EXECUTION COPY

BIOSYNTECH, INC.

AND

EACH OF THE GUARANTORS PARTY HERETO

AND

COMPUTERSHARE TRUST COMPANY OF CANADA

THIRD SUPPLEMENTAL INDENTURE

Dated as of March 25, 2010

THIS THIRD SUPPLEMENTAL INDENTURE made as of the 25th day of March, 2010.

BETWEEN:	**BIOSYNTECH, INC.**, a corporation incorporated under the laws of Canada having an office in the City of Laval, in the Province of Québec (the "**Corporation**")

OF THE FIRST PART

AND:	**EACH OF THE GUARANTORS PARTY HERETO**

OF THE SECOND PART

AND:	**COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company incorporated under the laws of Canada and authorized to carry on business in all provinces in Canada (the "**Trustee**")

OF THE THIRD PART

WHEREAS by Original Indenture dated as of July 15, 2008 and executed by the Corporation, Bio Syntech Canada Inc., as guarantor, and the Trustee, provision was made for the purpose of giving effect to any extraordinary resolution passed as provided in Article 13 of the Original Indenture;

WHEREAS by a First Supplemental Indenture dated as of August 21, 2009 and executed by the Corporation, Bio Syntech Canada Inc., as guarantor, and the Trustee, the parties amended certain provisions of the Original Indenture in order to, *inter alia*, extend the Maturity Date;

WHEREAS by a Second Supplemental Indenture dated as of March 2, 2010 and executed by the Corporation, Bio Syntech Canada Inc., as guarantor, and the Trustee, the parties amended certain provisions of the Original Indenture, as supplemented by the First Supplemental Indenture, in order to, *inter alia*, consider the Prepayment Amount as a partial prepayment of the interests payable after March 2, 2010 by the Corporation to the holders of the Initial Debentures under the Original Indenture, including at the Maturity Date of the Initial Debentures;

AND WHEREAS the parties hereto wish to amend certain provisions of the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, in order to *inter alia,* extend the Maturity Date, the whole without novation and as set forth in this Third Supplemental Indenture;

WHEREAS all necessary resolutions have been passed by the directors of the Corporation and Bio Syntech Canada Inc. authorizing the amendments to the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, specifying the terms and conditions thereof and authorizing this Third Supplemental Indenture;

WHEREAS Extraordinary Resolutions have been passed by 66 2/3% of the holders of each of the outstanding series of Debentures, being the Initial Debentures, the 2009-1 Debentures, and the 2009-2 Debentures, authorizing the amendments to the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture;

AND WHEREAS the foregoing recitals are made as representations and statements of fact by the Corporation and not by the Trustee;

NOW THEREFORE THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH and is hereby covenanted, agreed and declared as follows:

ARTICLE 1

INTERPRETATION

1.1 **Definitions**. In this Third Supplemental Indenture, unless there is something inconsistent in the subject matter or context:

1.1.1 "**Indenture**" means the Original Indenture, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture; and

1.1.2 "**this Third Supplemental Indenture**", "**this indenture**", "**this supplemental indenture**", "**this deed**", "**herein**", "**hereby**", "**hereof**", "**hereunder**", and similar expressions mean or refer to this Third Supplemental Indenture unless otherwise specified;

1.2 **Incorporation of Certain Definitions**. All terms used in this Third Supplemental Indenture which are defined in the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, shall have the meanings ascribed to such terms in the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, unless otherwise defined in this Third Supplemental Indenture or unless the context otherwise specifies or requires.

1.3 **Effect of Headings**. The headings of all Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Third Supplemental Indenture.

1.4 **Law Applicable**. This Third Supplemental Indenture shall be construed in accordance with and governed by the laws of the Province of Québec and the laws of Canada applicable therein.

ARTICLE 2

AMENDMENTS TO THE ORIGINAL INDENTURE

The Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, is hereby amended as follows, with effect as of and from the date hereof, the whole without novation:

2.1 **Substitution of Certain Definitions**. By the substitution of the definition of "this Debenture Indenture", "this indenture", "herein", "hereby", "hereunder", and "hereof" and in Section 1.1 of the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, with the following definitions:

> "*"**this Debenture Indenture**", "**this Indenture**", "**hereto**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Indenture and not to any particular Article, Section, subsection, clause, subdivision, or other portion hereof and include any and every instrument supplemental or ancillary hereto including, without limitation, the First Supplemental Indenture, the Second Supplemental Indenture, and the Third Supplemental Indenture*".

2.2 **Addition of Certain Definitions**. By the addition of the following definitions in Section 1.1 of the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture:

> *""**Third Supplemental Indenture**" means the third supplemental indenture dated as of March 25, 2010 entered into among the Corporation, BSC and the Debenture Trustee, as same may be amended, supplemented, restated, replaced or otherwise modified at any time and from time to time;"*

2.3 **Maturity Date of the Initial Debentures**. By the substitution of paragraph (b) in Section 2.4 of the Original Indenture (as modified by Section 2.3 of the First Supplemental Indenture) with the following paragraph:

> "*(b) The maturity date (the "**Maturity Date**") for the Initial Debentures shall be June 30, 2010. The Initial Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable semi-annually, not in advance, on June 30 and December 31 in each year; provided that the first interest payment representing all accrued and unpaid interest up to December 31, 2008 shall be payable only upon the earliest of **(i)** the closing of an equity financing transaction at a price equal to or greater than the Conversion Price for gross proceeds to the Corporation of at least $5,000,000, **(ii)** the closing of a partnership agreement in the United States or Europe for the product of the Corporation named BST-CarGel®, and **(iii)** March 31, 2009. The Corporation shall provide written notice to the Debenture Trustee upon the approval by the board of directors of the*

> *Corporation of matters which could reasonably lead to the occurrence of an event referred to in (i) or (ii) above. If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the Initial Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied.*".

2.4 **Conversion**. By the substitution of the sentence "*Notwithstanding the foregoing, no Initial Debentures may be converted during the five Business Days preceding June 30 and December 31 each year.*" in paragraph (e) in Section 2.4 of the Original Indenture (as modified by Section 2.4 of the First Supplemental Indenture) with the following sentence:

> *"Notwithstanding the foregoing, no Initial Debentures may be converted during the five Business Days preceding December 31 and June 30 each year."*

2.5 **Form of Initial Debentures**. By the substitution of Schedule A of the Original Indenture (as modified by Section 2.6 of the First Supplemental Indenture) with the Schedule found in Schedule A hereto.

2.6 **Form of Redemption Notice**. By the substitution of Schedule B of the Original Indenture (as modified by Section 2.7 of the First Supplemental Indenture) with the Schedule found in Schedule B hereto.

2.7 **Form of Maturity Notice**. By the substitution of Schedule C of the Original Indenture (as modified by Section 2.8 of the First Supplemental Indenture) with the Schedule found in Schedule C hereto.

2.8 **Form of Conversion Notice**. By the substitution of Schedule D of the Original Indenture (as modified by Section 2.9 of the First Supplemental Indenture) with the Schedule found in Schedule D hereto.

