



**Certificate of Arrangement**

**Certificat d'arrangement**

**Canada Business Corporations Act**

**Loi canadienne sur les sociétés par actions**

6311059 CANADA INC.

631105-9

INFOWAVE SOFTWARE, INC.

417571-9

\_\_\_\_\_  
Name of CBCA corporation(s) involved -  
Dénomination(s) de la (des) société(s)  
L.C.S.A. concernée(s)

\_\_\_\_\_  
Corporation number - Numéro de la société

I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the *Canada Business Corporations Act*.

Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*.

Director - Directeur

January 18, 2005 / le 18 janvier 2005

Date of Arrangement - Date de l'arrangement

Industry Canada

Industrie Canada

FORM 14.1

FORMULE 14.1

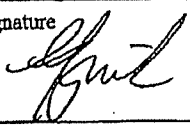

ARTICLES OF ARRANGEMENT

CLAUSES D'ARRANGEMENT

Canada Business  
Corporations ActLoi canadienne sur les  
sociétés par actions

(SECTION 192)

(ARTICLE 192)

1. Name of applicant corporation(s) - Dénomination de la(des) requérante(s)  <b>INFOWAVE SOFTWARE, INC. 6311059 CANADA INC.</b>	2. Corporation No(s) - N°(s) de la(des) société(s)  4175719 6311059	
3. Name of the corporation(s) the articles of which are amended, if applicable Dénomination de la(des) société(s) dont les statuts sont modifiés, le cas échéant  <b>INFOWAVE SOFTWARE, INC. 6311059 CANADA INC.</b>	4. Corporation No(s) - N°(s) de la(des) société(s)  4175719 6311059	
5. Name of the corporation(s) created by amalgamation, if applicable Dénomination de la(des) société(s) issue(s) de la(des) fusions(s), le cas échéant  N/A	6. Corporation No(s) - N°(s) de la(des) société(s)  N/A	
7. Name of the dissolved corporation(s), if applicable Dénomination de la(des) société(s) dissoute(s), le cas échéant  N/A	8. Corporation No(s) - N°(s) de la(des) société(s)  N/A	
9. Name of other bodies corporate involved, if applicable Dénomination des autres personnes morales en cause, le cas échéant  N/A	10. Corporation No(s) or jurisdiction of incorporation - N°(s) de la(des) société(s) out loi sous le régime de laquelle elle est constituée  N/A	
11. In accordance with the order approving the arrangement, Conformément aux termes de l'ordonnance approuvant l'arrangement,		
(a) the articles of the above-named corporation(s) are amended in accordance with the attached plan of arrangement	<input checked="" type="checkbox"/> les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint:  The name of Infowave Software, Inc. is changed to "4175719 Canada Inc."  The name of 6311059 Canada Inc. is changed to "Infowave Software, Inc."	
(b) the following bodies corporate are amalgamated in accordance with the attached plan or arrangement	<input type="checkbox"/> les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint:	
(c) the above-named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan or arrangement	<input type="checkbox"/> la(les) société(s) susmentionnée(s) est(sont) liquidées et dissoute(s) conformément au plan d'arrangement ci-joint	
(d) the plan of arrangement attached hereto, involving the above-named body(ies), corporate is hereby effected	<input checked="" type="checkbox"/> le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet	
Date January <u>17</u> , 2005	Signature 	Title - Titre Chief Financial Officer of Infowave Software, Inc.
Date January <u>17</u> , 2005	Signature 	Title - Titre President of 6311059 Canada Inc.
FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT Corporation No. - N° de la société		Filed - Déposée <b>JAN 18 2005</b>

**PLAN OF ARRANGEMENT**  
**made pursuant to**  
**Section 192 of the *Canada Business Corporations Act***  
**ARTICLE 1**  
**DEFINITIONS**

