No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus supplement, together with the short form base shelf prospectus dated January 17, 2020 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in this prospectus supplement and in the short form base shelf prospectus dated January 17, 2020 to which it relates, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this prospectus supplement and the short form base shelf prospectus dated January 17, 2020 to which it relates from documents filed with the securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated by reference herein may be obtained upon request without charge from our Vice-President, Finance at our registered and head office located at 275 Armand-Frappier Boulevard, Laval, Quebec H7V 4A7, Canada, telephone: (450) 680-4500, or by accessing our disclosure documents available through the internet on the Canadian System for Electronic Document Analysis and Retrieval, or SEDAR, which can be accessed at www.sedar.com.

New Issue **March 23, 2020**

PROSPECTUS SUPPLEMENT
TO THE SHORT-FORM BASE SHELF PROSPECTUS DATED JANUARY 17, 2020

BELLUS HEALTH INC.

Cdn$55,999,800.00
4,770,000 Common Shares

This prospectus supplement, together with the accompanying short form base shelf prospectus dated January 17, 2020 to which it relates (the "shelf prospectus"), qualifies the distribution of an aggregate of 4,770,000 common shares of BELLUS Health Inc. ("BELLUS Health" or the "Company"). This offering of common shares is being made in the Province of Québec only under the terms of this prospectus supplement and in the United States under the terms of the Company's registration statement on Form F-10 (File No. 333-235637) filed with the United States Securities and Exchange Commission (the "SEC") and declared effective on January 21, 2020. We will not receive any proceeds from this offering.

We are issuing the common shares directly to NEOMED Institute ("NEOMED") and AstraZeneca AB ("AstraZeneca" and together with NEOMED, the "Holders") in consideration for certain intellectual property assets we are acquiring from NEOMED pursuant to an asset purchase and sale agreement (the "Asset Purchase and Sale Agreement") entered into on March 23, 2020 among the Company, our subsidiary, BELLUS Health Cough Inc., as purchaser, and NEOMED, as seller, (the "Transaction"). For more information on the Transaction, see "Summary of the Transaction" in this prospectus supplement.

No underwriter has been involved in the preparation of this prospectus supplement or performed any review of the contents of this prospectus supplement.

Our outstanding common shares are listed under the symbol "BLU" on the Toronto Stock Exchange, or the "TSX", and on NASDAQ Global Market, or "NASDAQ". On March 20, 2020, the last trading day prior to the date of this prospectus supplement, the closing price of our common shares on the TSX and NASDAQ was Cdn$11.74 and US$8.01, respectively.

The Company has applied to list the common shares offered hereunder on the TSX and has submitted a notification of listing to list such common shares on the NASDAQ. Listing on the TSX and the NASDAQ will be subject to the Company fulfilling all of the listing requirements of the TSX and the NASDAQ.

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the "JOBS Act") and as such, we have elected to comply with certain reduced U.S. public company reporting requirements.

Investing in the common shares involves risks that are described in the "Risk Factors" section of this prospectus supplement.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE SHELF PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This offering of securities is made by a Canadian issuer that is permitted, under the multijurisdictional disclosure system, or "MJDS", adopted by the United States, to prepare this prospectus supplement and the accompanying shelf prospectus in accordance with Canadian disclosure requirements. Prospective investors should be aware that such requirements are different from those of the United States. Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, or "IFRS", as issued by the International Accounting Standards Board, or "IASB", and our 2018 financial statements were subject to foreign auditing and auditor independence standards, and may not be comparable to financial statements of United States companies that use United States generally accepted accounting principles. See "General Matters" in this prospectus supplement.

The acquisition of the securities described herein may have tax consequences in both the United States and Canada. This prospectus supplement may not describe these tax consequences fully for investors who are resident in, or citizens of, the United States. See "Certain Canadian Federal Income Tax Considerations" in this prospectus supplement.

The enforcement by investors of civil liabilities under federal securities laws of the United States may be affected adversely by the fact that we are incorporated under the federal laws of Canada, that most of our directors and officers and many of the experts named in this prospectus reside outside of the United States, and all or a substantial portion of our assets and the assets of such persons are located outside the United States. See "Enforcement of Judgments Against Foreign Persons or Companies" in this prospectus supplement.

Certain legal matters related to this offering of common shares are being passed upon on the Company's behalf by Davies Ward Phillips & Vineberg LLP.

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PROSPECTUS SUPPLEMENT

GENERAL MATTERS

This document is composed of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and adds to and supplements information contained in the shelf prospectus and the documents incorporated by reference therein. The second part is the shelf prospectus, which gives more general information, some of which may not apply to this offering of the common shares. This prospectus supplement is deemed to be incorporated by reference into the shelf prospectus solely for the purpose of this offering.

This prospectus supplement and the accompanying shelf prospectus are part of a registration statement on Form F-10 that we have filed with the SEC. The registration statement became effective under the rules and regulations of the SEC on January 21, 2020. This prospectus supplement does not contain all of the information contained in the registration statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. You should refer to the registration statement and the exhibits to the registration statement for further information with respect to us and our securities.

This prospectus supplement, the shelf prospectus and the documents incorporated by reference therein include market share information and industry data and forecasts obtained from independent industry publications and surveys. References in such documents to research reports, surveys or articles should not be construed as depicting the complete findings of the entire referenced report, survey or article. The information in any such report, survey or article is not incorporated by reference in this prospectus supplement, the shelf prospectus or the documents incorporated by reference therein. Although we believe these sources are reliable, we have not independently verified any of the data in such reports, surveys or articles. Some data is also based on our estimates, which are derived from our review of our internal surveys, as well as independent sources. We cannot and do not provide any assurance as to the accuracy or completeness of such information. Market forecasts, in particular, are likely to be inaccurate, especially over long periods of time.

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement, the shelf prospectus, any amendment or supplement to this prospectus supplement or in any free writing prospectus prepared by us or on our behalf. We do not take any responsibility for, or provide any assurance as to the reliability of, any other information that others may provide you. You should assume that the information appearing in this prospectus supplement is accurate only as of the date on the front cover of this prospectus supplement, and that information appearing in any document incorporated by reference is accurate only as of the date of such document. Our business, financial condition, results of operations or prospects may have changed since those dates. This prospectus supplement is not an offer to sell or the solicitation of an offer to buy our common shares in any circumstances under which such offer or solicitation is unlawful.

In this prospectus supplement, unless the context otherwise requires, the terms "BELLUS Health", the "Company", "we", "us", and "our" refer to BELLUS Health Inc. and its subsidiaries, BELLUS Health Cough Inc. and BELLUS Health Corp.

On August 15, 2019, we effected a one-for-3.6 consolidation of our common shares and commenced trading on a post-consolidated basis on August 19, 2019. The consolidation was approved by our shareholders on May 8, 2019 at our annual and special meeting of shareholders. Except where otherwise noted, all information in this prospectus supplement, the shelf prospectus and the documents incorporated by reference therein dated on or after the date of the share consolidation give effect to such share consolidation. See "Description of Capital Structure — Share Consolidation" in this prospectus supplement.

We have not taken any action to permit a public offering of our common shares or the possession or distribution of this prospectus supplement in any jurisdiction where action for that purpose is required, other than the United States and certain of the provinces of Canada.

Unless otherwise indicated, financial information in this prospectus supplement, the shelf prospectus and the documents incorporated by reference therein has been prepared in accordance with IFRS, as issued by the IASB. **Unless otherwise noted herein, all references to "$", "Cdn$", "Canadian dollars", or "dollars" are to the currency of Canada and "US$", "United States dollars", or "U.S. dollars" are to the currency of the United States.**

RISK FACTORS

Investing in our common shares involves a significant amount of risk. You should carefully consider the risks described below and in the documents incorporated by reference herein before making an investment decision. If any of these risks actually occurs, our business, financial condition, results of operations or prospects could be materially adversely affected. These are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us, or that we currently consider immaterial, may also materially and adversely affect us. In such an event, the trading price of our common shares could decline and you may lose part or all of your investment in our securities. Any reference in this section to our "products" or "product candidates" includes a reference to BELLUS Health's product candidate and future products or product candidates that may be developed.

This prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus. See "Forward-Looking Statements" in this prospectus for information relating to these forward-looking statements.

Risks Related to Our Business

We may not be able to maintain our operations and research and development without additional funding, and we may not have access to sufficient capital.

To date, we have financed our operations primarily through public offerings of common shares, private placements, the issuance of convertible notes and research tax credits. We have incurred significant operating losses and negative cash flows from operations since inception. As at December 31, 2019, we had available cash, cash equivalents and short-term investments totaling Cdn$116.9 million. Based on management's estimate and current level of operations, we believe that our current liquidity position is sufficient to finance our operations into the foreseeable future. We will need to raise additional capital to fund our operations and to develop BLU-5937. Our future capital requirements will be substantial and may increase beyond current expectations depending on many factors, such as the duration, scope, rate of progress, results and costs of any preclinical studies and clinical trials for our current or any future product candidates; unexpected delays or developments in seeking regulatory approvals and the outcome thereof; the time and cost in preparing, filing, prosecuting, maintaining, and enforcing patent claims; other unexpected developments encountered in implementing our business development and commercialization strategies; the outcome of any litigation; and arrangements with collaborators. Further, changing circumstances may cause us to consume capital significantly faster than we currently anticipate. We have based the foregoing estimates on assumptions that may prove to be wrong, and we could utilize our available financial resources sooner than we currently expect.

We may seek to raise additional funds through public or private equity or debt financing, collaborations agreements with other companies and/or from other sources. We have no committed source of additional capital and additional funding may not be available on terms that are acceptable to us, or at all. If adequate funding is not available on reasonable terms, we may need to obtain funds on terms less favorable than we would otherwise accept. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of those securities could result in dilution to our shareholders. Moreover, the incurrence of debt financing could result in a substantial portion of our future operating cash flow, if any, being dedicated to the payment of principal and interest on such indebtedness and could impose restrictions on operations. This could render us more vulnerable to competitive pressures and economic downturns. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development or commercialization of BLU-5937 or other future product candidates or other research and development initiatives. We could be required to seek collaborators for our product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms our rights to our product candidates in markets where we otherwise would seek to pursue development or commercialization ourselves.

No assurance can be given that any such additional funding will be available or that, if available, it can be obtained on terms favorable to us. The failure to obtain additional financing on favorable terms, or at all, could have a material adverse effect on our business, financial condition, results of operations and prospects.

We have a history of losses and have not generated any product sales revenue to date. We may never achieve or maintain profitability.

Our product candidate, BLU-5937, is still only in development, and as a result, we have not generated any revenues from product sales to date. We have incurred substantial expenses in our efforts to develop BLU-5937, and consequently, have generated operating losses each year since our inception. For the years ended December 31, 2018 and 2019, we incurred net losses of Cdn$9.1 million and Cdn$34.5 million, respectively. As of December 31, 2019, we had an accumulated deficit of Cdn$522.5 million. Our losses have adversely affected, and will continue to adversely impact, working capital, total assets, and shareholders' equity. We do not expect to generate any revenues from product sales in the immediate future. We may never successfully commercialize any products. Even if we succeed in developing commercial products, we expect to incur additional operating losses for at least the next several years. If we do not ultimately commercialize products and achieve or maintain profitability, an investment in our shares could result in a significant or total loss.