2.9 **Form of Put Exercise Notice**. By the substitution of Schedule F of the Original Indenture (as modified by Section 2.10 of the First Supplemental Indenture) with the Schedule found in Schedule E hereto.

It is acknowledged and agreed that the issued and outstanding Initial Debentures are automatically amended to incorporate the amendments set forth in this Section 2 without the obligation for the Debentureholders of such Initial Debentures to transfer their Initial Debentures to the Debenture Trustee and have such Initial Debentures cancelled and replaced by new Initial Debentures having the form set out in the Schedule found in Schedule A hereto.

ARTICLE 3

AMENDMENTS TO THE FIRST SUPPLEMENTAL INDENTURE

The First Supplemental Indenture, as supplemented by the Second Supplemental Indenture, is hereby amended as follows, with effect as of and from the date hereof, the whole without novation:

3.1 **Maturity Date of the 2009-1 Debentures**. By the substitution of Section 3.2.2 of the First Supplemental Indenture with the following paragraph:

> *"3.2.2 The maturity date (the "**Maturity Date**") for the 2009-1 Debentures shall be June 30, 2010. The 2009-1 Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable in one installment, not in advance, on June 30, 2010. If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the 2009-1 Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied."*.

3.2 **Conversion of the 2009-1 Debentures**. By the substitution of the sentence "*Notwithstanding the foregoing, no 2009-1 Debentures may be converted during the five Business Days preceding March 31, 2010.*" in Section 3.2.5 of the First Supplemental Indenture with the following sentence:

> *"Notwithstanding the foregoing, no 2009-1 Debentures may be converted during the five Business Days preceding June 30, 2010."*

3.3 **Maturity Date of the 2009-2 Debentures**. By the substitution of Section 4.2.2 of the First Supplemental Indenture with the following paragraph:

> *"4.2.2 The maturity date (the "**Maturity Date**") for the 2009-2 Debentures shall be June 30, 2010. The 2009-2 Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable in one installment, not in advance, on June 30, 2010. If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the 2009-2 Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied."*.

3.4 **Conversion of the 2009-2 Debentures**. By the substitution of the sentence "*Notwithstanding the foregoing, no 2009-2 Debentures may be converted during the five Business Days preceding March 31, 2010.*" in Section 4.2.5 of the First Supplemental Indenture with the following sentence:

"Notwithstanding the foregoing, no 2009-2 Debentures may be converted during the five Business Days preceding June 30, 2010."

3.5 **Form of 2009-1 Debentures**. By the substitution of Schedule F of the First Supplemental Indenture with the Schedule found in Schedule F hereto.

3.6 **Form of 2009-2 Debentures**. By the substitution of Schedule G of the First Supplemental Indenture with the Schedule found in Schedule G hereto.

It is acknowledged and agreed that the issued and outstanding 2009-1 Debentures and the 2009-2 Debentures are automatically amended to incorporate the amendments set forth in this Section 3 without the obligation for the Debentureholders of such 2009-1 Debentures and the 2009-2 Debentures to transfer their 2009-1 Debentures and the 2009-2 Debentures to the Debenture Trustee and have such 2009-1 Debentures and the 2009-2 Debentures cancelled and replaced by new 2009-1 Debentures and the 2009-2 Debentures having the form set out in the Schedules found in Schedule F and Schedule G hereto.

ARTICLE 4

ACCEPTANCE OF TRUST

4.1 **Acceptance of Trust**. In addition to the trusts declared and provided for in the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, the Trustee accepts the trusts in this Third Supplemental Indenture declared and provided for and agrees to perform the same upon the terms and conditions set forth in the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, and as amended by this Third Supplemental Indenture.

ARTICLE 5

INDENTURE SUPPLEMENTAL TO ORIGINAL INDENTURE

5.1 **Indenture Supplemental to Original Indenture**. This Third Supplemental Indenture is declared to be supplemental to the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, and is to form part of and shall have the same effect as though incorporated in the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture. The Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, is a part of these presents and is by this reference included herein with the same effect as though at length set forth herein. All the provisions of the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, except only so far as may be inconsistent with the express provisions of these presents, shall apply to and have effect in connection with this Third Supplemental Indenture.

ARTICLE 6

COUNTERPARTS AND FORMAL DATE

6.1 **Counterparts and Formal Date**. This Third Supplemental Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument. This Third Supplemental Indenture may be referred to as bearing formal date of March 25, 2010 irrespective of the actual date of its execution.

ARTICLE 7

LANGUAGE

7.1 **Language**. The parties hereto have expressly required that this Third Supplemental Indenture and all deeds, documents and notices relating thereto be drafted in the English language.

7.2 **Langue**. *Les parties aux présentes ont expressément exigé que le présent acte et tous autres contrats, documents et avis qui y sont afférents soient rédigés en langue anglaise.*

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties have executed this Third Supplemental Indenture.

BIOSYNTECH, INC.

By: /s/ Jeanne M. Bertonis
Name: Jeanne M. Bertonis
Title: Chief Executive Officer

BIO SYNTECH CANADA INC.

By: /s/ Jeanne M. Bertonis
Name: Jeanne M. Bertonis
Title: President and Chief Executive Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: /s/ Authorized Signatory
Name:
Title:

By: /s/ Authorized Signatory
Name:
Title:

SCHEDULE A

This Initial Debenture is a Global Debenture within the meaning of the Indenture herein referred to and is registered in the name of a Depository or a nominee thereof. This Initial Debenture may not be transferred to or exchanged for Initial Debentures registered in the name of any person other than the Depository or a nominee thereof and no such transfer may be registered except in the limited circumstances described in the Indenture. Every Initial Debenture authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, this Initial Debenture shall be a Global Debenture subject to the foregoing, except in such limited circumstances described in the Indenture.

Unless this Initial Debenture is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("CDS") to the Issuer or its agent for registration of transfer, exchange or payment, and any Initial Debenture issued in respect thereof is registered in the name of "CDS & Co." as the nominee of CDS, or in such other name as is requested by an authorized representative of CDS (and any payment is made to CDS or to such other entity as is requested by an authorized representative of CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since as the registered holder hereof, CDS has an interest herein.

No. ●	**CUSIP 09068LAA1**

BIOSYNTECH, INC.
(A CORPORATION GOVERNED BY THE LAWS OF CANADA)

12% SUBORDINATED SECURED CONVERTIBLE DEBENTURE

BIOSYNTECH, INC. (the "**Corporation**") for value received hereby acknowledges itself indebted and, subject to the provisions of the debenture indenture (the "**Indenture**") dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada (the "**Debenture Trustee**") as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010, and a third supplemental indenture dated as of March 25, 2010, promises to pay to the registered holder hereof on the maturity date of this Initial Debenture, as hereinafter described, or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture, the principal sum of ● Dollars ($●) in lawful money of Canada on presentation and surrender of this Initial Debenture at the main branch of the Debenture Trustee in Montreal, Quebec in accordance with the terms of the Indenture.