1.1 In this Plan, unless the context otherwise requires:

- (a) “**Act**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as from time to time amended or re-enacted, including all regulations promulgated thereunder;
- (b) “**Arrangement**” means the arrangement contemplated by this Plan pursuant to Section 192 of the Act;
- (c) “**Articles**” means the Articles of Continuance of Infowave as the same have been amended, restated or changed;
- (d) “**Articles of Arrangement**” means the articles of arrangement in respect of the Arrangement required under subsection 193(6) of the Act to be filed with the Director after the Final Order has been made to give effect to the Arrangement;
- (e) “**Business Day**” means a day, other than a Saturday, Sunday or other day, when banks in the City of Vancouver, British Columbia are not generally open for business;
- (f) “**Court**” means the British Columbia Supreme Court;
- (g) “**Depository**” means Computershare Trust Company of Canada, or such other trust company as may be designated by Infowave;
- (h) “**Director**” means the Director duly appointed under the Act;
- (i) “**Effective Date**” means the date on which Articles of Arrangement are filed with the Registrar;
- (j) “**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date;
- (k) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to paragraph 192(4) of the Act, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (l) “**Information Circular**” means the management proxy circular of Infowave relating to the Infowave Securityholders’ Meeting to be forwarded by Infowave to the Infowave Securityholders in connection with the transactions contemplated in this First Plan of Arrangement;
- (m) “**Infowave**” means Infowave Software, Inc., a corporation continued under the Act;

- (n) **"Infowave Common Shares"** means common shares in the capital of Infowave prior to the completion of the Arrangement as constituted on the date hereof;
- (o) **"Infowave Options"** means stock options issued to present or former directors, senior officers, employees and consultants of Infowave permitting the holders thereof to purchase an aggregate of up to 21,542,199 Infowave Common Shares;
- (p) **"Infowave Securities"** means the Infowave Common Shares, the Infowave Options, the Infowave Warrants and the Visto Notes;
- (q) **"Infowave Securityholders' Meeting"** means the meeting of the Infowave Securityholders to be called to consider and, if thought fit, authorize, approve and adopt the Arrangement in accordance with the Interim Order and any adjournments thereof;
- (r) **"Infowave Warrants"** means 55,579,436 common share purchase warrants of Infowave, each of which entitles the holder to acquire, subject to adjustment, one Infowave Common Share, exercisable at prices of between \$0.215 and \$0.90 per share;
- (s) **"Interim Order"** means an interim order of the Court concerning the Arrangement under subsection 192(4) of the Act, containing declarations and directions with respect to the Arrangement and the holding of the Infowave Securityholders' Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (t) **"Letter of Transmittal"** means the letter of transmittal to be sent to the Shareholders and the Warrantheolders for receiving Newco First Shares or Newco Warrants in exchange for their Infowave Common Shares or Infowave Warrants, as applicable;
- (u) **"Newco"** means 6311059 Canada Inc., incorporated under the Act on November 16, 2004;
- (v) **"Newco Common Shares"** means common shares in the capital of Newco;
- (w) **"Newco First Shares"** means the Newco Common Shares to be issued to the Shareholders in exchange for the Infowave Common Shares held by them;
- (x) **"Newco Options"** means stock options to be issued to Optionholders in exchange for the Infowave Options held by them pursuant to the Newco Stock Option Plan, all of which will (i) have an exercise price equal to the existing exercise price of the Infowave Options being replaced, (ii) have vesting provisions equal to the vesting provisions of the Infowave Options being replaced, and (iii) have a term equal to the term remaining on the Infowave Options being replaced;
- (y) **"Newco Stock Option Plan"** means the stock option plan of Newco under which the Newco Options will be issued, which will be identical to the stock option plan of Infowave;
- (z) **"Newco Warrants"** means warrants to be issued to Warrantheolders in exchange for the Infowave Warrants held by them, all of which shall (i) have an exercise price equal to the

existing exercise price of the Infowave Warrants being replaced and (ii) have a term equal to the term remaining on the Infowave Warrants being replaced;

- (aa) **“Optionholders”** means the holders of Infowave Options;
- (bb) **“Plan”** means this plan of arrangement as amended or supplemented from time to time, and “hereby”, “hereof”, “herein”, “hereunder”, “herewith” and similar terms refer to this Plan and not to any particular provision of this Plan;
- (cc) **“Securityholders”** means the Shareholders, Optionholders, Warrantholders and holders of the Visto Notes;
- (dd) **“Shareholders”** means the holders of Infowave Common Shares;
- (ee) **“TSX”** means the Toronto Stock Exchange;
- (ff) **“Visto Notes”** means the convertible promissory notes that Infowave issued to Visto Corporation on August 31, 2004; and
- (gg) **“Warrantholders”** means the holders of Infowave Warrants.