Our prospects currently depend heavily on the success and market acceptance of BLU-5937, which is still in clinical development.

We currently have no products for sale and may never be able to successfully develop products for sale. We currently believe that our growth and future prospects are mainly dependent on the successful development, regulatory approval and commercialization of our product candidate BLU-5937, which may never occur. We are focusing our efforts and resources into the development of BLU-5937. Our business thus depends on the successful preclinical and clinical development, regulatory approval and commercialization of BLU-5937, for which we must conduct additional preclinical studies and clinical trials, undergo further development activities and seek and receive regulatory approval prior to commercial launch. Further development of BLU-5937 will require substantial investment, access to sufficient commercial manufacturing capacity and significant marketing efforts before we can generate any revenue from product sales, if approved.

We anticipate that our ability to generate revenues will depend on the commercial success of BLU-5937, which will depend upon its market acceptance by purchasers in the pharmaceutical market and the future market demand and medical need for products and research utilizing BLU-5937. Most prescription drug candidates never reach the clinical development stage and even those that do reach clinical development have only a small chance of successfully completing clinical development and gaining regulatory approval. If we are unable to successfully commercialize BLU-5937, we may never generate revenues. There is also the risk that the actual market size or opportunity for BLU-5937 is not certain. If BLU-5937 reaches commercialization and there is low market demand for BLU-5937 or the market for BLU-5937 develops less rapidly than we anticipate, we may not have the ability to shift our resources to the development of alternative products. Failure to gain market acceptance of BLU-5937 or an incorrect estimate in the nature and size of our market could have a material adverse effect on us.

We rely on third parties to conduct preclinical studies and clinical trials for BLU-5937, and if they do not properly and successfully perform their obligations to us, we may not be able to obtain regulatory approvals for BLU-5937.

We have designed the clinical trials for BLU-5937. However, we rely on contract research organizations and other third parties to assist in managing, monitoring and otherwise carrying out these trials. We compete with many other companies for the resources of these third parties. The third parties on whom we rely generally may terminate their engagements at any time, and having to enter into alternative arrangements would delay development and commercialization of our product candidate. The U.S. Food and Drug Administration, or the "FDA", and comparable foreign regulatory authorities require compliance with regulations and standards for designing, conducting, monitoring, recording, analyzing, and reporting the results of clinical trials to assure that the data and results are credible and accurate and that the rights,

integrity and confidentiality of trial participants are protected. Although we rely on third parties to conduct our clinical trials, they are not our employees, and we are responsible for ensuring that each of these clinical trials is conducted in accordance with our general investigational plan, protocol and other requirements. Our reliance on these third parties for research and development activities will reduce our control over these activities but will not relieve us of our responsibilities.

If these third parties do not successfully carry out their duties under their agreements, if the quality or accuracy of the data they obtain is compromised due to their failure to adhere to clinical trial protocols or to regulatory requirements, or if they otherwise fail to comply with clinical trial protocols or meet expected deadlines, the clinical trials of BLU-5937 may not meet regulatory requirements. If clinical trials do not meet regulatory requirements or if these third parties need to be replaced, preclinical development activities or clinical trials may be extended, delayed, suspended or terminated. If any of these events occur, we may not be able to obtain regulatory approval of BLU-5937 on a timely basis or at all.

We rely completely on one third-party contract manufacturer to manufacture the active pharmaceutical ingredient, or "API", for BLU-5937 and another third-party contract manufacturer to manufacture the final drug product, and we intend to rely on third parties to produce non-clinical, clinical and commercial supplies of BLU-5937 and any other future product candidates.

We do not currently have, nor do we plan to acquire, the infrastructure or capability to internally manufacture our clinical drug supply of BLU-5937, or any other product candidates we may develop in the future, for use in the conduct of our research and development activities, preclinical studies and clinical trials, and we lack the internal resources and the capability to manufacture any product candidates on a clinical or commercial scale. We currently have the API for BLU-5937 manufactured by one third-party contract manufacturer and final drug product supplied by another contract manufacturer, and do not currently have backup manufacturing capacity.

We plan to continue to rely on contract manufacturers for the foreseeable future to produce quantities of products and substances necessary for research and development, preclinical studies, human clinical trials and product commercialization, and to perform their obligations in a timely manner and in accordance with applicable government regulations. While we intend to contract for the commercial manufacture of our product candidates, we may not be able to identify and qualify contractors or obtain favorable contracting terms.

If our current or future third-party manufacturers do not perform as agreed, experience business disruptions, or breach or terminate their agreements with us, significant additional time and costs would be required to effect a transition to a new contract manufacturer. If we are unable to retain our current contractors, or are unable to secure arrangements with new contractors to provide manufacturing services in a timely manner and on acceptable terms as needed, it will delay or prevent the development, promotion, marketing, or sale of BLU-5937, if approved, or any other future product candidates we may develop, and have a negative effect on our operations and financial condition. Moreover, if a replacement to our current or future contract manufacturers is required, the ability to establish second-sourcing or find a replacement manufacturer may be difficult due to the lead times generally required to manufacture drug products and the need for regulatory compliance inspections and approvals of any replacement manufacturer, all of which factors could result in production delays and additional costs.

Manufacturing of API and final drug products is complex and requires significant expertise. Difficulties could be encountered in production, particularly in scaling up and validating production. There can be no assurance that contract manufacturers will be successful at scaling up and producing BLU-5937 with the required quality and in the quantities and timelines that will be needed for clinical and/or commercial purposes. So far, we have only produced small quantities of BLU-5937 at kilogram scale for use in preclinical studies and clinical trials.

Our reliance on these contract manufacturers also exposes us to the possibility that they, or third parties with access to their facilities, will have access to and may appropriate our trade secrets or other proprietary information.

We rely on third-party contract manufacturers that are located outside of Canada. As a result, our operations are subject to customary risks related to the import of goods, including fluctuations in the value of currencies, changes in import duties, exchange controls, trade restrictions, work stoppages and general

political and economic conditions in foreign countries. The countries from which we import pharmaceutical ingredients may, from time to time, impose new duties, tariffs or other restrictions or adjust presently prevailing duties or tariffs, which could adversely impact our ability to purchase such pharmaceutical ingredients or significantly increase the cost of doing so. The occurrence of any of these risks could delay or prevent the development, promotion, marketing, or sale of BLU-5937, if approved, or of any other future product candidates we may develop, and have a negative effect on our operations and financial condition.

The COVID-19 outbreak may negatively impact the performance of the Company

The spread of infectious disease could adversely affect our business, financial condition and results of operations. In December 2019, a novel strain of coronavirus, known as "COVID-19" was identified in Wuhan, China. As of March 20, 2020, COVID-19 had spread to over 100 countries and been declared a pandemic by the World Health Organization. The COVID-19 pandemic could give rise to supply shortages, clinical trial disruptions and increased government regulations, and could impede suppliers' ability to deliver components or raw materials on a timely basis. In particular, our third-party contract manufacturers, including the China-based manufacturer of the API for BLU-5937, could suffer significant disruptions if their employees are infected or unable to work as a result of measures aimed at preventing the spread of the virus, or if operations are required to be temporarily suspended in order to disinfect production plants. In addition, clinical trials may be delayed or terminated if a sufficient number of patients cannot be enlisted or as a result of staff shortages or other business disruptions. Whether and to what extent the COVID-19 pandemic will impact our business and operations will depend on future developments which, at this time, remain uncertain and difficult to predict.

The clinical effectiveness of BLU-5937 is not yet supported by clinical data.

The preclinical toxicology studies and the Phase 1 topline data announced in November 2018 showed that BLU- 5937 has a favorable safety and tolerability profile. However, the clinical safety of BLU-5937 has to be demonstrated through further clinical studies. The clinical effectiveness of BLU-5937 is not yet supported by clinical data and the medical community has not yet developed a large body of peer reviewed literature that supports the safety and efficacy of BLU-5937. If future studies call into question the safety or efficacy of BLU-5937 or any other product candidates we may develop in the future, our business, financial condition, results of operations or prospects could be adversely affected.

Even if BLU-5937 or any other product candidates we may develop in the future successfully complete the clinical trials and receive the regulatory approval necessary to market the product candidates to the public, there is also the risk of unknown side effects, which may not appear until the product candidates are on the market and may result in delay or denial of regulatory approval or withdrawal of previous approvals, product recalls or other adverse events, which could materially adversely affect us.

Our clinical trials may not yield results that will enable us to obtain regulatory approval for our current or future product candidates.

We will only receive regulatory approval for a product candidate if we can demonstrate in carefully designed and conducted clinical trials that the product candidate is safe and effective. We do not know whether our current or any future clinical trials will demonstrate sufficient safety and efficacy to obtain the requisite regulatory approvals or if they will result in marketable products.

Clinical trials are lengthy, complex, costly, and uncertain processes. It takes several years to complete testing, and failure can occur at any stage of testing. The early stage of our product candidate involves risks related to safety, efficacy, drug metabolism, pharmacokinetic profile, tolerability, manufacturing, formulation and distribution, among others. Results attained in preclinical testing and early clinical studies or trials may not be indicative of results that are obtained in later studies. We have suffered, and may suffer further, significant setbacks in advanced clinical trials, even after promising results in earlier studies. For instance, in June 2016, we announced that KIACTA (eprodisate) did not meet the primary efficacy endpoint in a Phase 3 clinical trial. Based on results at any stage of clinical trials, we may decide to repeat or redesign a trial or discontinue the development of a product candidate. Furthermore, actual results may

vary once the final and quality-controlled verification of data and analyses has been completed. If we fail to adequately demonstrate the safety and efficacy of BLU-5937, we will not be able to obtain the required regulatory approvals to commercialize that product candidate.

Clinical trials are subject to continuing oversight by governmental regulatory authorities and institutional review boards, and must meet the requirements of these authorities; must meet requirements for informed consent; and must meet requirements for good clinical practices.

We may not be able to comply with these requirements. We rely on third parties, including contract research organizations and outside consultants, to assist in managing and monitoring clinical trials. Our reliance on these third parties may result in delays in completing, or in failing to complete, these trials if one or more third parties fail to perform with the speed and level of competence expected. If clinical trials for a product candidate are unsuccessful, we will be unable to commercialize such product candidate. If one or more of the clinical trials is delayed, we will be unable to meet our anticipated development or commercialization timelines. Either circumstance could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we encounter difficulties enrolling patients in clinical trials, the trials could be delayed or otherwise adversely affected.