The maturity date (the "**Maturity Date**") for the Initial Debentures shall be June 30, 2010. The Initial Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable semi-annually, not in advance, on June 30 and December 31 in each year; provided that the first interest payment representing all accrued and unpaid interest up to December 31, 2008 shall be payable only upon the earliest of **(i)** the closing of an equity financing transaction at a price equal to or greater than the Conversion Price for gross proceeds to the Corporation of at least $5,000,000, **(ii)** the closing of a partnership agreement in the United States or Europe for the product of the Corporation named BST-CarGel®, and **(iii)** March 31, 2009.

If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the Initial Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied.

Following the earliest of **(i)** the closing of an equity financing transaction at a price equal to or greater than the Conversion Price for gross proceeds to the Corporation of at least $5,000,000, **(ii)** the closing of a partnership agreement in the United States or Europe for the product of the Corporation named BST-CarGel®, and **(iii)** March 31, 2009, the Corporation may, subject to applicable regulatory approval and provided no Event of Default has occurred, elect to satisfy the interest payable on the Debentures on any Interest Payment Date by issuing Freely Tradable Common Shares to the Debentureholders. The number of Common Shares to be issued will be determined by dividing **(x)** the amount of interest payable on such Interest Payment Date, by **(y)** 95% of the volume weighted average trading price per Common Share for the five trading days immediately preceding the Interest Payment Date on the principal stock exchange on which the Common Shares are then listed (the "**Common Share Interest Payment Election**"). The Common Share Interest Payment Election will not be available for accrued and unpaid interest payable (i) following the exercise of a Put Right upon a Change of Control of the Corporation in accordance with the terms of the Indenture; or (ii) upon redemption of the Debentures in accordance with the terms of the Indenture.

Interest hereon shall be payable by cheque mailed by prepaid ordinary mail or by electronic transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the mailing of such cheque or the sending of the electronic transfer of funds, as the case may be, shall, to the extent of the sum represented thereby (plus the amount of any tax withheld), satisfy and discharge all liability for interest on this Initial Debenture.

This Initial Debenture is one of the 12% Subordinated Secured Convertible Debentures (referred to herein as the "**Initial Debentures**") of the Corporation issued or issuable in one or more series under the provisions of the Indenture. Subject to the terms of the Indenture, additional Initial Debentures may be issued pursuant to the Indenture after the date hereof. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Initial Debentures are to be issued and held and the rights and remedies of the holders of the Initial Debentures and of the Corporation and of the Debenture Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this Initial Debenture by acceptance hereof assents.

The Initial Debentures are issuable only in denominations of $1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Initial Debentures of any denomination may be exchanged for an equal aggregate principal amount of Initial Debentures in any other authorized denomination or denominations.

The whole, or if this Initial Debenture is a denomination in excess of $l,000, any part which is $1,000 or an integral multiple thereof, of the principal of this Initial Debenture is convertible, at the option of the holder hereof, upon surrender of this Initial Debenture at the principal office of the Debenture Trustee in Montreal, Quebec, at any time prior to the close of business on the Maturity Date or, if this Initial Debenture is called for redemption on or prior to such date, then up to but not after the close of business on the last Business Day immediately preceding the date specified for redemption of this Initial Debenture, into Common Shares at a conversion price of $0.20 (the "**Conversion Price**") per Common Share, being a conversion rate of approximately 5,000 Common Shares for each $1,000 principal amount of Initial Debentures, all subject to the terms and conditions and in the manner set forth in the Indenture. The Indenture makes provision for the adjustment of the Conversion Price in the events therein specified. No fractional Common Shares will be issued on any conversion but in lieu thereof, the Corporation will satisfy such fractional interest by a cash payment equal to the fractional interest which would have been issuable multiplied by the Current Market Price on the Date of Conversion (less applicable Withholding Taxes, if any).

"**Current Market Price**" means, at any date, the volume-weighted average trading price per Common Share for the 20 trading days immediately preceding the third trading day before such date on the principal stock exchange on which the Common Shares are then listed. The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold.

This Initial Debenture may be redeemed at the option of the Corporation on the terms and conditions set out in the Indenture at a redemption price equal to $1,100 per $1,000 principal amount of the Initial Debentures (the "**Redemption Price**") provided, among other things, that (i) the Current Market Price of the Common Shares on the date on which notice of redemption is given is at least 250% of the Conversion Price, and (ii) a minimum of 5,000,000 Common Shares (such number being subject to adjustment to take into account the events set out in the definition of "Common Shares" of the Indenture) have traded on the principal stock exchange on which the Common Shares are then listed during the 20 trading days taken into amount in the determination of the Current Market Price and, in addition thereto, at the time of redemption, the Corporation shall pay to the holder accrued and unpaid interest and otherwise on the terms and conditions described in the Indenture.

Upon the occurrence of a Change of Control of the Corporation, each holder of Initial Debentures may require the Corporation to purchase all or part of its Initial Debentures at a price equal to 110% of the principal amount of such Initial Debentures plus accrued and unpaid interest (if any) up to, but excluding, the date the Initial Debentures are so repurchased (the "**Put Right**"). If 90% or more of the principal amount of all Initial Debentures outstanding on the date the Corporation provides notice of a Change of Control to the Debenture Trustee have been tendered for purchase pursuant to the Put Right, the Corporation has the right to redeem all the remaining outstanding Initial Debentures on the same date and at the same price.

If an Offer for all of the outstanding Debentures is made and 90% or more of the principal amount of all the Debentures (other than Debentures held at the date of the takeover bid by or on behalf of the Offeror, Associates or Affiliates of the Offeror or anyone acting jointly or in concert with the Offeror) are taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Debentures of those holders who did not accept the Offer on the same terms as the Offeror acquired the first 90% of the principal amount of the Debentures.

The Corporation may, on notice as provided in the Indenture, at its option and subject to any applicable regulatory approval and to the consent of Debentureholders by way of Extraordinary Resolution, elect to satisfy the obligation to repay all or any portion of the principal amount of this Initial Debenture due on the Maturity Date by the issue of that number of Freely Tradeable Common Shares obtained by dividing the principal amount of this Initial Debenture to be paid for in Common Shares pursuant to the exercise by the Corporation of the Common Shares Repayment Right by 95% of the volume weighted average trading price of the Common Shares on the principal stock exchange on which the Common Shares are then listed for the 20 trading days immediately preceding the date that is five trading days prior to the Maturity Date.

The Initial Debentures will be subordinated to the Senior Indebtedness in accordance with the provisions of Article 5 to the Indenture. The Initial Debentures will rank *pari passu* with each other Debenture in accordance with Section 2.12 of the Indenture. The obligations of the Corporation under this Initial Debenture and the Indenture will be guaranteed by all of the operating Subsidiaries of the Corporation (in accordance with the terms of Section 7.11 and Article 17 of the Indenture) and will be secured by hypothecs on all of the present and future assets of the Corporation and the operating Subsidiaries of the Corporation (in accordance with the terms of Article 18 of the Indenture). The Corporation represents and warrants that, as of the date hereof, BSC is the sole operating Subsidiary of the Corporation. The provisions of Section 7.11 and Article 17 of the Indenture will govern the grant of a Guarantee by any new Subsidiary referred to in Section 7.11 of the Indenture. The obligations of the Corporation under this Indenture and the Initial Debentures will be secured by **(i)** an hypothec on all of the present and future assets of BSC, including its intellectual property and equipment, as well as its land and building representing its head office located at 475 Boulevard Armand-Frappier, Laval, Québec. Such hypothec will rank immediately after the hypothecs granted by BSC to secure the Senior Indebtedness; and **(ii)** a first ranking hypothec on all of the present and future assets of the Corporation, including the shares of BSC held by the Corporation, the whole, in accordance with and subject to the terms of the Indenture and the Security Documents.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding thereunder (or in certain circumstances specific series of Debentures) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this Initial Debenture or the Indenture.

