Industry Canada Industrie Canada

Certificate of Amendment

Certificat de modification

Canada Business Corporations Act

Loi canadienne sur les sociétés par actions

PharmaGap Inc.	**404809-1**
Name of corporation-Dénomination de la société	Corporation number-Numéro de la société

I hereby certify that the articles of the above-named corporation were amended:

a) under section 13 of the *Canada Business Corporations Act* in accordance with the attached notice;

b) under section 27 of the *Canada Business Corporations Act* as set out in the attached articles of amendment designating a series of shares;

c) under section 179 of the *Canada Business Corporations Act* as set out in the attached articles of amendment;

d) under section 191 of the *Canada Business Corporations Act* as set out in the attached articles of reorganization;

Je certifie que les statuts de la société susmentionnée ont été modifiés:

☐ a) en vertu de l'article 13 de la *Loi canadienne sur les sociétés par actions*, conformément à l'avis ci-joint;

☑ b) en vertu de l'article 27 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes désignant une série d'actions;

☐ c) en vertu de l'article 179 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes;

☐ d) en vertu de l'article 191 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses de réorganisation ci-jointes;

Richard G. Shaw
Director - Directeur

May 3, 2007 / le 3 mai 2007
Date of Amendment - Date de modification

Canada

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Corporations Canada

Articles of Amendment

(Section 27 or 177 of the ***Canada Business Corporations Act (CBCA)****)*

Form 4

Instructions

3 Any changes in the articles of the corporation must be made in accordance with section 27 or 177 of the CBCA.

A: If an amendment involves a change of corporate name (including the addition of the English or French version of the corporate name), the new name must comply with sections 10 and 12 of the CBCA as well as part 2 of the regulations, and the Articles of Amendment must be accompanied by a Canada-biased NUANS® search report dated not more than ninety (90) days prior to the receipt of the articles by Corporations Canada. A numbered name may be assigned under subsection 11(2) of the CBCA without a NUANS® search.

D: Any other amendments must correspond to the paragraphs and subparagraphs referenced in the articles being amended. If the space available is insufficient, please attach a schedule to the form.

4 **Declaration**

This form must be signed by a director or an officer of the corporation (subsection 262(2) of the CBCA).

General

The information you provide in this document is collected under the authority of the CBCA and will be stored in personal information bank number IC/PPU-049. Personal information that you provide is protected under the provisions of the *Privacy Act*. However, public disclosure pursuant to section 266 of the CBCA is permitted under the *Privacy Act*.

If you require more information, please consult our website at www.corporationscanada.ic.gc.ca or contact us at (613) 941-9042 (Ottawa region), toll-free at 1 866 333-5556 or by email at corporationscanada@ic.gc.ca.

Prescribed Fees

- Corporations Canada Online Filing Centre: $200
- By mail or fax: $200 paid by cheque payable to the Receiver General for Canada or by credit card (American Express®, MasterCard® or Visa®).

Important Reminders

Changes of registered office address and/or mailing address:
Completed and file Change of Registered Office Address (Form 3).

Changes of directors or changes of a director's address:
Complete and file Changes Regarding Directors (Form 6).

These forms can be filed electronically, by mail or by fax free of charge.

File documents online
Corporations Canada Online Filing Centre:
www.corporationscanada.ic.gc.ca

Or send documents by mail:
Director General
Corporations Canada
Jean Edmonds Tower South
9th Floor
365 Laurier Avenue. West
Ottawa, ON K1A 0C8

By Facsimile:
(613) 941-0999

1 Corporation Name

PHARMAGAP INC.

2 Corporation Number

404809-1

3 These articles are amended as follows:
(Please note that more than one section can be filled out)

A: The corporation changes its name to:

N/A

B: The corporation changes the province or territory in Canada where the registered office is situated to: **(Do not include the full address)**

N/A

C: The corporation changes the minimum and/or maximum number of directors to: (For a fixed number of directors, please indicate the same number in both the minimum and maximum options)

N/A

Minimum: maximum:

D: Other changes (e.g. to the classes of shares, to restrictions on share transfers, to restrictions on the businesses of the corporation or to any other provisions that are permitted by the CBCA to be set out in the Articles) **Please specify.**

SEE SCHEDULE "A" ATTACHED HERETO

4 Declaration

I hereby certify that I am a director or an officer of the corporation.

X RCMcI R 3 MAY '07 9:48
SIGNATURE

Robert C. McInnis (613) 990-9551
PRINT NAME TELEPHONE NUMBER

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5,000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

SCHEDULE "A"
TO
ARTICLES OF AMENDMENT
FOR PHARMAGAP INC.