Clinical trials for product candidates require us or third parties we contract with to identify and enroll a large number of patients with the disorder under investigation. We or the third parties we contract with may not be able to enroll a sufficient number of patients to complete clinical trials in a timely manner. Patient enrollment is a function of many factors, including the following: design of the protocol, size of the patient population, eligibility criteria for the trial in question, perceived risks and benefits of the drug under study, availability of competing therapies, efforts to facilitate timely enrollment in clinical trials, patient referral practices of physicians, and availability of clinical trial sites. If we or the third parties we contract with have difficulty enrolling a sufficient number of patients to conduct our clinical trials as planned, we may need to delay or terminate ongoing clinical trials.

The outcome of preclinical studies and earlier-stage clinical trials may not be predictive of the success of later-stage clinical trials.

The outcome of preclinical testing and earlier-stage clinical trials may not be predictive of the success of later-stage clinical trials. BLU-5937 and any other product candidates we may develop may fail to show the desired safety and efficacy in clinical development despite positive results in preclinical studies or having successfully advanced through initial clinical trials. Numerous companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials even after achieving promising results in preclinical testing and earlier-stage clinical trials, and we cannot be certain that we will not face similar setbacks. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. Furthermore, the failure of any product candidate to demonstrate safety and efficacy in any clinical trial could negatively impact the perception of any other product candidates then under development and/or cause applicable regulatory authorities to require additional testing before approving any other product candidates.

Interim topline and preliminary results from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures, which could result in material changes in the final data.

From time to time, we may publish interim topline or preliminary results from our clinical trials. Interim results from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Preliminary or topline results also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, interim and preliminary data should be viewed with caution until the final data are available. Differences between preliminary or interim data and final data could significantly harm our business prospects and may cause the trading price of our common shares to fluctuate significantly.

Even if we or any future partners obtain regulatory approvals for our product candidates, we will be subject to ongoing government regulation.

Even if regulatory authorities approve BLU-5937 or any future product candidate we may develop, the manufacturing, marketing, and sale of such products will be subject to strict and ongoing regulation. Compliance with such regulation may be costly and consume substantial financial and management resources. For example, an approval for a product may be conditioned on conducting costly post-marketing follow-up studies. In addition, if, based on these studies, a regulatory authority does not believe that the drug demonstrates a benefit to patients, such authority could limit the indications for which the product may be sold or revoke the product's regulatory approval.

We and our contract manufacturers are required to comply with applicable current Good Manufacturing Practice regulations for the manufacture of product candidates. These regulations include requirements relating to quality assurance, as well as the corresponding maintenance of records and documentation. Manufacturing facilities must be approved before they can be used in the commercial manufacturing of products and are subject to subsequent periodic inspection by regulatory authorities. In addition, material changes in the methods of manufacturing or changes in the suppliers of raw materials are subject to further regulatory review and approval.

If we or any future marketing collaborators or contract manufacturers fail to comply with applicable regulatory requirements, we may be subject to sanctions, including fines, drug recalls or seizures, injunctions, total or partial suspension of production, civil penalties, withdrawals of previously granted regulatory approvals, and criminal prosecution. Any of these penalties could delay or prevent the promotion, marketing, or sale of our products.

In addition, we are currently or will in the future be subject to healthcare regulation and enforcement by the federal government and the states in which we will conduct our business once our product candidates are approved by the FDA and commercialized in the United States. In addition to the FDA's restrictions on marketing of pharmaceutical products, the healthcare laws and regulations that may affect our ability to operate include: the federal fraud and abuse laws, including the federal anti-kickback and false claims laws; federal data privacy and security laws; and federal transparency laws related to payments and/or other transfers of value made to physicians and other healthcare professionals and teaching hospitals. Many states have similar laws and regulations that may differ from each other and federal law in significant ways, thus complicating compliance efforts. These laws may adversely affect our sales, marketing and other activities with respect to any product candidate for which we receive approval to market in the United States by imposing administrative and compliance burdens on us.

Because of the breadth of these laws and the narrowness of available statutory exceptions and regulatory safe harbors, it is possible that some of our business activities, particularly any sales and marketing activities after a product candidate has been approved for marketing in the United States, could be subject to legal challenge and enforcement actions. If our operations are found to be in violation of any of the federal and state laws described above or any other governmental regulations that apply to us, we may be subject to significant civil, criminal, and administrative penalties, including, without limitation, damages, fines, imprisonment, exclusion from participation in government healthcare programs, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We may not achieve our projected development goals in the announced and expected time frames.

From time to time, we set goals for and make public statements regarding the expectations for and timing of the accomplishment of objectives material to our success, such as the commencement and completion of clinical trials, expected results, anticipated regulatory submission and approval dates, and timing of product launch. The actual timing of these events can vary dramatically due to factors such as delays or failures in clinical trials, the uncertainties inherent in the regulatory approval process, and delays in achieving manufacturing or marketing arrangements sufficient to commercialize products. There can be no assurance that our clinical trials will be completed, that we will make regulatory submissions or receive

regulatory approvals as planned, or that we will be able to adhere to our current schedule for the launch of BLU-5937 or any other future product candidates we may develop. If we fail to achieve one or more of these milestones as planned, the price of our common shares would likely be adversely affected.

If we or our partners fail to obtain acceptable prices, coverage or adequate reimbursement for our products, our ability to generate revenues will be diminished.

Patients in the United States and elsewhere generally rely on third-party payors to reimburse part or all of the costs associated with their prescription drugs. Accordingly, our ability to successfully commercialize our products would depend significantly on the ability to obtain acceptable prices and the availability of coverage and adequate reimbursement from third-party payors, such as government and private insurance plans. Coverage and reimbursement policies for drug products can differ significantly among payors as there is no uniform policy of coverage and reimbursement for drug products among U.S. third-party payors. There may be significant delays in obtaining coverage and reimbursement as the process of determining coverage and reimbursement is often time-consuming and costly which will require us to provide scientific and clinical support for the use of our products to each payer separately, with no assurance that coverage or adequate reimbursement will be obtained. While we have not commenced discussions with any such parties, these third-party payors frequently require companies to provide predetermined discounts from list prices, and they are increasingly challenging the prices charged for pharmaceuticals and other medical products. Our products may not be considered cost-effective, and reimbursement to the patient may not be available or sufficient to allow us to sell our products on a competitive basis. Even if we obtain coverage for a given product candidate, the associated reimbursement rate may not be adequate to cover our costs, including research, development, intellectual property, manufacture, sale and distribution expenses, or may require co-payments that patients find unacceptably high.

In addition, the continuing efforts of third-party payors to contain or reduce the costs of healthcare through various means may limit our commercial opportunity and reduce any associated revenue and profits. We expect proposals to implement similar government controls to continue. In addition, increasing emphasis on managed care will continue to put pressure on the pricing of pharmaceutical and biopharmaceutical products. Cost-control initiatives could decrease the price that we or any current or potential collaborators could receive for any of the products and could adversely affect profitability. In addition, in Canada and in many other countries, where significant healthcare reforms are currently under discussion, pricing and/or profitability of some or all prescription pharmaceuticals and biopharmaceuticals are subject to government control. In the United States, there have been and continue to be a number of healthcare-related legislative initiatives that have significantly affected the pharmaceutical industry. For example, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the Affordable Care Act, was passed in March 2010, and substantially changed the way healthcare is financed by both governmental and private insurers, and continues to significantly impact the pharmaceutical industry. There also has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs and biologics. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products. If we fail to obtain acceptable prices, coverages or an adequate level of reimbursement for our products, the sales of the products would be adversely affected or there may be no commercially viable market for our products.

Competition in the biopharmaceutical industry is intense, and development by other companies could render our product candidate or any future product candidates or technologies non-competitive.

The biopharmaceutical industry is intensely competitive and is subject to rapid and significant change. We face potential competition from many sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies. We consider our primary competitors to be those companies that are developing products specifically to treat chronic cough and those companies that develop products that, when approved, could be used off-label to treat cough. We are aware of other companies targeting chronic cough as the primary outcome measure in clinical studies of products. There are multiple

companies developing products at varying stages of development specifically intended to treat chronic cough including Merck & Co., Bayer AG, Shionogi Inc. and NeRRe Therapeutics Ltd, some of which have substantially greater product development capabilities and financial, scientific, marketing, and human resources than us. Of these companies, Merck, Bayer and Shionogi are developing P2X3 antagonists for chronic cough that could compete directly with BLU-5937. Moreover, there are multiple companies developing therapeutic treatments for atopic dermatitis specifically, or various other forms of pruritus which could also have a therapeutic effect on atopic dermatitis itch including Sanofi S.A., Bayer AG, Pfizer Inc., Novartis International AG, LEO Pharma Inc., Menlo Therapeutics Inc., Vanda Pharmaceuticals Inc., Trevi Therapeutics Inc., Galderma S.A., Sienna Biopharmaceuticals, Inc., Tioga Pharmaceuticals, Inc. and Cara Therapeutics Inc.

We may not obtain adequate protection for our products through our intellectual property.

Our success depends, in large part, on our ability to protect our competitive position through patents, trade secrets, trademarks, and other intellectual property rights. Our success, competitive position and future revenues with respect to these product candidates will depend, in part, on our ability to protect our intellectual property. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary rights are covered by valid and enforceable patents or are effectively maintained as trade secrets. We attempt to protect our proprietary position by maintaining trade secrets and by filing U.S. and foreign patent applications related to our in-licensed technology, inventions and improvements that are important to the development of our business. Our failure to do so may adversely affect our business and competitive position.

The patent positions of pharmaceutical and biopharmaceutical firms, including ours, are uncertain and involve complex questions of law and fact for which important legal issues remain unresolved. The patents issued or to be issued to us may not provide us with any competitive advantage. We may not be able to protect our intellectual property rights throughout the world. Our patents may be challenged by third parties in patent litigation. In addition, it is possible that third parties with drugs that are very similar to ours will circumvent our patents by means of alternate designs or processes. We may have to rely on method of use protection for our compounds in development and any resulting drugs, which may not confer the same level of protection as protection of our compounds per se. We may be required to disclaim part of the term of certain patents. There may be prior art of which we are not aware that may affect the validity or enforceability of a patent claim. There also may be prior art of which we are aware, but which we do not believe affects the validity or enforceability of a claim, which may, nonetheless ultimately be found to affect the validity or enforceability of a claim. No assurance can be given that our patents would, if challenged, be held by a court to be valid or enforceable or that a competitor's technology or drug would be found by a court to infringe our patents.

Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time. Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired, we may be open to competition from competitive products, including generics or biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

Patent applications relating to or affecting our business may have been filed by a number of pharmaceutical and biopharmaceutical companies and academic institutions. A number of the technologies in these applications or patents may conflict with our technologies, patents, or patent applications, and such conflict could reduce the scope of patent protection that we could otherwise obtain. We could become involved in interference proceedings in the United States in connection with one or more of our patents or patent applications to determine priority of invention. Our granted patents could also be challenged and revoked in opposition proceedings in certain countries outside of the United States. In addition to patents, we rely on trade secrets and proprietary know-how to protect our intellectual property. We generally require

employees, consultants, outside scientific collaborators, and sponsored researchers and other advisors to enter into confidentiality agreements. These agreements provide that all confidential information developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. In the case of employees, the agreements provide that all of the technology that is conceived by the individual during the course of employment is our exclusive property. These agreements may not provide meaningful protection or adequate remedies in the event of unauthorized use or disclosure of proprietary information. In addition, it is possible that third parties could independently develop proprietary information and techniques substantially similar to ours or otherwise gain access to our trade secrets.