This Initial Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Debenture Trustee in Montreal, Quebec and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Debenture Trustee may designate. No transfer of this Initial Debenture shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their mandatary duly appointed by an instrument in form and substance satisfactory to the Debenture Trustee or other registrar, and upon compliance with such reasonable requirements as the Debenture Trustee and/or other registrar may prescribe and upon surrender of this Initial Debenture for cancellation. Thereupon a new Initial Debenture or Initial Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Initial Debenture shall not become obligatory for any purpose until it shall have been certified by the Debenture Trustee under the Indenture.

If any of the provisions of this Initial Debenture are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern. Capitalized words or expressions used in this Initial Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

This Initial Debenture shall not be valid for any purpose whatever unless and until it has been certified by or on behalf of the Debenture Trustee.

IN WITNESS WHEREOF BIOSYNTECH, INC. has caused this Initial Debenture to be signed by its authorized representatives as of the ● day of ●, 20●.

BIOSYNTECH, INC.

By: ______________________________
Name:
Title:

THIS INITIAL DEBENTURE IS NOT VALID UNTIL AUTHENTICATED BY THE DEBENTURE TRUSTEE.

FORM OF NOTATION OF GUARANTEE

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of July 15, 2008 (the "**Indenture**") among BioSyntech, Inc. (the "**Corporation**"), the Guarantors party thereto and Computershare Trust Company of Canada, as Debenture Trustee (the "**Debenture Trustee**") as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010 and a third supplemental indenture dated as of March 25, 2010, **(a)** the due and punctual payment of the principal of, premium, if any, and interest on, the Debenture, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Debenture, if any, if lawful, and the due and punctual performance of all other obligations of the Corporation to the Debentureholders or the Debenture Trustee all in accordance with the terms of the Indenture and **(b)** in case of any extension of time of payment or renewal of any Debentures or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Debentureholders and to the Debenture Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article 17 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: ___________________________________
Name:
Title:

(FORM OF DEBENTURE TRUSTEE'S CERTIFICATE)

This Initial Debenture is one of the 12% Subordinated Secured Convertible Debentures referred to in the Indenture within mentioned.

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________________
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Debenture Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Debenture Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ____, whose address and social insurance number, if applicable, are set forth below, this Initial Debenture (or $______________________________ principal amount hereof*) of BioSyntech, Inc. standing in the name(s) of the undersigned in the register maintained by the Debenture Trustee with respect to such Initial Debenture and does hereby irrevocably authorize and direct the Debenture Trustee to transfer such Initial Debenture in such register, with full power of substitution in the premises.

Dated: ____

Address of Transferee: ____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: ______________________________

*If less than the full principal amount of the within Initial Debenture is to be transferred, indicate in the space provided the principal amount (which must be $1,000 or an integral multiple thereof, unless you hold an Initial Debenture in a non-integral multiple of 1,000 by reason of your having exercised your right to exchange upon the making of an Offer, in which case such Initial Debenture is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this Initial Debenture in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank or trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: “SIGNATURE GUARANTEED”.

2. The registered holder of this Initial Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Initial Debenture.

Signature of Guarantor:

______________________________ ______________________________
Authorized Officer Signature of transferring registered holder

____
Name of Institution

EXHIBIT "1"
TO CDS GLOBAL DEBENTURE

BIOSYNTECH, INC

12% Subordinated Secured Convertible Debentures

Initial Aggregate Principal Amount: $●

CUSIP: 09068LAA1

Authorization: ________________________

ADJUSTMENTS

Date	Amount of Increase	Amount of Decrease	New Principal Amount	Authorization

"

SCHEDULE B

"SCHEDULE "B"
Form of Redemption Notice

BIOSYNTECH, INC
[INSERT DESIGNATION OF DEBENTURES]
REDEMPTION NOTICE

To: Holders of [Insert designation of debentures] (the "**Debentures**") of BioSyntech, Inc. (the "**Corporation**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 4.3 of the debenture indenture (the "**Indenture**") dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010 and a third supplemental indenture dated as of March 25, 2010, as same may be further amended from tome to time, that the aggregate principal amount of $● of the $● of Debentures outstanding will be redeemed as of ● (the "**Redemption Date**"), upon payment of a redemption amount of $● for each $● principal amount of Debentures, being equal to the aggregate of (i) $● (the "**Redemption Price**"), and (ii) all accrued and unpaid interest hereon to but excluding the Redemption Date (collectively, the "**Total Redemption Price**").

The Total Redemption Price will be payable upon presentation and surrender of the Debentures called for redemption at the following corporate trust office:

Computershare Trust Company of Canada
1500 University Street, 7th Floor
Montreal, Quebec, H3A 3S8

Attention: Manager, Corporate Trust

The interest upon the principal amount of Debentures called for redemption shall cease to be payable from and after the Redemption Date, unless payment of the Total Redemption Price shall not be made on presentation for surrender of such Debentures at the above-mentioned corporate trust office on or after the Redemption Date or prior to the setting aside of the Total Redemption Price pursuant to the Indenture.

The Corporation hereby confirms that (i) the Current Market Price of the Common Shares on the date on which notice of redemption is given is $●, being not less than ●% of the Conversion Price, and (ii) at least ● Common Shares of the Corporation have traded on the principal stock exchange on which the Common Shares are listed during the 20 trading days taken into account in the determination of the Current Market Price.

DATED: ________________________________

BIOSYNTECH, INC.

By: ________________________________
Name:
Title: "

SCHEDULE C

"SCHEDULE "C"
Form of Maturity Notice

BIOSYNTECH, INC
[INSERT DESIGNATION OF DEBENTURES]
MATURITY NOTICE

To: Holders of [Insert designation of debentures] (the "**Debentures**") of BioSyntech, Inc. (the "**Corporation**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 4.9(b) of the Indenture dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada, as trustee (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010, and a third supplemental indenture dated as of March 25, 2010, as same may be further amended from tome to time, that the Debentures are due and payable as of June 30, 2010 (the "**Maturity Date**") and the Corporation elects to satisfy its obligation to pay to holders of Debentures $● of the principal amount of the Debentures outstanding on the Maturity Date by issuing and delivering to the holders that number of Freely Tradeable Common Shares equal to the number obtained by dividing such principal amount of the Debentures by 95% of the volume weighted average trading price per Common Share for the 20 trading days immediately preceding the date that is five trading days prior to the Maturity Date.

No fractional Common Shares shall be delivered on exercise by the Corporation of the above mentioned repayment right but, in lieu thereof, the Corporation shall pay the cash equivalent thereof determined on the basis of the Current Market Price of Common Shares on the Maturity Date (less any tax required to be deducted, if any).