1. The articles of the Corporation are hereby amended to create 2,400,000 Series 1, First Preferred Shares ("Series 1 Shares");

2. The Series 1 Shares shall have attached thereto, in addition and subject to the rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class, the following rights, privileges, restrictions and conditions:

   2.1. **Definitions**:

   2.1.1. "**Act**" means the *Canada Business Corporations Act*;

   2.1.2. **"Articles"** means the articles of incorporation of the Corporation as amended from time to time;

   2.1.3. **"Conversion Notice"** has the meaning set out in paragraph 2.5.2;

   2.1.4. **"Original Series 1 Issue Date"** means May 3, 2007;

   2.1.5. "**Series 1 Shares**" means the Series 1, First Preferred Shares of the Corporation;

   2.1.6. **"Units"** shall consist of one Common Share of the Corporation and one Warrant to purchase one Common Share from the Original Series 1 Issue Date until the Warrant Expiry Date; following the Warrant Expiry Date, each Unit shall consist of one Common Share of the Corporation;

   2.1.7. **"Warrant"** means a common share purchase warrant of the Corporation with each whole warrant being exercisable to acquire one Common Share of the Corporation at an exercise price of $0.165 per Warrant. The Warrant shall expire on the Warrant Expiry Date;

   2.1.8. **"Warrant Expiry Date"** means the date two years after the Original Series 1 Issue Date;

2.2. Voting

The holders of the Series 1 Shares shall be entitled to receive notice of and to attend and shall be entitled to one (1) vote at any meeting of the shareholders of the Corporation for every 100 Series 1 Shares held, except meetings at which only holders of a specified class of shares are entitled to vote. The holders of the Series 1 Shares shall not be entitled to vote separately as a series upon a proposal to amend the Articles to provide for any amendment referred to in Section 176 (1)(a), (b) or (e) of the Act.

2.3. Dividends

The holders of the Series 1 Shares shall be entitled to receive any dividend declared by the directors on the Common Shares pro rata with the holders of the Common Shares.

2.4. Changes to Common Shares

If at any time and from time to time, the Common Shares are changed into a different class or classes of Shares, or are subject to reclassification, recapitalization, reorganization, arrangement, amalgamation or merger, subdivision consolidation or any such similar changes, then each holder of Series 1 Shares shall have the right thereafter to convert its Series 1 Shares into the kind and amount of shares and other securities and property receivable upon such change by holders of the number of Common Shares into which the Series 1 Shares could have been converted immediately prior to such change and the Warrants issuable on conversion shall also be adjusted accordingly.

2.5. Optional Conversion

2.5.1. The Series 1 Shares shall be convertible, without the payment of any additional consideration by the holder thereof and at the option of the holder thereof, into Units on the basis of 1 Unit for each Series 1 Share so converted; provided however, that the maximum number of Units to be issued to any holder of Series 1 Shares upon conversion, shall not result in such holder owning or controlling more than 10% of the votes attached to all voting securities of the Corporation.

2.5.2. Before any holder of Series 1 Shares shall be entitled to convert the same into Units, the holder shall surrender the certificate or certificates therefor at the registered office of the Corporation or of any transfer agent for Series 1 Shares, and shall give written notice to the Corporation (the "Conversion Notice") at such office that the holder elects to convert the Series 1 Shares and shall state therein the holder's name or the name or, subject to any legal or contractual restrictions on transfer thereof, names of the holder's nominees in which the holder wishes the certificate or certificates for Common Shares and Warrants to be issued. The Conversion Notice shall be accompanied by a statement of beneficial ownership by the holder of the Series 1 Shares, certifying the number of voting securities of the Corporation owned or controlled by the holder of Series 1 Shares immediately prior to the conversion.

2.5.3. On the date of conversion, all rights with respect to the Series 1 Shares so converted shall terminate, except for any of the rights of the holder thereof, upon surrender of the holder's certificate or certificates therefor, to receive certificates for the number of Common Shares and Warrants into which such Series 1 Shares have been converted. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by the holder's attorney duly authorized in writing. The Corporation shall, as soon as practicable after surrender of the certificate or certificates for conversion, issue and deliver at such office to such holder of Series 1 Shares, or, subject to any legal or contractual restrictions on transfer thereof, to the holder's nominee or nominees, a certificate or certificates for the number of Common Shares and Warrants to which the holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of Series 1 Shares to be converted, and the person or persons entitled to receive the Common Shares and Warrants issuable upon conversion shall be treated for all purposes as the record holder or holders of such Common Shares and Warrants on such date.

2.6. **Liquidation**

In the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Series 1 Shares shall be entitled to receive the remaining property of the Corporation pari passu and without preference or distinction with the holders of the Common Shares.