We may obtain the right to use certain technology under license agreements with third parties. Our failure to comply with the requirements of material license agreements could result in the termination of such agreements, which could cause us to terminate the related development program and cause a complete loss of investment in that program. As a result of the foregoing factors, we may not be able to rely on our intellectual property to protect our products in the marketplace.

If we are unable to protect the confidentiality of our trade secrets, the value of our technology could be materially adversely affected and our business would be harmed.

We seek to protect our confidential proprietary information, in part, by confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors and collaborators. These agreements are designed to protect our proprietary information. However, we cannot be certain that such agreements have been entered into with all relevant parties, and we cannot be certain that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. For example, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. We also seek to preserve the integrity and confidentiality of our confidential proprietary information by maintaining physical security of our premises and physical and electronic security of our information technology systems, but it is possible that these security measures could be breached. If any of our confidential proprietary information were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position.

We may infringe the intellectual property rights of others.

Our commercial success depends significantly on our ability to operate without infringing on the patents and other intellectual property rights of third parties. There could be issued patents of which we are not aware that our products infringe or patents that we believe we do not infringe, but that we may ultimately be found to infringe. Moreover, patent applications are, in some cases, maintained in secrecy until patents are issued. The publication of discoveries in the scientific or patent literature frequently occurs substantially later than the date on which the underlying discoveries were made and patent applications were filed. Because patents can take many years to issue, there may be currently pending applications of which we are unaware that may later result in issued patents that our products infringe. For example, pending applications may exist that provide support or can be amended to provide support for a claim that results in an issued patent that our drug infringes.

The biopharmaceutical industry has produced a proliferation of patents, and it is not always clear to industry participants which patents cover various types of products. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. We believe that BLU-5937 does not infringe any valid claim of these patents, although there can be no assurances of this. In the event of an infringement or violation of another party's patent, we may not be able to enter into licensing arrangements or make other arrangements at a reasonable cost. Any inability to secure licenses or alternative technology could result in delays in the introduction of drugs or lead to prohibition of the manufacture or sale of drugs by us.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could harm our business.

Third parties may assert patent or other intellectual property infringement claims against us or our other licensors arising from the manufacture, use, or sale of our current or future product candidates. An unfavorable outcome could result in loss of patent rights and require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our defense of litigation proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

We may become involved in lawsuits or other proceedings to protect or enforce our patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our patents or other intellectual property. If we were to initiate legal proceedings against a third party to enforce a patent covering our product candidates, the defendant could counterclaim that the patent covering our product candidate is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, written description or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the United States Patent and Trademark Office, or "USPTO", or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity and unenforceability is unpredictable. The validity of our current or future patents or patent applications or those of our licensors may also be challenged in interference or derivation proceedings, opposition, post grant review, *inter partes* review, or other similar enforcement and revocation proceedings, provoked by third parties or brought by us. Our patents could be found invalid, unenforceable, or their scope significantly reduced.

Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms or at all, or if a non-exclusive license is offered and our competitors gain access to the same technology. Our defense of litigation or other proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our clinical trials, continue our research programs, license necessary technology from third parties, or enter into development partnerships that would help us bring our product candidates to market.

Patent litigation is costly and time consuming and may subject us to liabilities.

Our involvement in any patent litigation, interference, post-grant proceedings such as *inter partes* review or opposition, or other administrative proceedings will likely cause us to incur substantial expenses, and the efforts of technical and management personnel will be significantly diverted. In addition, an adverse determination in litigation could subject us to significant liabilities. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions, or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our common shares.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patents, trade secrets, or other intellectual property as an inventor or co-inventor. For example, we or our licensors may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship or our or our licensors' ownership of our owned or in-licensed patents, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our product candidates. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

As is common in the biotechnology and pharmaceutical industry, we employ individuals who were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and independent contractors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information, of any of our employees' former employers or other third parties. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could adversely impact our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to non-U.S. patent agencies. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market and this circumstance would have a material adverse effect on our business.

The market price of our common shares experiences a high level of volatility due to factors such as the volatility in the market for biotechnology stocks generally and the short-term effect of a number of possible events.

We are a public growth company in the biotechnology sector. As frequently occurs among these companies, the market price for our common shares may experience a high level of volatility. During the 12-month period ended on the date of this prospectus, giving effect to the one-for-3.6 consolidation of our common shares effective on August 19, 2019, our common shares traded between Cdn$3.67 and Cdn$14.54 per share on the TSX. Since their initial NASDAQ listing on September 9, 2019, our common shares traded between US$5.45 and US$10.95 per share on NASDAQ.

Numerous factors, including many over which we have no control, may have a significant impact on the market price of our common shares, including, among other things, the following: (1) clinical and regulatory developments regarding our product candidate and those of our competitors; (2) arrangements or strategic partnerships by our competitors; (3) other announcements by us or our competitors regarding technological, drug development, sales, or other matters; (4) patent or other intellectual property achievements or adverse developments; (5) arrivals or departures of key personnel; (6) changes in financial estimates and recommendations by securities analysts; (7) government regulatory action affecting our product candidate and our competitors' products in the United States, Canada, and foreign countries; (8) actual or anticipated fluctuations in revenues or expenses; (9) general market conditions and fluctuations for the emerging growth and biopharmaceutical market sectors; (10) failure to enter into favorable third-party manufacturing agreements; (11) events related to threatened, new, or existing litigation; (12) economic conditions in the United States, Canada, or abroad; (13) purchases or sales of blocks of our securities; (14) difficulties in our ability to obtain additional financing; and (15) the spread of infectious disease, including the ongoing COVID-19 pandemic.

The recent listing of our common shares on NASDAQ may increase share price volatility due to various factors, including that the stock market in recent years has experienced extreme price and trading volume fluctuations that often have been unrelated or disproportionate to the operating performance of individual companies. These broad market fluctuations may adversely affect the price of our common shares, regardless of our operating performance. In addition, sales of substantial amounts of our common shares in the public market after any offering, or the perception that those sales may occur, could cause the market price of our common shares to be adversely affected.

As at March 23, 2020, our Major Shareholders (as defined below) together own, directly or indirectly, an aggregate of approximately 29.8% of our outstanding common shares. A decision by one or more of our Major Shareholders or any other significant shareholder to sell a substantial amount of our common shares could cause the trading price of our common shares to be adversely affected. Furthermore, shareholders may initiate securities class action lawsuits if the market price of our common shares drops significantly, which may cause us to incur substantial costs and could divert the time and attention of our management.

These factors, among others, could depress the trading price of our securities. Because we may experience high volatility in our common shares, individuals or entities should not invest in our common shares unless prepared to absorb a significant loss of capital. At any given time, investors may not be able to sell their shares at a price that is acceptable or at all. The market liquidity for our stock is low. While a more active trading market may develop in the future, the limited market liquidity for our common shares may affect an investor's ability to sell at a price that is satisfactory to them or at all.

We do not expect to pay any cash dividends for the foreseeable future.

Investors should not rely on an investment in our common shares to provide dividend income. We do not anticipate that we will pay any cash dividends to holders of our common shares in the foreseeable future. Instead, we plan to retain any earnings to maintain and expand our operations. In addition, any future debt financing arrangement may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our common shares. Accordingly, investors must rely on sales of their common shares after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase our common shares.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research about our business, our share price and trading volume could decline.

The trading market for our common shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover our company downgrade our common shares or publish inaccurate or unfavorable research about our business, our share price would likely decline. In addition, if our operating results fail to meet the forecast of analysts, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, demand for our common shares could decrease, which might cause our share price and trading volume to decline.

We would not be able to successfully commercialize product candidates if we are unable to create sales, marketing, and distribution capabilities or make adequate arrangements with third parties, including entering into collaborations with partners, for such purposes.

In order to commercialize our product candidates successfully, we could, on a product-by-product basis, either develop internal sales, marketing, and distribution capabilities or make arrangements with third parties, including entering into collaborations with partners, to perform some or all of these services. We currently have no marketing capabilities and sales force. To the extent that we internally develop a sales force, the cost of establishing and maintaining a sales force would be substantial and may exceed our cost effectiveness. In addition, in marketing our drugs, we would likely compete with many companies that currently have extensive and well-funded marketing and sales operations. Despite marketing and sales efforts, we may be unable to compete successfully against these companies. We may not be able to do so on favorable terms. We could rely on third parties to market and sell our products in certain territories, rather than establishing an internal sales force. When we contract with third parties, including entering into collaborations with partners, for the sale and marketing of our products, revenues depend upon the efforts of these third parties, which may not be successful. If we fail to establish successful marketing and sales capabilities or to make arrangements with third parties for such purposes, our business, financial condition, results of operations and prospects will be materially adversely affected.

We are subject to intense competition for skilled personnel. The loss of key personnel or the inability to attract additional personnel could impair our ability to conduct operations.

We are highly dependent on our management and staff; the loss of whose services might adversely impact our ability to achieve our objectives. Recruiting and retaining qualified management and other personnel is critical to our success. Competition for skilled personnel is intense, and the ability to attract and retain qualified personnel may be affected by such competition. We do not maintain "key person" insurance for any of our key personnel.

We are subject to the risk of product liability claims, for which we may not have, or may not be able to obtain, adequate insurance coverage.

Human therapeutic products involve the risk of product liability claims and associated adverse publicity. Currently, our principal risks relate to participants in the clinical trials who may suffer unintended consequences. Claims might be made directly by consumers, patients, healthcare providers, or pharmaceutical companies or others selling or consuming any of our products, if approved. We may not have or be able to obtain or maintain sufficient and affordable insurance coverage, including coverage for potentially very significant legal expenses. Without sufficient coverage, any claim brought against us could have a materially adverse effect on our business, financial condition, results of operations or prospects.

Legislative actions, potential new accounting pronouncements, and higher insurance costs are likely to impact our future financial position or results of operations.

Future changes in financial accounting standards may cause adverse, unexpected revenue or expense fluctuations and affect our financial position or results of operations. New pronouncements and varying interpretations of pronouncements have occurred with greater frequency and are expected to occur in the future, and we may make, or may be required to make, changes in our accounting policies in the future. Compliance with changing regulations of corporate governance and public disclosure, notably with respect to internal controls over financial reporting, may result in additional expenses. Changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for companies like us, and insurance costs are increasing as a result of this uncertainty.

We may incur losses associated with foreign currency fluctuations.

Our functional and reporting currency is the Canadian dollar. Our operations are, in some instances, conducted in currencies other than the Canadian dollar (principally in U.S. dollars) and a portion of our net monetary assets is denominated in other currencies (principally in U.S. dollars). Fluctuations in the value of foreign currencies relative to the Canadian dollar could cause us to incur currency exchange losses.

We may incur losses due to adverse decisions by tax authorities.