In this connection, upon presentation and surrender of the Debentures for payment on the Maturity Date, the Corporation shall, on the Maturity Date, make delivery to the Debenture Trustee, at its principal corporate trust office in Montreal, Quebec, for delivery to and on account of the holders, of certificates representing the Freely Tradeable Common Shares to which holders are entitled together with the cash equivalent in lieu of fractional Common Shares, cash for all accrued and unpaid interest up to, but excluding, the Maturity Date and if only a portion of the Debentures are to be repaid by issuing Freely Tradeable Common Shares, cash representing the balance of the principal amount and premium (if any) due on the Maturity Date.

DATED: ___________________________________

BIOSYNTECH, INC.

By: ___________________________________
Name:
Title: "

SCHEDULE D

"SCHEDULE "D"
Form of Notice of Conversion

CONVERSION NOTICE

To: **BIOSYNTECH, INC.**

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

The undersigned registered holder of [Insert designation of debentures] bearing Certificate No. _____________ irrevocably elects to convert such Debentures (or $______________ principal amount thereof*) in accordance with the terms of the Indenture referred to in such Debentures and tenders herewith the Debentures, and, if applicable, directs that the Common Shares of BioSyntech, Inc. issuable upon a conversion be issued and delivered to the person indicated below. (If Common Shares are to be issued in the name of a person other than the holder, all requisite transfer taxes must be tendered by the undersigned).

Dated: ______________________________ ____________________________________
(Signature of Registered Holder)

* If less than the full principal amount of the Debentures, indicate in the space provided the principal amount (which must be $● or integral multiples thereof).

NOTE: If Common Shares are to be issued in the name of a person other than the holder, the signature must be guaranteed by a chartered bank, a trust company or by a member of an acceptable Medallion Guarantee Program. The Guarantor must affix a stamp bearing the actual words: “SIGNATURE GUARANTEED”.

(Print name in which Common Shares are to be issued, delivered and registered)

Name: ____

____
(Address)

____
(City, Province and Postal Code)

Name of guarantor: _______________________________

Authorized signature: _____________________________ "

SCHEDULE E

"SCHEDULE "F"
Form of Notice of Put Exercise

PUT EXERCISE NOTICE

To: **BIOSYNTECH, INC.**

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

The undersigned registered holder of [Insert designation of debentures] bearing Certificate No. ● irrevocably elects to put such Debentures (or $● principal amount thereof*) to BioSyntech, Inc. ("**Corporation**") to be purchased by the Corporation on ● (the "**Put Date**") in accordance with the terms of the Debenture Indenture referred to in such Debentures at a price of $● for each $● principal amount of Debentures plus all accrued and unpaid interest hereon to, but excluding, the Put Date (collectively, the "**Total Put Price**") and tenders herewith the Debentures.

Dated: ______________________________ ______________________________
(Signature of Registered Holder)

* If less than the full principal amount of the Debentures, indicate in the space provided the principal amount (which must be $● or integral multiples thereof).

The Total Put Price will be payable upon presentation and surrender of the Debentures with this form on or after the Put Date at the following corporate trust office:

Computershare Trust Company of Canada
1500 University Street, 7th Floor
Montreal, Quebec, H3A 3S8

Attention: Manager, Corporate Trust

The interest upon the principal amount of Debentures put to the Corporation shall cease to be payable from and after the Put Date unless payment of the Total Put Price shall not be made on presentation for surrender of such Debentures at the above mentioned corporate trust office on or after the Put Date or prior to the setting aside of the Total Put Price pursuant to the Debenture Indenture dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada as trustee, as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010 and a third supplemental indenture dated as of March 25, 2010, as same may be further amended from tome to time.

SCHEDULE F

(To the First Supplemental Indenture made as of August 21, 2009
between BioSyntech, Inc., Bio Syntech Canada Inc.
and Computershare Trust Company of Canada)

IN ACCORDANCE WITH REGULATION 45-102 RESPECTING RESALE OF SECURITIES AND UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITY MUST NOT TRADE THE SECURITY BEFORE **[THE DATE THAT IS FOUR MONTHS PLUS ONE DAY FROM THE CLOSING DATE]**."

No. ●	**CUSIP ●**

BIOSYNTECH, INC.
(A CORPORATION GOVERNED BY THE LAWS OF CANADA)

12% SUBORDINATED SECURED CONVERTIBLE DEBENTURE, SERIES 2009-1

BIOSYNTECH, INC. (the "**Corporation**") for value received hereby acknowledges itself indebted and, subject to the provisions of the debenture indenture (the "**Indenture**") dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010 and a third supplemental indenture dated as of March 25, 2010, promises to pay to the registered holder hereof on the maturity date of this 2009-1 Debenture, as hereinafter described, or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture, the principal sum of ● Dollars ($●) in lawful money of Canada on presentation and surrender of this 2009-1 Debenture at the main branch of the Debenture Trustee in Montréal, Québec in accordance with the terms of the Indenture.

The maturity date (the "**Maturity Date**") for the 2009-1 Debentures shall be June 30, 2010. The 2009-1 Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable in one installment, not in advance, on June 30, 2010.

If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the 2009-1 Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied.

The Corporation may, subject to applicable regulatory approval and provided no Event of Default has occurred, elect to satisfy the interest payable on the Debentures on any Interest Payment Date by issuing Freely Tradable Common Shares to the Debentureholders. The number of Common Shares to be issued will be determined by dividing **(x)** the amount of interest payable on such Interest Payment Date, by **(y)** 95% of the volume weighted average trading price per Common Share for the five trading days immediately preceding the Interest Payment Date on the principal stock exchange on which the Common Shares are then listed (the "**Common Share Interest Payment Election**"). The Common Share Interest Payment Election will not be available for accrued and unpaid interest payable **(i)** following the exercise of a Put Right upon a Change of Control of the Corporation in accordance with the terms of the Indenture; or **(ii)** upon redemption of the Debentures in accordance with the terms of the Indenture.

Interest hereon shall be payable by cheque mailed by prepaid ordinary mail or by electronic transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the mailing of such cheque or the sending of the electronic transfer of funds, as the case may be, shall, to the extent of the sum represented thereby (plus the amount of any tax withheld), satisfy and discharge all liability for interest on this 2009-1 Debenture.

This 2009-1 Debenture is one of the 12% Subordinated Secured Convertible Debentures, Series 2009-1 (referred to herein as the "**2009-1 Debentures**") of the Corporation issued or issuable in one or more series under the provisions of the Indenture. Subject to the terms of the Indenture, additional 2009-1 Debentures may be issued pursuant to the Indenture after the date hereof. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the 2009-1 Debentures are to be issued and held and the rights and remedies of the holders of the 2009-1 Debentures and of the Corporation and of the Debenture Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this 2009-1 Debenture by acceptance hereof assents.

