meet with any members of or advisors to the Corporate Governance Committee.

- In carrying out its responsibilities, the Corporate Governance Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Corporate Governance Committee may consult. The Corporate Governance Committee shall also have the authority to engage advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have authority to approve any such advisors' fees and other retention terms.
- The Corporate Governance Committee may perform such other functions as may be requested by the Board from time to time.

ADOPTED BY THE BOARD OF DIRECTORS: DECEMBER 1, 2016