Our income tax reporting is subject to audit by tax authorities. The effective tax rate may change from year to year based on the mix of income; non-deductible expenses; changes in tax law; and changes in the estimated values of future income tax assets and liabilities.

We may enter into transactions and arrangements in the ordinary course of business in which the tax treatment is not entirely certain. We must therefore make estimates and judgments in determining our consolidated tax provision. In addition, we apply for numerous tax credits that play an important role in our financial planning and we are not certain that the tax authorities will grant them. The final outcome of any audits by taxation authorities may differ from estimates and assumptions used in determining the consolidated tax provisions and accruals. This could result in a material effect on our consolidated research tax credits, income tax provision, financial position and the net income/loss for the period in which such determinations are made.

We are subject to taxation in Canada and were subject to taxation in certain foreign jurisdictions prior to the corporate reorganization. Our effective tax rate and tax liability are determined by a number of factors, including the amount of taxable income in particular jurisdictions, the tax rates in these jurisdictions, tax treaties between jurisdictions, the extent to which we transfer funds to and repatriate funds from our subsidiaries and future changes in laws. An adverse interpretation or ruling by one of the taxing authorities in a jurisdiction in which we operate or a change in law could increase our tax liability or result in the imposition of penalty payments, which could adversely impact our operating results.

Our Major Shareholders have influence over our business and corporate matters, including those requiring shareholder approval. This could delay or prevent a change in control. Sales of common shares by our largest shareholders could have an impact on the market price of our common shares.

OrbiMed Advisors LLC ("OrbiMed"), Power Sustainable Capital Investments Inc. ("PSCI"), a subsidiary of Power Corporation of Canada, and Rocabe Investments Inc., a company in which Mr. Roberto Bellini has a 50% equity interest ("Rocabe" and, collectively with OrbiMed and PSCI, the "Major Shareholders"), together own, directly or indirectly, an aggregate of approximately 29.8% of our outstanding common shares as of March 23, 2020.

Pursuant to a board representation agreement dated December 18, 2018 between us and Orbimed, Orbimed is entitled to cause one nominee to be included in the list of management nominees to be proposed for election to our board of directors, or our "Board", at each shareholders' meeting occurring following that date. Orbimed's nomination right terminates on the date Orbimed ceases to beneficially hold at least 10% of our issued and outstanding common shares. OrbiMed's nominated candidate is Mr. Khuong. In addition, pursuant to board representation agreements dated April 16, 2009, between us and each of PSCI and a predecessor to Rocabe (the "2009 Board Representation Agreements"), each of PSCI and Rocabe is entitled to cause two nominees to be included in the list of management nominees to be proposed for election to the Board at each shareholders meeting occurring following that date. Despite their rights, each of PSCI and Rocabe has only nominated one candidate. PSCI's and Rocabe's right to two nominees each shall terminate on the date each of PSCI, on the one hand, and Rocabe, the FMRC Family Trust ("FMRC") and 1324286 Alberta Limited, a wholly-owned subsidiary of FMRC, collectively, on the other hand, ceases to beneficially hold at least 7.5% of our issued and outstanding common shares. Therefore, OrbiMed, PSCI, FMRC, Rocabe and certain persons related to such entities have the ability to exercise a significant degree of influence over our business and the outcome of various corporate matters, including those requiring shareholder approval. In particular, this concentration of ownership may have the effect of delaying or deferring a change in control of the Company and may adversely affect the price of our common shares.

We may be required to make a payment under an indemnity agreement.

In March 2017, we entered into a share purchase agreement with Taro for the sale of our wholly-owned subsidiary Thallion Pharmaceuticals Inc. ("Thallion"), including all the rights to the product candidate Shigamab™. We agreed to indemnify Taro, subject to certain conditions and limitations, for losses which it may suffer or incur, arising out of any debts, liabilities, commitments or obligations of any nature resulting

from any matters, actions, events, facts or circumstances related to the activities or affairs of Thallion, which occurred prior to the effective time of the share purchase agreement. We have no indemnity provision recorded as at December 31, 2019 as the Company does not expect to make any payments for the aforementioned item.

We are an emerging growth company and intend to take advantage of reduced disclosure requirements applicable to emerging growth companies, which could make our common shares less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act. We will remain an emerging growth company until the earliest to occur of (i) the last day of the fiscal year in which we have total annual gross revenue of US$1.07 billion or more; (ii) December 31, 2024, the last day of the fiscal year ending after the fifth anniversary of the date of the completion of the first sales of its common equity pursuant to an effective registration statement under the U.S. Securities Act; (iii) the date on which we have issued more than US$1 billion in non-convertible debt securities during the prior three-year period; or (iv) the date we qualify as a "large accelerated filer" under the rules of the SEC, which means the market value of our common shares held by non-affiliates exceeds US$700 million as of the last business day of its most recently completed second fiscal quarter after we have been a reporting company in the United States for at least 12 months. For so long as we remain an emerging growth company, we are permitted to and intend to rely upon exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include not being required to comply with the auditor attestation requirements of Section 404 ("Section 404") of the Sarbanes-Oxley Act Sarbanes-Oxley Act (2002), as amended (the "Sarbanes-Oxley Act").

We may take advantage of some, but not all, of the available exemptions available to emerging growth companies. We cannot predict whether investors will find our common shares less attractive if we rely on these exemptions. If some investors find our common shares less attractive as a result, there may be a less active trading market for our common shares and our share price may be more volatile.

Brexit may create volatility in markets and uncertainty regarding future laws and regulations in the United Kingdom and the rest of Europe.

Our business is subject to risks associated with the exit of the United Kingdom from the European Union, commonly referred to as "Brexit", following the outcome of the British referendum held on June 23, 2016. On January 31, 2020, under the terms of the Agreement on the withdrawal of the United Kingdom and Northern Ireland from the European Union and the European Atomic Energy Community, the United Kingdom withdrew from the European Union, beginning a transition period ending on December 31, 2020, unless extended. During the transition period, the United Kingdom remains in the EU single market and EU customs union. It remains unclear whether the transition period will end on December 31, 2020, or be extended for one or two years. It also remains unclear whether the United Kingdom and the European Union will be able to negotiate a free trade agreement and other arrangements before the transition period ends, and if not what agreements will be reached. There also remains the possibility that there will be no such agreements reached between the parties at the end of the transition period. If agreements are reached, it is unclear what the nature and the scope of them will be. Among other uncertainties, it is unclear which existing laws, regulations and standards the United Kingdom will choose to retain, modify or abrogate following the end of the transition period. These and other Brexit-related developments affecting either the United Kingdom or the European Union following the transition period may have a material adverse effect on global economic conditions and or on the stability of global financial markets, and may affect our ability to carry out our plans with respect to the development of BLU-5937, which in turn could have a material adverse effect on our business and financial condition.

Our internal computer systems, or those used by our contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, our internal computer systems, and those of our third parties on which we rely, are vulnerable to damage from computer viruses and unauthorized access, malware, natural disasters, fire, terrorism, war and telecommunication, electrical failures, cyber-attacks or cyber-intrusions over the Internet, attachments to emails, persons inside our organization, or persons with

access to systems inside our organization. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. While we have not experienced any such material system failure or security breach to our knowledge to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed, ongoing or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our future product candidates could be delayed.

The biopharmaceutical industry is subject to rapid technological change, which could affect the commercial viability of our products.

The biopharmaceutical industry is subject to rapid and significant technological change. Research, discoveries or inventions by others may result in medical insights or breakthroughs which render our products less competitive or even obsolete. Furthermore, there may be breakthroughs of new biopharmaceutical technologies which may become superior to ours that may result in the loss of our commercial advantage. Our future success will, in part, depend on our ability to, among others:

- develop or license new technologies that address the changing needs of the medical community; and
- respond to technological advances and changing industry standards and practices in a cost-effective and timely manner.

Developing technology entails significant technical and business risks and substantial costs. We cannot assure you that we will be able to utilize new technologies effectively or that we will be able to adapt our existing technologies to changing industry standards in a timely or cost-effective manner, or at all. If we are unable to keep up with advancements in technology, our business, financial conditions and results of operations could be materially adversely affected.

Risks Related to Issuances of Common Shares

An investor may be unable to bring actions or enforce judgments against us and certain of our directors and officers.

We are incorporated under the laws of Canada, and our principal executive offices are located in Canada. Most of our directors and officers and many of the experts named in this prospectus supplement reside outside of the United States and all or a substantial portion of our assets and the assets of such persons are located outside the United States. Consequently, it may not be possible for an investor to effect service of process within the United States on us or those persons. Furthermore, it may not be possible for an investor to enforce judgments obtained in United States courts based upon the civil liability provisions of United States federal securities laws or other laws of the United States against those persons or us. See "*Enforcement of Judgments Against Foreign Persons or Companies*".

There is doubt as to the enforceability, in original actions in Canadian courts, of liabilities based upon United States federal securities laws and as to the enforceability in Canadian courts of judgments of United States courts obtained in actions based upon the civil liability provisions of the United States federal 58 securities laws. Therefore, it may not be possible for U.S. holders of common shares to enforce those actions against us, certain of our directors and officers or the experts named in this prospectus supplement. Additionally, some of our directors and officers reside outside of Canada. Some or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for U.S. holders of common shares to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons.

The market price for our common shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control.

The factors which may contribute to market price fluctuations of our common shares include, but are not limited to, the following:

- actual or anticipated fluctuations in our quarterly results of operations;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which we operate;
- addition or departure of our executive officers and other key personnel;
- release or expiration of transfer restrictions on outstanding common shares;
- sales or perceived sales of additional common shares;
- operating and financial performance that vary from the expectations of management, securities analysts and investors;
- regulatory changes affecting our industry generally and its business and operations;
- announcements of developments and other material events by us or our competitors;
- fluctuations to the costs of vital production materials and services;
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving us or our competitors;
- operating and share price performance of other companies that investors deem comparable to us or from a lack of market comparable companies; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in our industry or target markets.

We may sell additional common shares or other securities that are convertible or exchangeable into common shares in subsequent offerings or may issue additional common shares or other securities to finance future operations or acquisitions.

We cannot predict the size or nature of future sales or issuances of securities or the effect, if any, that such future sales and issuances will have on the market price of our common shares. Sales or issuances of substantial numbers of common shares or other securities that are convertible or exchangeable into common shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of our common shares. With any additional sale or issuance of common shares or other securities that are convertible or exchangeable into common shares, investors will suffer dilution to their voting power and economic interest in us. Furthermore, to the extent holders of our stock options or other convertible securities convert or exercise their securities and sell the common shares they receive, the trading price of the common shares may decrease due to the additional amount of common shares available in the market.

We incur increased costs as a result of operating as a public company in the United States and our management will be required to devote substantial time to new compliance initiatives.

As a public company, particularly after we are no longer an "emerging growth company" as defined under the JOBS Act, we will incur significant legal, accounting and other expenses that we did not incur prior to being listed in the United States. In addition, the Sarbanes-Oxley Act, and rules implemented by the SEC, and NASDAQ, impose various other requirements on public companies, and we will need to spend time and resources to ensure compliance with our reporting obligations under Canadian securities laws, as well as our obligations in the United States.