The 2009-1 Debentures are issuable only in denominations of $10 and integral multiples thereof. Upon compliance with the provisions of the Indenture, 2009-1 Debentures of any denomination may be exchanged for an equal aggregate principal amount of 2009-1 Debentures in any other authorized denomination or denominations

The whole, or if this 2009-1 Debenture is a denomination in excess of $10, any part which is $10 or an integral multiple thereof, of the principal of this 2009-1 Debenture is convertible, at the option of the holder hereof, upon surrender of this 2009-1 Debenture at the principal office of the Debenture Trustee in Montreal, Quebec, at any time prior to the close of business on the Maturity Date or, if this 2009-1 Debenture is called for redemption on or prior to such date, then up to but not after the close of business on the last Business Day immediately preceding the date specified for redemption of this 2009-1 Debenture, into Common Shares at a conversion price of $0.11 (the "**Conversion Price**") per Common Share, being a conversion rate of approximately 91 Common Shares for each $10 principal amount of 2009-1 Debentures, all subject to the terms and conditions and in the manner set forth in the Indenture. The Indenture makes provision for the adjustment of the Conversion Price in the events therein specified. No fractional Common Shares will be issued on any conversion but in lieu thereof, the Corporation will satisfy such fractional interest by a cash payment equal to the fractional interest which would have been issuable multiplied by the Current Market Price on the Date of Conversion (less applicable Withholding Taxes, if any).

"**Current Market Price**" means, at any date, the volume-weighted average trading price per Common Share for the 20 trading days immediately preceding the third trading day before such date on the principal stock exchange on which the Common Shares are then listed. The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold.

This 2009-1 Debenture may be redeemed at the option of the Corporation on the terms and conditions set out in the Indenture at a redemption price equal to 110% of the principal amount thereof (the "**Redemption Price**") provided, among other things, that **(i)** the Current Market Price of the Common Shares on the date on which notice of redemption is given is at least 250% of the Conversion Price, and **(ii)** a minimum of 5,000,000 Common Shares (such number being subject to adjustment to take into account the events set out in the definition of "**Common Shares**" of the Indenture) have traded on the principal stock exchange on which the Common Shares are then listed during the 20 trading days taken into amount in the determination of the Current Market Price and, in addition thereto, at the time of redemption, the Corporation shall pay to the holder accrued and unpaid interest and otherwise on the terms and conditions described in the Indenture.

Upon the occurrence of a Change of Control of the Corporation, each holder of 2009-1 Debentures may require the Corporation to purchase all or part of its 2009-1 Debentures at a price equal to 110% of the principal amount of such 2009-1 Debentures plus accrued and unpaid interest (if any) up to, but excluding, the date the 2009-1 Debentures are so repurchased (the "**Put Right**"). If 90% or more of the principal amount of all 2009-1 Debentures outstanding on the date the Corporation provides notice of a Change of Control to the Debenture Trustee have been tendered for purchase pursuant to the Put Right, the Corporation has the right to redeem all the remaining outstanding 2009-1 Debentures on the same date and at the same price.

If an Offer for all of the outstanding Debentures is made and 90% or more of the principal amount of all the Debentures (other than Debentures held at the date of the takeover bid by or on behalf of the Offeror, Associates or Affiliates of the Offeror or anyone acting jointly or in concert with the Offeror) are taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Debentures of those holders who did not accept the Offer on the same terms as the Offeror acquired the first 90% of the principal amount of the Debentures.

The Corporation may, on notice as provided in the Indenture, at its option and subject to any applicable regulatory approval and to the consent of Debentureholders by way of Extraordinary Resolution, elect to satisfy the obligation to repay all or any portion of the principal amount of this 2009-1 Debenture due on the Maturity Date by the issue of that number of Freely Tradeable Common Shares obtained by dividing the principal amount of this 2009-1 Debenture to be paid for in Common Shares pursuant to the exercise by the Corporation of the Common Shares Repayment Right by 95% of the volume weighted average trading price of the Common Shares on the principal stock exchange on which the Common Shares are then listed for the 20 trading days immediately preceding the date that is five trading days prior to the Maturity Date.

The 2009-1 Debentures will be subordinated to the Senior Indebtedness in accordance with the provisions of Article 5 to the Indenture. The 2009-1 Debentures will rank *pari passu* with each other Debenture in accordance with Section 2.12 of the Indenture. The obligations of the Corporation under this 2009-1 Debenture and the Indenture will be guaranteed by all of the operating Subsidiaries of the Corporation (in accordance with the terms of Section 7.11 and Article 17 of the Indenture) and will be secured by hypothecs on all of the present and future assets of the Corporation and the operating Subsidiaries of the Corporation (in accordance with the terms of Article 8 of the Indenture). The Corporation represents and warrants that, as of the date hereof, BSC is the sole operating Subsidiary of the Corporation. The provisions of Section 7.11 and Article 17 of the Indenture will govern the grant of a Guarantee by any new Subsidiary referred to in Section 7.11 of the Indenture. The obligations of the Corporation under the Indenture and the 2009-1 Debentures will be secured by **(i)** a hypothec on all of the present and future assets of BSC, including its intellectual property and equipment, as well as its land and building representing its head office located at 475 Boulevard Armand-Frappier, Laval, Québec. Such hypothec will rank immediately after the hypothecs granted by BSC to secure the Senior Indebtedness; and **(ii)** a first ranking hypothec on all of the present and future assets of the Corporation, including the shares of BSC held by the Corporation, the whole, in accordance with and subject to the terms of the Indenture and the Security Documents.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding thereunder (or in certain circumstances specific series of Debentures) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this 2009-1 Debenture or the Indenture.

This 2009-1 Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Debenture Trustee in Montreal, Quebec and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Debenture Trustee may designate. No transfer of this 2009-1 Debenture shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their mandatary duly appointed by an instrument in form and substance satisfactory to the Debenture Trustee or other registrar, and upon compliance with such reasonable requirements as the Debenture Trustee and/or other registrar may prescribe and upon surrender of this 2009-1 Debenture for cancellation. Thereupon a new 2009-1 Debenture or 2009-1 Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This 2009-1 Debenture shall not become obligatory for any purpose until it shall have been certified by the Debenture Trustee under the Indenture.

If any of the provisions of this 2009-1 Debenture are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern. Capitalized words or expressions used in this 2009-1 Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

This 2009-1 Debenture shall not be valid for any purpose whatever unless and until it has been certified by or on behalf of the Debenture Trustee.

IN WITNESS WHEREOF BIOSYNTECH, INC. has caused this 2009-1 Debenture to be signed by its authorized representatives as of the ● day of ●, 20●.

BIOSYNTECH, INC.

By: ______________________________

Name:
Title:

THIS 2009-1 DEBENTURE IS NOT VALID UNTIL AUTHENTICATED BY THE DEBENTURE TRUSTEE.

FORM OF NOTATION OF GUARANTEE

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of July 15, 2008 (the "**Indenture**") among BioSyntech, Inc. (the "**Corporation**"), the Guarantors party thereto and Computershare Trust Company of Canada, as Debenture Trustee (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010, and a third supplemental indenture dated as of March 25, 2010, **(a)** the due and punctual payment of the principal of, premium, if any, and interest on, the Debenture, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Debenture, if any, if lawful, and the due and punctual performance of all other obligations of the Corporation to the Debentureholders or the Debenture Trustee all in accordance with the terms of the Indenture and **(b)** in case of any extension of time of payment or renewal of any Debentures or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Debentureholders and to the Debenture Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article 17 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: ______________________________
Name:
Title:

(FORM OF DEBENTURE TRUSTEE'S CERTIFICATE)

This 2009-1 Debenture is one of the 12% Subordinated Secured Convertible Debentures, Series 2009-1 referred to in the Indenture within mentioned.