- 1.2 The headings contained in this Plan are for reference purposes only and will not affect in any way the meaning or interpretation of this Plan.
- 1.3 Unless the contrary intention appears, references in this Plan to an article, section, paragraph, subparagraph or schedule by number or letter or both refer to the article, section, paragraph, subparagraph or schedule bearing that designation in this Plan.
- 1.4 In this Plan, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender will include all genders; and “person” includes any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association.
- 1.5 In the event that the date on which any action is required to be taken hereunder by any of the parties is not a business day in the place where the action is required to be taken, such action will be required to be taken on the next succeeding day which is a business day in such place.
- 1.6 References in this Plan to any statute or sections thereof will include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.
- 1.7 Unless otherwise stated, all references in this Plan to sums of money are expressed in lawful money of Canada.

**ARTICLE 2**  
**PURPOSE AND EFFECT OF THE PLAN**

- 2.1 The following is only intended to be a general statement of the purpose of the Plan and is qualified in its entirety by the specific provisions of the Plan.

The purpose of the Plan is to carry out a reorganization of the outstanding securities of Infowave that will result in (a) the Shareholders exchanging each of their outstanding Infowave Common Shares for one Newco Share; (b) the Optionholders and Warranholders, as at the Effective Date, receiving, in cancellation of each of their Infowave Options and Infowave Warrants, one Newco Option or one Newco Warrant, respectively; (c) the assumption by Newco of the obligation to pay the Visto Notes; and (d) the holders of the Visto Notes receiving, in exchange for the conversion rights attached to the Visto Notes, rights to convert the Visto Notes into an equal number of Newco Common Shares.

- 2.2 At the Effective Time, the Plan will be binding upon Infowave, Newco and the Infowave Securityholders.
- 2.3 Articles of Arrangement will be filed with the Director with the purpose and intent that none of the provisions of the Plan will become effective unless all of the provisions of the Plan will have become effective.
- 2.4 The Plan will be binding upon Infowave, Newco and the Infowave Securityholders upon filing of the Articles of Arrangement with the Registrar.

**ARTICLE 3**  
**ARRANGEMENT**

- 3.1 At the Effective Time, each of the events set out below will occur and be deemed to occur in the sequence set out without further act or formality:
- (a) Newco will acquire all outstanding Infowave Common Shares from the Shareholders and will deliver in exchange for each Infowave Common Share held by such Shareholders one Newco First Share, in each case free of any claims;
  - (b) each Infowave Option held by an Optionholder will be exchanged for Newco Options and the Infowave Options shall be cancelled and terminated and cease to represent any right or claim whatsoever;
  - (c) each Infowave Warrant held by a Warranholder will be exchanged for Newco Warrants and the Infowave Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever;
  - (d) the obligation to pay the Visto Notes will be assumed by Newco in consideration of the agreement by Infowave to pay to Newco the amount of the Visto Notes;

- (e) the right to convert the Visto Notes into Infowave Common Shares will be exchanged for the right to convert the Visto Notes into an equal number of Newco Common Shares;
- (f) the auditors and directors of Infowave will be appointed auditors and directors of Newco until the next Annual General Meeting of the shareholders of Newco;
- (g) Infowave will surrender to Newco for cancellation the initial Newco Common Share that was issued to Infowave upon incorporation of Newco;
- (h) Infowave will change its name to "4175719 Canada Inc.";
- (i) Newco will change its name to "Infowave Software, Inc."; and
- (j) following completion of the Arrangement, Newco will seek "reporting issuer" status in each jurisdiction in which Infowave is currently a reporting issuer.