Pursuant to Section 404, we will be required to furnish a report by our management on our internal control over financial reporting ("ICFR"), which, after we are no longer an emerging growth company, must be accompanied by an attestation report on ICFR issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will document and evaluate our ICFR, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of our ICFR, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for ICFR. Despite our efforts, there is a risk that neither us nor our independent registered public accounting firm will be able to conclude within the prescribed timeframe that our ICFR is effective as required by Section 404. This could result in a determination that there are one or more material weaknesses in our ICFR, which could cause an adverse reaction in the financial markets due to a loss of confidence in the reliability of our consolidated financial statements.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities required for public company more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity and, as a result, their application in practice may evolve over time as regulatory and governing bodies provide new guidance. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and divert management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business may be harmed.

Being a public company in the United States and complying with applicable rules and regulations will make it more expensive for us to obtain director and officer liability insurance. These factors could also make it more difficult for us to attract and retain qualified executive officers and members of our Board.

As a foreign private issuer, we are subject to different U.S. securities laws and rules than a domestic U.S. issuer, which may limit the information publicly available to our U.S. shareholders.

As a foreign private issuer under applicable U.S. federal securities laws, we are not required to comply with all of the periodic disclosure and current reporting requirements of the U.S. Exchange Act and related rules and regulations. As a result, we do not file the same reports that a U.S. domestic issuer would file with the SEC, although we will be required to file with or furnish to the SEC the continuous disclosure documents that we are required to file in Canada under Canadian securities laws. In addition, our officers, directors and principal shareholders are exempt from the reporting and "short swing" profit recovery provisions of Section 16 of the U.S. Exchange Act. Therefore, our shareholders may not know on as timely a basis when our officers, directors and principal shareholders purchase or sell securities of the Company as the reporting periods under the corresponding Canadian insider reporting requirements are longer. In addition, as a foreign private issuer, we are exempt from the proxy rules under the U.S. Exchange Act.

The Company may lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Company.

In order to maintain our current status as a foreign private issuer, a majority of our common shares must be either directly or indirectly owned of record by non-residents of the United States unless we also satisfy one of the additional requirements necessary to preserve this status. We may in the future lose our foreign private issuer status if a majority of the common shares are owned of record in the United States and we fail to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to us under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs we incur as a Canadian foreign private issuer eligible to use MJDS. If we are not a foreign private issuer, we would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer

forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. In addition, we may lose the ability to rely upon exemptions from NASDAQ corporate governance requirements that are available to foreign private issuers.

USE OF PROCEEDS

We will not receive any proceeds from the offering. The common shares offered hereunder are being issued directly to the Holders as consideration pursuant to the Transaction. See "Summary of the Transaction" in this prospectus supplement.

DIVIDEND POLICY

We have not declared any dividends on common shares since its incorporation. Any future determination to pay dividends on common shares will remain at the discretion of our Board and will depend on our financial condition, results of operations, capital requirements and such other factors as our Board deems relevant. See "Risk Factors" in this prospectus supplement.

CONSOLIDATED CAPITALIZATION

Other than as described in this prospectus supplement, there have been no material changes in our share or loan capital on a consolidated basis since December 31, 2019. Giving effect to the Transaction, there will be 60,148,660 Common Shares outstanding (65,047,193 on a fully-diluted basis).

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the shelf prospectus contain or incorporate by reference forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, results of operations, liquidity, objectives and strategies to achieve those objectives, as well as statements with respect to our beliefs, targets, expectations, anticipations, estimates or intentions. In some cases, you can identify forward-looking statements by terminology such as "believe", "may", "estimate", "continue", "anticipate", "intend", "should", "plan", "expect", "predict", "potential", "could", "assume", "project", "guidance" or the negative of these terms or other similar expressions, although not all forward-looking statements include such words. The statements we make regarding the following matters are forward-looking by their nature and are based on certain of the assumptions noted below:

- our aim to develop and commercialize BLU-5937 for the treatment of hypersensitization disorders, including chronic cough and chronic pruritus;
- our aim to complete additional preclinical studies on BLU-5937;
- our aim to pursue the Phase 2 clinical trial on BLU-5937 for the treatment of patients with refractory chronic cough with topline data in mid-2020, and initiate later stage clinical studies thereafter;
- our aim to initiate a Phase 2 clinical trial on BLU-5937 for the treatment of patients with chronic pruritus associated with atopic dermatitis, in Q2 2020, with topline data expected in mid-2021;
- our aim to further explore the potential of BLU-5937 for the treatment of other afferent hypersensitization-related conditions;
- our expectations relating to the timing and cost of significant preclinical study and clinical trial milestones;
- our expectations with respect to the timing and cost of the research and development activities of BLU-5937;
- the function, potential benefits, effectiveness and safety of our product candidates, including BLU-5937;
- our expectations with respect to pre-commercialization activities related to the commercial launch of BLU-5937;
- our estimates and assessment of the potential markets for our product candidates;
- our expectations regarding pricing and acceptance of our product candidates by the market;
- the benefits and risks of our product candidates as compared to others;
- our aim to obtain regulatory approvals to market our product candidates;
- our expectations with respect to the cost of preclinical studies and clinical trials and commercialization of our product candidates, including BLU-5937;
- our current and future capital requirements and anticipated sources of financing or revenue;
- our expectations regarding the protection of our intellectual property;
- our business strategy;
- potential milestone payments and royalties pursuant to license agreements and other partnerships;
- our development and partnership plans and objectives; and
- the closing of the Transaction and the timing thereof.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements.

Conclusions, forecasts and projections set out in forward-looking information are based on our current objectives and strategies and on expectations and estimates and other factors and assumptions that we believe to be reasonable at the time applied but may prove to be incorrect. These include, but are not limited to:

- the function, potential benefits, effectiveness and safety of BLU-5937;
- the benefits and risks of our product candidates as compared to others;
- progress, timing and costs related to the development, completion and potential commercialization of our product candidate;
- estimates and projections regarding our industry;
- market acceptance of our product candidate;
- future success of current research and development activities;
- achievement of development and commercial milestones, including forecasted preclinical study and clinical trial milestones;
- our reliance on third parties to conduct the manufacturing of the product candidates, preclinical studies and clinical trials for BLU-5937;
- that the timeline and costs for our preclinical and clinical programs are not incorrectly estimated or affected by unforeseen circumstances;
- absence of material deterioration in general business and economic conditions;
- the receipt of regulatory and governmental approvals for research and development projects and timing thereof;
- the availability of tax credits and financing for research and development projects, and the availability of financing on favorable terms;
- the accuracy of our estimates regarding future financing and capital requirements and expenditures;
- the achievement of our forecasted cash burn rate;
- the sufficiency and validity of our intellectual property rights;
- our ability to secure, maintain and protect our intellectual property rights, and to operate without infringing on the proprietary rights of others or having third parties circumvent the rights owned or licensed by us;
- our ability to source and maintain licenses from third-party owners on acceptable terms and conditions;
- absence of significant changes in Canadian dollar-U.S. dollar and other foreign exchange rates or significant variability in interest rates;
- the absence of material changes in market competition;
- our ability to attract and retain skilled staff;
- our ability to maintain ongoing relations with employees and business partners, suppliers and other third parties;
- the accuracy of the market research, third-party industry data and forecasts relied upon by us; and
- the absence of adverse changes in relevant laws or regulations.

There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. See "*Risk Factors*" in this prospectus supplement. Should

one or more of the risks, uncertainties or other factors outlined in this prospectus supplement materialize, our objectives, strategies or intentions change, or any of the factors or assumptions underlying the forward-looking information prove incorrect, our actual results and our plans and targets could vary significantly from what we currently foresee. Accordingly, we warn investors to exercise caution when considering statements containing forward-looking information and that it would be unreasonable to rely on such statements as creating legal rights regarding our future results or plans or targets. All of the forward-looking information in this prospectus supplement is qualified by the cautionary statements herein.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus supplement, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

Before making any investment decision in respect of the securities and for a detailed discussion of the risks and uncertainties associated with our business, its operations and its financial targets, performance and condition and the material factors and assumptions underlying the forward-looking information herein and therein, fully review the disclosure incorporated by reference in and included in this prospectus supplement and the shelf prospectus, including the risks described in the "Risk Factors" section of this prospectus supplement.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Forward-looking statements made in a document incorporated by reference in this prospectus supplement are made as at the date of the original document and have not been updated by us except as expressly provided for in this prospectus supplement. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus supplement, to conform these statements to actual results or to changes in our expectations.

THE COMPANY

The Company was incorporated on April 12, 2012 under the *Canada Business Corporations Act* and is the successor of BELLUS Health Inc., a company incorporated on June 17, 1993 (known as Neurochem Inc. prior to April 15, 2008). We have two wholly-owned subsidiaries, BELLUS Health Cough Inc., also incorporated under the Canada Business Corporations Act, and BELLUS Health Corp., incorporated under the laws of the state of Delaware. Our head office is located at 275 Armand-Frappier Boulevard, Laval, Quebec H7V 4A7, Canada.

Our outstanding common shares are listed on the TSX and NASDAQ under the symbol "BLU".

Our website address is www.bellushealth.com. Information contained on, or that can be accessed through, our website does not constitute a part of this prospectus supplement and is not incorporated by reference herein. We have included our website address in this prospectus supplement solely for informational purposes. Our agent for service of process in the United States is CT Corporation System and its telephone number is (202) 572-3111.

BUSINESS

We are a clinical stage biopharmaceutical company focused on the development of novel therapeutics for the treatment of chronic cough and other hypersensitization disorders. Our product candidate, BLU-5937, is a twice daily oral small molecule specifically designed to be a highly selective antagonist of the P2X3 receptor, a clinically validated target linked to hypersensitivity. We are developing BLU-5937 for the treatment of chronic cough and chronic pruritus, or chronic itch.

For additional information about our business, see "Business of the Company" in the shelf prospectus. Additional information about our business can also be found in the documents incorporated by reference herein and in the shelf prospectus.

RECENT DEVELOPMENTS

In December 2019, we completed a drug-drug interaction trial with CYP3A4, OATP1B1 and BCRP, which results indicate that the administration of BLU-5937 should not affect the elimination of other drugs that are substrates of these enzymes/transporters. BLU-5937 was found to be safe and generally well tolerated in the trial (200 mg BID dose administered for 10 days). Only two subjects out of 28 (7%) reported a mild taste alteration only on first day of dosing.

On February 20, 2020, our Investigational New Drug application was accepted by the FDA, clearing the way for our Phase 2 clinical trial of BLU-5937 in patients with chronic pruritus associated with atopic dermatitis, also known as eczema, expected to be initiated in Q2 2020.

On March 19, 2020, we announced the completion of patient enrollment for our Phase 2 RELIEF trial, a 2-arm dose-escalation, placebo-controlled, and crossover design to assess the efficacy, safety and tolerability of BLU-5937 in patients with refractory chronic cough. At that time, 75% of the enrolled patients had already completed dosing. We intend to report top-line data from the RELIEF trial in mid 2020.

