

NOTICE OF SETTLEMENT OF THE IMAX CORPORATION SECURITIES CLASS ACTION IN CANADA

Read this notice carefully as it may affect your rights.

IMPORTANT DEADLINE: You must file a claim by **May 31, 2016** in order to participate in the settlement.

TO CLASS MEMBERS, DEFINED AS: All persons who bought shares of Imax Corporation (“Imax”) during the period from and including February 17, 2006 to and including August 9, 2006 (“Class Period”) and held some or all of those shares at the close of trading on August 9, 2006, **EXCEPT:** (i) persons that acquired Imax shares on the NASDAQ and did not opt-out of the U.S. class action styled *In re IMAX Securities Litigation*, Civil Action No. 1:06-cv-06128 (S.D.N.Y.); and (ii) the Defendants (defined below) and certain persons related to them.

In 2006, a proposed class action was commenced against Imax and certain of its officers and directors (collectively, the “**Defendants**”) in the Ontario Superior Court of Justice. The plaintiffs alleged that during the Class Period the Defendants misrepresented that certain of Imax’s financial statements in fiscal 2005 were prepared and reported in accordance with generally accepted accounting principles.

The parties to the class action reached a settlement that was approved by the court. The Defendants do not admit any wrongdoing or liability on their part. The settlement is a compromise of disputed claims.

SUMMARY OF THE SETTLEMENT TERMS

The Defendants have paid \$3,750,000 (the “Settlement Amount”) in full and final settlement of all claims, including lawyers fees and administration costs in return for a release and a dismissal of the class action.

Lawyers fees, including out-of-pocket expenses and taxes, were fixed by the court as a first charge on the

Settlement Amount at \$1,622,705.46. The net Settlement Amount will be distributed to Class Members in accordance with the court-approved Plan of Allocation which can be reviewed at www.imax-classaction.com and www.classaction.ca/imax.

If you are not sure about whether you are a Class Member, you may contact the Administrator (see contact information at the end of this notice).

Further information on the settlement, including the Settlement Agreement, Plan of Allocation and the court order, may be found at www.imax-classaction.com and www.classaction.ca/imax.

A CLAIM FOR COMPENSATION MUST BE MADE BY MAY 31, 2016

Each Class Member must submit and the Administrator must receive a completed Claim Form on or before May 31, 2016 in order to participate in the settlement. The Claim Form can be accessed and downloaded at www.imax-classaction.com and www.classaction.ca/imax or obtained by calling the Administrator at 1.866.432.5534. If the Administrator does not receive a completed Claim Form by May 31, 2016, you will not receive any part of the net Settlement Amount.

The court appointed RicePoint Administration Inc. as the Administrator of the settlement to, among other things: (i) receive claim forms; (ii) decide the eligibility of a claimant for compensation; (iii) advise the claimant of the compensation decision; and (iv) distribute the net Settlement Amount to eligible Class Members.

The Claim Form should be submitted by using the secure Online Claims System at www.imax-classaction.com. You should submit a paper Claim Form only if you do not have internet access.

The paper Claim Form may be sent by mail or courier to:

Administrator, Imax Class Action

P.O. Box 3355

London, ON N6A 4K3

The courts appointed Gregory Wrigglesworth as the Referee to resolve any dispute arising from a decision of the Administrator on eligibility or amount of compensation. A review by the Referee may be requested by delivery of a written submission setting out the basis for the dispute including all relevant documents provided that the request is submitted within thirty (30) days of the date of the decision in dispute. Complete information on requesting a review may be found in the Plan of Allocation available at www.imax-classaction.com and www.classaction.ca/imax.

PERSONAL LEGAL ADVICE

Class Members who seek the advice or guidance of their personal lawyers do so at their own expense.

INTERPRETATION

This Notice is a summary of the order approving the Settlement issued by the court. If there is a conflict between the provisions of this Notice and the terms of the order, the order will prevail.

Questions for class counsel should be directed by telephone or in writing to:

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INQUIRIES

If you need help, or are having difficulty with the claims process, or if you do not have access to the internet, or if you prefer not to register online, you may telephone the

Administrator at 1.866.432.5534.

This Notice has been approved by the court.

Questions about this Notice should NOT be directed to the court.