June 22, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND QUÉBEC
(the Jurisdictions)

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
LORUS THERAPEUTICS INC.
(the Company)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Company for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Corporation be exempt from the valuation requirements in section 4.3 of Rule 61-501 and Section 4.3 of Regulation Q-27 in connection with the Arrangement (defined below) (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications

1. the Ontario Securities Commission is the principal regulator for this application;

2. this MRRS decision document evidences that decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this section.

Representations

This decision is based on the following facts represented by the Company:

1. The Company was incorporated under the laws of the Province of Ontario on September 5, 1986 under the name RML Medical Laboratories Inc. On October 28, 1991, RML Medical Laboratories Inc. amalgamated with Mint Gold Resources Ltd., resulting in the Company becoming a reporting issuer in Ontario on such date. On August 25, 1992, the Company changed its name to IMUTEC Corporation. On November 27, 1996, the Company changed its name to Imutec Pharma Inc., and on November 19, 1998, the Company changed its name to Lorus Therapeutics Inc. On October 1, 2005 the Company was continued under the laws of Canada.

2. The Company is authorized to issue an unlimited number of common shares (Shares). As of April 30, 2007, 211,610,130 Shares were issued and outstanding.

3. The Company is a reporting issuer in each of the Jurisdictions where such a concept exists and is not in default of any of its obligations as a reporting issuer.

4. On May 1, 2007, the Company announced the entering into of agreements in connection with an arrangement (the Arrangement) among the Company, NuChem Pharmaceuticals Inc. (NuChem), GeneSense Technologies Inc. (GeneSense), 6650309 Canada Inc. (New Lorus), Pinnacle International Lands, Inc. and 6707157 Canada Inc. (Investor) under Section 192 of the Canada Business Corporations Act.

5. Pursuant to the Arrangement (which includes a reorganization of the Company's share capital as contemplated by the Arrangement):

> (a) the Company will transfer, directly or indirectly, all of its assets at their fair market value and all of its liabilities to New Lorus; and
>
> (b) Investor, an affiliate of Pinnacle International Lands, Inc., will acquire from the Company and certain of its principal shareholders an aggregate of approximately 41% of the Voting Shares and 100% of the Non-Voting Shares of the Company (as defined below).

6. The following is a brief summary of certain steps that will occur as part of the Arrangement:

> (a) the securityholders of the Company will transfer their common shares (Shares), options and warrants in the Company in exchange for the issuance by New Lorus of common shares (New Lorus Shares), options and warrants having the same value, terms and conditions as the Shares, options and warrants of the Company;

(b) the share capital of the Company will be reorganized into two classes of shares, voting shares (the Voting Shares) and non-voting shares (the Non-Voting Shares);

(c) New Lorus will assume certain of the Company's existing liabilities;

(d) the Company will transfer its assets (other than the shares of GeneSense and NuChem) to GeneSense;

(e) GeneSense will transfer its intellectual property assets to New Lorus;

(f) the Company will transfer its shares of GeneSense and NuChem to New Lorus;

(g) New Lorus will change its name to "Lorus Therapeutics Inc.";

(h) the Company will assign all of its contractual obligations to New Lorus;

(i) New Lorus will offer employment to all of the employees of the Company and will assume all employment obligations related thereto;

(j) the Investor will purchase approximately 15% of the Voting Shares and 100% of the Non-Voting Shares from New Lorus in consideration of a cash payment; and

(k) in connection with the Arrangement, shareholders of the Company (other than those referred to in paragraph 7, below) will receive, in addition to the New Lorus Shares referred to above, approximately 0.08 Voting Shares for each Share held by them.

7. In connection with the Arrangement, the Investor will purchase the Voting Shares of the Company otherwise distributable to High Tech Beteilingungen GmbH & Co. KG (High Tech), another shareholder of the Company (Other Shareholder), and holders of Shares resident in the United States. Each purchase will occur at the price per share equal to that paid by the Investor in paragraph 6(j), above.

8. The Other Shareholder is not a "related party" of the Company within the meaning of the Legislation.

9. According to documents filed by High Tech with the Decision Makers, as at August 30, 2006, High Tech is the beneficial and registered holder of

approximately 14.1% of the Company's issued and outstanding Shares, which the Company currently estimates to represent approximately 13.7% of its issued and outstanding shares as at May 25, 2007.

10. In connection with the Arrangement, High Tech will receive:

> (a) that number of common shares in the capital of New Lorus equal to that number of Shares it holds in the Company as at the effective date of the Arrangement (the Effective Date); and
>
> (b) approximately 2,448,000 Voting Shares (the High Tech Voting Shares) representing, in aggregate, approximately 13.7% of the remaining Voting Shares of the Company as at the Effective Date.

11. Subject to regulatory approval, the Investor has entered into an agreement with High Tech to purchase the High Tech Voting Shares (the Share Purchase). The consideration would be a nominal value equivalent to that portion of the Purchase Price attributable to the Voting Shares.

12. The Company has agreed to pay all third party and out of pocket costs of High Tech in respect of the Share Purchase, estimated to be approximately $10,000.

13. Solely as a consequence of the Share Purchase, the Arrangement constitutes a "business combination" or "going private transaction" within the meaning of the Legislation, and is therefore subject to the minority approval requirements (the Minority Approval Requirements) and the valuation requirements contained in the Legislation.

14. The Company intends to comply with the Minority Approval Requirements in connection with the Arrangement.

15. The Share Purchase is a condition precedent to the Investor's participation in the Arrangement. The Arrangement is intended to improve the financial position of the Company, will not adversely affect the Company or the rights of any of the Securityholders and will not materially affect control of the Company. The Share Purchase will not adversely affect the Company or the rights of any of the Securityholders and will not materially affect control of the Company.

16. Securityholders of the Company will transfer their Shares, options and warrants in the Company in exchange for the issuance by New Lorus of New Lorus Shares, options and warrants having the same value, terms and conditions as the Shares, options and warrants of the Company. The business to be carried on by New Lorus will be the same as that carried on by the Company prior to the entering into of the Arrangement.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Maker in Ontario is that the Requested Relief is granted.

"Naizam Kanji"
Manager
Ontario Securities Commission