On March 23, 2020, we announced the entering into of the Asset Purchase and Sale Agreement with NEOMED in connection with the Transaction. See "Summary of the Transaction" in this prospectus supplement.

SUMMARY OF THE TRANSACTION

Overview

Prior to the Transaction, the Company held an exclusive worldwide license to develop and commercialize BLU-5937 pursuant to a 2017 license agreement (the "Development and License Agreement") with NEOMED, a not-for-profit organization to which AstraZeneca assigned the P2X3 program in 2012.

Upon closing of the Transaction (the "Closing Date"), which is expected to occur two business days following the date of this prospectus supplement, we will acquire, through our subsidiary, BELLUS Health Cough Inc., all of the intellectual property assets relating to BLU-5937, including certain patents and applications, rights in jointly-owned patents and applications, know-how related to patent rights (and certain improvements thereof) and data, for an aggregate purchase price of Cdn$55,999,800.00, to be satisfied in the manner described below.

One of our directors, Dr. Youssef Bennani, was recently appointed as a venture partner of adMare BioInnovations, NEOMED's sole member.

Asset Purchase and Sale Agreement

The following is a summary of the material terms of the Asset Purchase and Sale Agreement, a copy of which has been filed on our SEDAR profile at www.sedar.com. This summary does not purport to be complete and is subject to, and qualified in its entirety by, the terms of the Asset Purchase and Sale Agreement. The Asset Purchase and Sale Agreement and this summary of its terms are not intended to be, and should not be relied upon as, disclosures of any facts and circumstances relating to us, our subsidiary BELLUS Health Cough Inc. or NEOMED.

Purchase Price. Pursuant to the Asset Purchase and Sale Agreement the aggregate purchase price of Cdn$55,999,800.00 will be satisfied by us through the issuance of 4,770,000 of our common shares to the Holders, resulting in 7.3% ownership of our fully diluted equity. Of the 4,770,000 common shares, 3,816,000 common shares will be issued to NEOMED and, at the direction of NEOMED, 954,000 common shares will be issued to AstraZeneca.

In addition, we have agreed to make a $500,000 contribution to adMare BioInnovations, NEOMED's sole member, to fund training programs offered by adMare BioInnovations in Canada's life sciences and health technologies industry.

Trading Restrictions. Pursuant to certain "lock-up" arrangements entered into in connection with the Transaction, each Holder has agreed not to transfer or sell, directly or indirectly, any of the common shares issued to it upon closing of the Transaction before August 15, 2020. The foregoing restriction is subject to certain exceptions, including each Holder's right to sell or transfer (i) up to 10% of the common shares on or after the Closing Date, (ii) up to an additional 20% of the common shares on or after the date that is 30 days following the Closing Date, (iii) up to an additional 20% of the common shares on or after the date that is 60 days following the Closing Date, and (iv) the remaining number of common shares on the earlier of August 15, 2020 and the date of the announcement of the Phase 2 Topline Data.

Closing Conditions. Closing of the Transaction is subject to certain conditions, including (i) the obtaining of all material third party consents, approvals or waivers, including all required regulatory clearances, (ii) the confirmation that we have complied with all covenants and satisfied all terms and conditions set out in the Asset Purchase and Sale Agreement, and (iii) the confirmation of certain representations and warranties contained therein as at the Closing Date.

Termination of the Asset Purchase and Sale Agreement. In the event that the Transaction fails to close on or before March 31, 2020 as a result of the failure of a party to comply with its obligations under the Asset Purchase and Sale Agreement or by reason of the representations and warranties of a party not being true and correct on the Closing Date, then the non-defaulting party may terminate the agreement upon written notice to the other. NEOMED may also terminate the agreement if the Company is in breach of any material term, condition or covenant or if any representation or warranty of the Company is or becomes false prior to the closing time.

Termination of the Development and License Agreement. Effective on the Closing Date, the Development and License Agreement will terminate and we will no further have any obligations to NEOMED in relation thereto, including without limitation, any obligations in respect of governance, diligence or payment of royalties.

We have filed a copy of the Asset Purchase and Sale Agreement with securities regulatory authorities in Canada. We have also furnished a Form 6-K to the SEC in the United States enclosing a copy of the Asset Purchase and Sale Agreement and the press release announcing the Transaction.

DESCRIPTION OF CAPITAL STRUCTURE

The following description of our share capital summarizes certain provisions of our articles of incorporation. These summaries do not purport to be complete and are subject to, and qualified in their entirety by reference to, all of the provisions of our articles of incorporation.

Our authorized capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. As at March 23, 2020, we had 55,378,660 common shares issued and outstanding, all of which are fully paid and non-assessable, and 60,277,193 common shares on a fully diluted basis, including 4,726,943 stock options granted under the stock option plan and 171,590 broker warrants.

Common Shares

Voting Rights. Each of our common shares entitles its holder to notice of, and to one vote at, all meetings of our shareholders. Holders of our common shares are not entitled to cumulative voting.

Dividend Rights. Each of our common shares carries an entitlement to receive dividends if, as and when declared by our Board. In the event of the liquidation, dissolution or winding-up of BELLUS Health, our net assets available for distribution to our shareholders will be distributed ratably among the holders of our common shares.

Applicable Limitations on Nonresident or Foreign Owners. There are no applicable limitations on the right of nonresident or foreign owners to hold or vote our common shares imposed by foreign law or by our charter or other constituent documents.

Share Consolidation. On August 15, 2019, we filed articles of amendment for the purpose of effecting a consolidation of our common shares on the basis that each 3.6 outstanding common shares became one post-consolidated common share. No fractional common shares were issued in connection with such consolidation and, in the event that a shareholder would otherwise have been entitled to a fractional common share upon such consolidation, such fractional share was cancelled. Except where otherwise noted, all information in this prospectus supplement and the documents incorporated by reference dated on or after the date of the share consolidation gives effect to such share consolidation.

Preferred Shares

No preferred shares are currently issued; however, they may be issued from time to time in one or more series, the terms of each series, including the number of shares, the designation, rights, preferences, privileges, priorities, restrictions, conditions and limitations, to be determined at the time of creation of each such series by the Board without shareholder approval, provided that all preferred shares will rank, with respect to dividends and return of capital in the event of liquidation, dissolution, winding-up or other distribution of our assets for the purpose of winding-up its affairs, pari passu among themselves and in priority to all common shares or shares of any class ranking junior to the preferred shares. Except as provided for in our articles of incorporation (as amended), the holders of preferred shares shall not be entitled to receive notice of meetings of our shareholders nor to attend thereat and shall not be entitled to vote at any such meeting.

Major Shareholders

As at March 23, 2020, OrbiMed, PSCI and Rocabe own, directly or indirectly, respectively 12.7%, 8.9% and 8.2% of our outstanding common shares.

PRIOR SALES

Other than as described below, during the 12-month period before the date of this prospectus supplement, we have not issued any common shares or any securities that are convertible or exchangeable into our common shares. All figures reflected in the table below in the "As Adjusted" columns have been adjusted to give effect to the consolidation.

We issued common shares as follows:

Date of issuance	Number of shares issued	Price (per common share)	Number of shares issued	Price (per common share)
	Actual		As Adjusted	
September 9, 2019			9,859,155	CDN$9.35 (US$7.10)
September 17, 2019			1,320,296	CDN$9.40 (US$7.10)

We granted options to purchase common shares under our stock option plan as follows:

Date of grant	Number of options issued	Exercise price (per option)	Number of options issued	Exercise price (per option)
	Actual		As Adjusted	
August 7, 2019	75,000	$3.17	20,833	$11.41
November 13, 2019			512,222	$ 8.39

We issued common shares pursuant to the exercise of stock options under our stock option plan as follows:

Date of exercise	Number of shares issued	Exercise price (per option)	Number of shares issued	Exercise price (per option)
	Actual		As Adjusted	
April 3, 2019	16,000	$.50	4,445	$1.80
April 15, 2019	25,000	$.50	6,944	$1.80
April 25, 2019	69,000	$.50	19,167	$1.80
May 2, 2019	30,000	$.50	8,333	$1.80

We issued common shares pursuant to the exercise of warrants as follows:

Date of exercise	Number of shares issued	Exercise price (per warrant)	Number of shares issued	Exercise price (per warrant)
	Actual		As Adjusted	
May 23, 2019	9,000	$0.38	2,500	$1.37
June 3, 2019	178,498	$0.38	49,583	$1.37
July 22, 2019	615,000	$0.38	170,833	$3.42
July 31, 2019	217,540	$0.38	60,428	$3.42

TRADING PRICES AND VOLUME

The following table sets forth, for the periods indicated, the reported high and low daily trading prices and the aggregate volume of trading of our common shares on the TSX (for the 12-month period before the date of this prospectus supplement) and the NASDAQ (for the period beginning on September 5, 2019, the date on which our common shares began trading on NASDAQ). On August 19, 2019, we effected a 3.6 to 1 common shares consolidation. All prices in the following table reflect the shares consolidation.

	TSX			NASDAQ Composite		
	High	Low	Volume	High	Low	Volume
	($)	($)	(#)	($)	($)	(#)
February 2019	4.79	3.67	1,018,669	—	—	—
March 2019	6.08	4.46	977,239	—	—	—
April 2019	6.05	3.96	574,171	—	—	—
May 2019	5.58	3.96	1,000,204	—	—	—
June 2019	11.12	5.26	2,043,765	—	—	—
July 2019	12.06	9.76	1,797,538	—	—	—
August 2019	12.38	8.45	1,623,902	—	—	—
September 2019	10.15	8.05	1,599,627	7.88	6.14	5,169,748
October 2019	9.73	8.21	716,936	7.49	6.16	1,113,211
November 2019	9.81	7.37	926,687	7.47	5.55	1,301,470
December 2019	9.97	8.74	692,819	7.70	6.63	3,565,953
January 2020	12.58	9.90	874,140	9.60	7.64	4,894,873
February 2020	14.54	10.71	2,114,689	10.95	8.03	4,156,900
March 2020	14.50	7.64	3,719,744	10.55	5.45	8,388,105

EXCHANGE RATE INFORMATION

The following table sets forth, for each period indicated, the highest exchange rates, lowest exchange rates, average exchange rates (based on the average of the exchange rates on the last day of each month in such periods), and the exchange rates at the end of each period, for Canadian dollars expressed in terms of one U.S. dollar, based upon the daily rate of exchange as published by the Bank of Canada.

The exchange rates set forth below demonstrate trends in exchange rates, but the actual exchange rates used throughout this prospectus supplement may vary.

(in Canadian dollars)	Year Ended December 31, 2019
Highest rate during the period	**1.3600**
Lowest rate during the period	**1.2988**
Average rate during the period[(1)]	**1.3269**
Rate at end of the period	**1.2988**

(1) The average exchange rates are calculated based on the exchange rates on the last business day of each month for the applicable period.