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________________
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Debenture Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Debenture Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ______________________________________, whose address and social insurance number, if applicable, are set forth below, this 2009-1 Debenture (or $____________________________ principal amount hereof*) of BioSyntech, Inc. standing in the name(s) of the undersigned in the register maintained by the Debenture Trustee with respect to such 2009-1 Debenture and does hereby irrevocably authorize and direct the Debenture Trustee to transfer such 2009-1 Debenture in such register, with full power of substitution in the premises.

Dated: ____

Address of Transferee: ____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: _____________________________

*If less than the full principal amount of the within 2009-1 Debenture is to be transferred, indicate in the space provided the principal amount (which must be $10 or an integral multiple thereof, unless you hold an 2009-1 Debenture in a non-integral multiple of 10 by reason of your having exercised your right to exchange upon the making of an Offer, in which case such 2009-1 Debenture is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this 2009-1 Debenture in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank or trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".

2. The registered holder of this 2009-1 Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this 2009-1 Debenture.

Signature of Guarantor:

______________________________	______________________________
Authorized Officer	Signature of transferring registered holder

____
Name of Institution

SCHEDULE G

(To the First Supplemental Indenture made as of August 21, 2009
between BioSyntech, Inc., Bio Syntech Canada Inc.
and Computershare Trust Company of Canada)

IN ACCORDANCE WITH REGULATION 45-102 RESPECTING RESALE OF SECURITIES AND UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITY MUST NOT TRADE THE SECURITY BEFORE **[THE DATE THAT IS FOUR MONTHS PLUS ONE DAY FROM THE CLOSING DATE]**."

No. ●	**CUSIP ●**

BIOSYNTECH, INC.
(A CORPORATION GOVERNED BY THE LAWS OF CANADA)

12% SUBORDINATED SECURED CONVERTIBLE DEBENTURE, SERIES 2009-2

BIOSYNTECH, INC. (the "**Corporation**") for value received hereby acknowledges itself indebted and, subject to the provisions of the debenture indenture (the "**Indenture**") dated as of July 15, 2008 between the Corporation, the Guarantors party thereto and Computershare Trust Company of Canada (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010, and a third supplemental indenture dated as of March 25, 2010, promises to pay to the registered holder hereof on the maturity date of this 2009-2 Debenture, as hereinafter described, or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture, the principal sum of ● Dollars ($●) in lawful money of Canada on presentation and surrender of this 2009-2 Debenture at the main branch of the Debenture Trustee in Montreal, Quebec in accordance with the terms of the Indenture.

The maturity date (the "**Maturity Date**") for the 2009-2 Debentures shall be June 30, 2010. The 2009-2 Debentures shall bear interest from the date of issue at the rate of 12% per annum, payable in one installment, not in advance, on June 30, 2010.

If an Event of Default has occurred and the Corporation has not remedied such default within 15 days from the notice of Event of Default, interest will accrue on the 2009-2 Debentures from the 16th day after the notice of Event of Default at an increased rate of 18.0% per annum instead of 12.0% per annum until such Event of Default has been remedied.

The Corporation may, subject to applicable regulatory approval and provided no Event of Default has occurred, elect to satisfy the interest payable on the Debentures on any Interest Payment Date by issuing Freely Tradable Common Shares to the Debentureholders. The number of Common Shares to be issued will be determined by dividing **(x)** the amount of interest payable on such Interest Payment Date, by **(y)** 95% of the volume weighted average trading price per Common Share for the five trading days immediately preceding the Interest Payment Date on the principal stock exchange on which the Common Shares are then listed (the "**Common Share Interest Payment Election**"). The Common Share Interest Payment Election will not be available for accrued and unpaid interest payable **(i)** following the exercise of a Put Right upon a Change of Control of the Corporation in accordance with the terms of the Indenture; or **(ii)** upon redemption of the Debentures in accordance with the terms of the Indenture.

Interest hereon shall be payable by cheque mailed by prepaid ordinary mail or by electronic transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the mailing of such cheque or the sending of the electronic transfer of funds, as the case may be, shall, to the extent of the sum represented thereby (plus the amount of any tax withheld), satisfy and discharge all liability for interest on this 2009-2 Debenture.

This 2009-2 Debenture is one of the 12% Subordinated Secured Convertible Debentures, Series 2009-2 (referred to herein as the "**2009-2 Debentures**") of the Corporation issued or issuable in one or more series under the provisions of the Indenture. Subject to the terms of the Indenture, additional 2009-2 Debentures may be issued pursuant to the Indenture after the date hereof. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the 2009-2 Debentures are to be issued and held and the rights and remedies of the holders of the 2009-2 Debentures and of the Corporation and of the Debenture Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this 2009-2 Debenture by acceptance hereof assents.

The 2009-2 Debentures are issuable only in denominations of $10 and integral multiples thereof. Upon compliance with the provisions of the Indenture, 2009-2 Debentures of any denomination may be exchanged for an equal aggregate principal amount of 2009-2 Debentures in any other authorized denomination or denominations

The whole, or if this 2009-2 Debenture is a denomination in excess of $10, any part which is $10 or an integral multiple thereof, of the principal of this 2009-2 Debenture is convertible, at the option of the holder hereof, upon surrender of this 2009-2 Debenture at the principal office of the Debenture Trustee in Montreal, Quebec, at any time prior to the close of business on the Maturity Date or, if this 2009-2 Debenture is called for redemption on or prior to such date, then up to but not after the close of business on the last Business Day immediately preceding the date specified for redemption of this 2009-2 Debenture, into Common Shares at a conversion price of $0.11 (the "**Conversion Price**") per Common Share, being a conversion rate of approximately 91 Common Shares for each $10 principal amount of 2009-2 Debentures, all subject to the terms and conditions and in the manner set forth in the Indenture. The Indenture makes provision for the adjustment of the Conversion Price in the events therein specified. No fractional Common Shares will be issued on any conversion but in lieu thereof, the Corporation will satisfy such fractional interest by a cash payment equal to the fractional interest which would have been issuable multiplied by the Current Market Price on the Date of Conversion (less applicable Withholding Taxes, if any).

"**Current Market Price**" means, at any date, the volume-weighted average trading price per Common Share for the 20 trading days immediately preceding the third trading day before such date on the principal stock exchange on which the Common Shares are then listed. The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold.

This 2009-2 Debenture may be redeemed at the option of the Corporation on the terms and conditions set out in the Indenture at a redemption price equal to 110% of the principal amount thereof (the "**Redemption Price**") provided, among other things, that **(i)** the Current Market Price of the Common Shares on the date on which notice of redemption is given is at least 250% of the Conversion Price, and **(ii)** a minimum of 5,000,000 Common Shares (such number being subject to adjustment to take into account the events set out in the definition of "**Common Shares**" of the Indenture) have traded on the principal stock exchange on which the Common Shares are then listed during the 20 trading days taken into amount in the determination of the Current Market Price and, in addition thereto, at the time of redemption, the Corporation shall pay to the holder accrued and unpaid interest and otherwise on the terms and conditions described in the Indenture.