#### **ARTICLE 4 OUTSTANDING CERTIFICATES AND PAYMENTS**

- 4.1 Subject to Article 6, from and after the Effective Time, each Infowave Common Share which was outstanding immediately prior to the Effective Time will represent the right of the Holder to receive certificates representing Newco First Shares in accordance with the terms of this Plan and any dividends and distributions accruing to the holder of such shares, upon the Holder depositing with the Depositary the certificates representing the Infowave Common Shares duly endorsed for transfer and accompanied by such other documents as such Depositary may reasonably require.
- 4.2 As soon as practicable following the Effective Time, Infowave will cause to be delivered for the benefit of the Holders, certificates representing in the aggregate the Newco First Shares and Newco Warrants to which such Holders are entitled pursuant to Article 3 of this Plan. Infowave will, as soon as practicable following the later of the Effective Date and the date of deposit (by a former Holder of Infowave Common Shares or Infowave Warrants acquired by Infowave under the Arrangement) of a duly completed Letter of Transmittal and the certificates representing such Infowave Common Shares or Infowave Warrants, forward or cause to be forwarded by first class mail (postage prepaid) (or, in the case of postal disruption by such other means as the Depositary may deem prudent) to such former holder at the address specified in the Letter of Transmittal certificates representing the number of Newco First Shares or Newco Warrants, as the case may be, issued to such Holder under the Arrangement.
- 4.3 All dividends and distributions made with respect to any Newco Common Shares allotted and issued pursuant to this Arrangement but for which a certificate has not been issued will be paid or delivered to the Depositary to be held by the Depositary in trust for the registered holder thereof. All monies received by the Depositary will be invested by it in interest-bearing trust accounts upon such terms as the Depositary may reasonably deem appropriate. The Depositary will pay and deliver to any such registered holder, as soon as reasonably practicable after application therefor is made by the registered holder to the Depositary in such form as the Depositary may reasonably require, such distributions and

any interest thereon to which such holder, is entitled, net of applicable withholding and other taxes.

- 4.4 Where a certificate formerly representing Infowave Common Shares is not deposited with all other documents as provided in Section 4.2 on or prior to the sixth anniversary date of the Effective Time, it will cease to represent a right or claim of any kind or nature. Thereafter the Newco Common Shares to be exchanged with the former Holder of such certificate will be deemed to be surrendered to Newco together with all dividends, distributions, sale proceeds and interest thereon held for such Holder.
- 4.5 Where a certificate formerly representing Infowave Warrants is not deposited with all other documents as provided in Section 4.2 on or prior to the expiry date of such Infowave Warrants, it will cease to represent a right or claim of any kind or nature. Thereafter, the Newco Warrants to be exchanged with the former Holder of such certificate will be deemed to be surrendered to Newco together with all dividends, distributions, sale proceeds and interest thereon held for such Holder.
- 4.6 From and after the Effective Time, each certificate representing Infowave Options which was outstanding immediately prior to the Effective Time will represent only the right of the holder thereof to receive certificates representing Newco Options in accordance with the terms of this Plan and each right of conversion attaching to a Visto Note which was outstanding immediately prior to the Effective Time will represent only the right of the holder thereof to convert such Visto Notes into Newco Common Shares. Infowave will, as soon as practicable following the Effective Time, forward or cause to be forwarded by first class mail (postage prepaid) to each such Holder at the address for such Holder on the records of Infowave, certificates respecting the number of Newco Options issuable to such Holder and notice of the right of conversion into Newco Common Shares, as applicable, as determined in accordance with Article 3.
- 4.7 Infowave will be entitled to deduct and withhold from any consideration otherwise payable to any Holder of Infowave Common Shares, Infowave Options, Infowave Warrants or Visto Notes such amounts as Infowave is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada), the United States Internal Revenue Code of 1986 or any provision of federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the Holder of the Infowave Common Shares, Infowave Options, Infowave Warrants or Visto Notes in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.
- 4.8 If any certificate which immediately prior to the Effective Time represented an interest in outstanding Infowave Common Shares or Infowave Warrants that were exchanged pursuant to section 4.2 has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the Depository will issue and deliver in exchange for such lost stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto) as determined in accordance

with the Arrangement. The person who is entitled to receive such consideration will, as a condition precedent to the receipt thereof, give a bond to each of Infowave and its transfer agent, which bond is in form and substance satisfactory to each of Infowave and its transfer agent, or will otherwise indemnify Infowave its respective transfer agent against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

#### **ARTICLE 5 AMENDMENTS**

- 5.1 Infowave reserves the right to amend, modify and/or supplement this First Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is (a) filed with the Court and, if made following the Meeting, approved by the Court and (b) communicated to Holders in the manner required by the Court (if so required).
- 5.2 Any amendment, modification or supplement to this First Plan of Arrangement may be proposed by Infowave at any time prior to or at the Meeting with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), will become part of this First Plan of Arrangement for all purposes.
- 5.3 Any amendment, modification or supplement to this Plan which is approved by the Court following the Meeting will be effective only (a) if it is consented to by Infowave, and (b) if required by the Court or applicable law, it is consented to by the Holders.