The following table sets forth, for each of the last six months, the high and low exchange rates for Canadian dollars expressed in terms of one U.S. dollar, based on the daily rate of exchange as published by the Bank of Canada.

(in Canadian dollars)	February 2020	January 2020	December 2019	November 2019	October 2019	September 2019	August 2019
High for the month	1.3429	1.3233	1.3302	1.3307	1.3330	1.3343	1.3325
Low for the month	1.3224	1.2970	1.2988	1.3148	1.3056	1.3153	1.3217

As of March 20, 2020, the daily rate of exchange published by the Bank of Canada was US$1.00 = Cdn $1.4332.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Income Tax Act (Canada) (the "Tax Act") and the regulations promulgated thereunder (the "Regulations") generally applicable as of the date hereof to a person who acquires, as beneficial owner, our common shares pursuant to this offering and who at all relevant times, for the purposes of the Tax Act and the Regulations: (a) is resident or deemed to be a resident in Canada, (b) deals at arm's length with the Company; (c) is not affiliated with the Company; and (d) acquires and holds the our common shares as capital property (a "Holder").

Generally, our common shares will be considered to be capital property to a Holder provided the Holder does not acquire or hold our common shares in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose common shares might not otherwise constitute capital property may be entitled to make, in certain circumstances, an irrevocable election, in accordance with subsection 39(4) of the Tax Act, to have their common shares and every other "Canadian security", as defined in subsection 39(6) of the Tax Act, held by them deemed to be capital property for the purposes of the Tax Act. Holders contemplating such an election should first consult with their own tax advisors.

This summary is not applicable to a Holder: (a) that is a "financial institution", as defined in subsection 142.2(1) of the Tax Act, for the purposes of the mark-to-market rules; (b) that is a "specified financial institution", as defined in subsection 248(1) of the Tax Act; (c) an interest in which is a "tax shelter", as defined in subsection 237.1(1) of the Tax Act, or a "tax shelter investment", as defined in subsection 143.2(1) of the Tax Act; (d) that reports its "Canadian tax results", as defined in subsection 261(1) of the Tax Act, in a currency other than Canadian currency; (e) who has entered into or will enter into, in respect of the our common shares a "derivative forward agreement", or a "synthetic disposition arrangement", as defined in subsection 248(1) of the Tax Act; (f) that is a partnership; (g) that receives dividends on our common shares under or as part of a "dividend rental arrangement" as defined in subsection 248(1) of the Tax Act; (h) that is exempt from tax under Part I of the Tax Act; or (i) that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of our common shares, controlled by a non-resident person, or group of non-resident persons not dealing with each other at arm's length, for the purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such holders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of our common shares. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire our common shares.

This summary is based on the current provisions of the Tax Act and of the Regulations in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments") and counsels' understanding of the current administrative policies and assessing practices of the Canada Revenue Agency ("CRA") published in writing by it prior to the date hereof. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, or changes in the CRA's administrative policies and assessing practices, nor does it take into account or consider any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. This summary assumes that the Proposed Amendments will be enacted as currently proposed, although no assurance can be given that the Proposed Amendments will be enacted in their current form or at all. There can be no assurance that the CRA will not change its administrative policies or assessing practices.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Holder or prospective Holder. Accordingly, Holders and prospective Holders should obtain independent advice regarding the income tax consequences of investing in Our common shares of the Company pursuant to this offering, with reference to their particular circumstances.

Currency Conversion

Subject to certain exceptions that are not discussed herein, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of common shares, including dividends, adjusted cost base and proceeds of dispositions must be determined in Canadian dollars using the rate of exchange quoted by the Bank of Canada of the particular date the particular amount arose or such other rate of exchange as acceptable to the CRA.

Taxation of Dividends

Dividends received or deemed to be received on our common shares by a Holder that is a corporation will be required to be included in computing the corporation's income for the taxation year in which such dividends are received, but such dividends will generally be deductible in computing the corporation's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Such Holders should consult their own tax advisors having regard to their own circumstances.

A Holder that is a "private corporation" or a "subject corporation" (each as defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax on dividends received or deemed to be received on our common shares to the extent that such dividends are deductible in computing the Holder's taxable income for the taxation year.

Dispositions — Taxation of Capital Gains and Capital Losses

Upon a disposition or deemed disposition of our common shares (except to the Company, unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market), a capital gain (or capital loss) will generally be realized by a Holder to the extent that the proceeds of disposition exceed (or are exceeded by) the aggregate of the adjusted cost base of our common shares to the Holder immediately before the disposition or deemed disposition and any reasonable costs of disposition. The adjusted cost base of such common shares to a Holder will be determined by averaging the cost of such common shares with the adjusted cost base of all other common shares of the Company held by the Holder and by making certain other adjustments required under the Tax Act. The Holder's cost for purposes of the Tax Act of our common shares will include all amounts paid or payable by the Holder for such common shares, subject to certain adjustments under the Tax Act.

Generally, one-half of the amount of any capital gain (a "taxable capital gain") realized by a Holder in a taxation year must be included in the Holder's income in the year. Subject to and in accordance with the provisions of the Tax Act, one-half of the amount of any capital loss (an "allowable capital loss") realized by a Holder in a taxation year must be deducted by such Holder against taxable capital gains realized by such Holder in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or in any subsequent year (against net taxable capital gains realized in such years) to the extent and under the circumstances described in the Tax Act.

If the Holder is a corporation, the amount of any such capital loss realized on the sale of our common shares may, in certain circumstances, be reduced by the amount of any dividends, including deemed dividends, which have been received on such common shares or common shares of the Company. Similar rules may apply where a common share is owned by a partnership or trust of which a corporation is a member or beneficiary.

A Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout its taxation year may be liable to pay a refundable tax on certain investment income, including taxable capital gains. Such Holders should consult their own tax advisors regarding their particular circumstances.

ENFORCEABILITY OF CIVIL LIABILITIES

The enforcement of civil liabilities under United States federal securities laws may be affected adversely by the fact that we are incorporated under the federal laws of Canada, that most of our officers and directors are residents of Canada, that many of the experts named in this prospectus supplement and the shelf prospectus may be residents of Canada, and that most or all of our assets and the assets of said persons are located outside of the United States.

We have appointed an agent for service of process in the United States (as set forth below), but it may be difficult for holders of our common shares who reside in the United States to effect service within the United States upon those directors, officers and experts who are not residents of the United States. It may also be difficult for holders of our common shares who reside in the United States to realize in the United States upon judgments of courts of the United States predicated upon our civil liability and the civil liability of our directors, officers and experts under the U.S. federal securities laws.

We filed with the SEC with our registration statement on Form F-10 of which this prospectus supplement is a part, an appointment of agent for service of process on Form F-X. Under the Form F-X, we appointed CT Corporation System as our agent for service of process in the United States in connection with any investigation or administrative proceeding conducted by the SEC, and any civil suit or action brought against or involving us in a United States court arising out of or related to or concerning the offering of our common shares under this prospectus supplement.

LEGAL MATTERS

Certain legal matters related to the offering of common shares under this prospectus supplement are being passed upon on our behalf by Davies Ward Phillips & Vineberg LLP.

As of the date of this prospectus supplement, the partners and associates of Davies Ward Phillips & Vineberg LLP, as a group, beneficially own directly and indirectly, less than one percent of our outstanding securities of any class.

EXPERTS

Our consolidated financial statements for the fiscal years ended December 31, 2019 and 2018 have been audited by KPMG LLP, independent registered public accounting firm, as stated in their reports dated February 26, 2020 and February 20, 2019, which are incorporated by reference in this prospectus supplement and the shelf prospectus and has been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Our auditors are KPMG LLP, Chartered Professional Accountants, at their offices located in Montreal, Québec, Canada. The transfer agent and registrar for our common shares in the United States is Computershare Inc. at its principal offices located in Canton, Massachusetts. The transfer agent and registrar for our common shares in Canada is Computershare Investor Services Inc. at its offices located in Montreal, Québec.

DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT

The following documents have been or will be filed with the SEC as part of the registration statement on Form F-10 of which this prospectus supplement and the shelf prospectus forms a part: (i) the document(s) listed under "Documents Incorporated by Reference" in the shelf prospectus; (ii) the consent of KPMG LLP; (iii) the consent of Davies, Ward, Phillips & Vineberg LLP; and (iv) the powers of attorney from our directors and officers, as applicable, pursuant to which amendments to the registration statement may be signed.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the full informational requirements of securities commissions or similar regulatory authorities in Canada. Information, other than confidential filings, that we file with securities commissions or similar regulatory authorities in Canada are available on SEDAR, which can be accessed at www.sedar.com. Except as expressly provided herein, documents filed on SEDAR are not, and should not be considered, part of this prospectus supplement or the shelf prospectus.

In addition to our continuous disclosure obligations under the securities laws of provinces of Canada, we are subject to the information requirements of the U.S. Exchange Act, and in accordance therewith, we file reports and other information with the SEC. Under a multi-jurisdictional disclosure system adopted by the United States, we may generally prepare these reports and other information in accordance with the disclosure requirements of Canada. These requirements are different from those of the United States. As a foreign private issuer, we are exempt from the rules under the U.S. Exchange Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, we are not required to publish financial statements as promptly as United States companies. The SEC maintains the SEC's Electronic Document Gathering and Retrieval System, commonly known as "EDGAR", that makes available reports and other information that we file electronically with it, including the registration statement of which this prospectus supplement forms a part. Except as expressly provided herein, documents filed on EDGAR are not, and should not be considered, part of this prospectus supplement or the shelf prospectus.

We have filed with the SEC a registration statement on Form F-10 (File No. 333-235637) under the U.S. Securities Act of 1933, as amended, with respect to the common shares. This prospectus supplement, which forms a part of the registration statement, does not contain all of the information set forth in the registration statement, certain parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information with respect to us and the common shares, reference is made to the registration statement, including the shelf prospectus, and to the schedules and exhibits filed therewith. Statements contained in this prospectus supplement as to the contents of certain documents are not necessarily complete and, in each instance, reference is made to the copy of the document filed as an exhibit to the registration statement. Each such statement is qualified in its entirety by such reference.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS OR COMPANIES

Two of our directors, Franklin Berger and Chau Q. Khuong, reside outside of Canada and have each appointed BELLUS Health as agent for service of process in Canada at the following address: 275 Armand-Frappier Boulevard, Laval, Quebec H7V 4A7, Canada.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or that resides outside of Canada, even if such person has appointed an agent for service of process.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and accompanying prospectus supplement relating to the securities purchased by a purchaser and any amendment thereto. In several of the provinces of Canada, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and accompanying prospectus supplement relating to the securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's jurisdiction for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF BELLUS HEALTH INC.

Date: March 23, 2020

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

(*Signed*) ROBERTO BELLINI
President and Chief Executive Officer

(*Signed*) FRANCOIS DESJARDINS
Vice President, Finance

On behalf of the Board of Directors

(*Signed*) FRANCESCO BELLINI
Director

(*Signed*) PIERRE LAROCHELLE
Director