Upon the occurrence of a Change of Control of the Corporation, each holder of 2009-2 Debentures may require the Corporation to purchase all or part of its 2009-2 Debentures at a price equal to 110% of the principal amount of such 2009-2 Debentures plus accrued and unpaid interest (if any) up to, but excluding, the date the 2009-2 Debentures are so repurchased (the "**Put Right**"). If 90% or more of the principal amount of all 2009-2 Debentures outstanding on the date the Corporation provides notice of a Change of Control to the Debenture Trustee have been tendered for purchase pursuant to the Put Right, the Corporation has the right to redeem all the remaining outstanding 2009-2 Debentures on the same date and at the same price.

If an Offer for all of the outstanding Debentures is made and 90% or more of the principal amount of all the Debentures (other than Debentures held at the date of the takeover bid by or on behalf of the Offeror, Associates or Affiliates of the Offeror or anyone acting jointly or in concert with the Offeror) are taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Debentures of those holders who did not accept the Offer on the same terms as the Offeror acquired the first 90% of the principal amount of the Debentures.

The Corporation may, on notice as provided in the Indenture, at its option and subject to any applicable regulatory approval and to the consent of Debentureholders by way of Extraordinary Resolution, elect to satisfy the obligation to repay all or any portion of the principal amount of this 2009-2 Debenture due on the Maturity Date by the issue of that number of Freely Tradeable Common Shares obtained by dividing the principal amount of this 2009-2 Debenture to be paid for in Common Shares pursuant to the exercise by the Corporation of the Common Shares Repayment Right by 95% of the volume weighted average trading price of the Common Shares on the principal stock exchange on which the Common Shares are then listed for the 20 trading days immediately preceding the date that is five trading days prior to the Maturity Date.

The 2009-2 Debentures will be subordinated to the Senior Indebtedness in accordance with the provisions of Article 5 to the Indenture. The 2009-2 Debentures will rank *pari passu* with each other Debenture in accordance with Section 2.12 of the Indenture. The obligations of the Corporation under this 2009-2 Debenture and the Indenture will be guaranteed by all of the operating Subsidiaries of the Corporation (in accordance with the terms of Section 7.11 and Article 17 of the Indenture) and will be secured by hypothecs on all of the present and future assets of the Corporation and the operating Subsidiaries of the Corporation (in accordance with the terms of Article 18 of the Indenture). The Corporation represents and warrants that, as of the date hereof, BSC is the sole operating Subsidiary of the Corporation. The provisions of Section 7.11 and Article 17 of the Indenture will govern the grant of a Guarantee by any new Subsidiary referred to in Section 7.11 of the Indenture. The obligations of the Corporation under the Indenture and the 2009-2 Debentures will be secured by **(i)** a hypothec on all of the present and future assets of BSC, including its intellectual property and equipment, as well as its land and building representing its head office located at 475 Boulevard Armand-Frappier, Laval, Québec. Such hypothec will rank immediately after the hypothecs granted by BSC to secure the Senior Indebtedness; and **(ii)** a first ranking hypothec on all of the present and future assets of the Corporation, including the shares of BSC held by the Corporation, the whole, in accordance with and subject to the terms of the Indenture and the Security Documents.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding thereunder (or in certain circumstances specific series of Debentures) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this 2009-2 Debenture or the Indenture.

This 2009-2 Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Debenture Trustee in Montreal, Quebec and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Debenture Trustee may designate. No transfer of this 2009-2 Debenture shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their mandatary duly appointed by an instrument in form and substance satisfactory to the Debenture Trustee or other registrar, and upon compliance with such reasonable requirements as the Debenture Trustee and/or other registrar may prescribe and upon surrender of this 2009-2 Debenture for cancellation. Thereupon a new 2009-2 Debenture or 2009-2 Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This 2009-2 Debenture shall not become obligatory for any purpose until it shall have been certified by the Debenture Trustee under the Indenture.

If any of the provisions of this 2009-2 Debenture are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern. Capitalized words or expressions used in this 2009-2 Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

This 2009-2 Debenture shall not be valid for any purpose whatever unless and until it has been certified by or on behalf of the Debenture Trustee.

IN WITNESS WHEREOF BIOSYNTECH, INC. has caused this 2009-2 Debenture to be signed by its authorized representatives as of the ● day of ●, 20●.

BIOSYNTECH, INC.

By: ____________________________________
Name:
Title:

THIS 2009-2 DEBENTURE IS NOT VALID UNTIL AUTHENTICATED BY THE DEBENTURE TRUSTEE.

FORM OF NOTATION OF GUARANTEE

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of July 15, 2008 (the "**Indenture**") among BioSyntech, Inc. (the "**Corporation**"), the Guarantors party thereto and Computershare Trust Company of Canada, as Debenture Trustee (the "**Debenture Trustee**"), as amended and supplemented by a first supplemental indenture dated as of August 21, 2009, a second supplemental indenture dated as of March 2, 2010, and a third supplemental indenture dated as of March 25, 2010, **(a)** the due and punctual payment of the principal of, premium, if any, and interest on, the Debenture, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of and interest on the Debenture, if any, if lawful, and the due and punctual performance of all other obligations of the Corporation to the Debentureholders or the Debenture Trustee all in accordance with the terms of the Indenture and **(b)** in case of any extension of time of payment or renewal of any Debentures or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Debentureholders and to the Debenture Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article 17 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: ______________________________________
Name:
Title:

(FORM OF DEBENTURE TRUSTEE'S CERTIFICATE)

This 2009-2 Debenture is one of the 12% Subordinated Secured Convertible Debentures, Series 2009-2 referred to in the Indenture within mentioned.

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________________________
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Debenture Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Debenture Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ______________________________________, whose address and social insurance number, if applicable, are set forth below, this 2009-2 Debenture (or $____________________________ principal amount hereof*) of BioSyntech, Inc. standing in the name(s) of the undersigned in the register maintained by the Debenture Trustee with respect to such 2009-2 Debenture and does hereby irrevocably authorize and direct the Debenture Trustee to transfer such 2009-2 Debenture in such register, with full power of substitution in the premises.

Dated: ____

Address of Transferee: ____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: ________________________________

*If less than the full principal amount of the within 2009-2 Debenture is to be transferred, indicate in the space provided the principal amount (which must be $10 or an integral multiple thereof, unless you hold an 2009-2 Debenture in a non-integral multiple of 10 by reason of your having exercised your right to exchange upon the making of an Offer, in which case such 2009-2 Debenture is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this 2009-2 Debenture in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank or trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: “SIGNATURE GUARANTEED”.

2. The registered holder of this 2009-2 Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this 2009-2 Debenture.

Signature of Guarantor:

______________________________	______________________________
Authorized Officer	Signature of transferring registered holder

____
Name of Institution