

SHORT FORM BASE SHELF PROSPECTUS

No securities regulatory authority has expressed an opinion about these securities and it is an offense to claim otherwise.

This short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in British Columbia and Ontario that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. A registration statement on Form S-3 has been filed with the United States Securities and Exchange Commission under the United States Securities Act of 1933 with respect to these securities.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of CounterPath Corporation, Suite 300, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M3, Canada (telephone number (604) 320-3344) and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS

New Issue

December 12, 2012

COUNTERPATH CORPORATION

US\$50,000,000

Common Stock

Preferred Stock

Debt Securities

Warrants

Units

We may offer and sell, from time to time, our common stock, preferred stock, debt securities, warrants to purchase debt or equity securities or units of such securities at prices and on terms that will be determined at the time of any such offering during the 25 month period that this short form base shelf prospectus, including amendments hereto, remains effective. The aggregate offering price of all securities sold under this prospectus will not exceed US\$50,000,000, or the equivalent thereof at the time of issue, in one or more currencies or composite currencies.

This short form base shelf prospectus provides you with a general description of the securities that we may offer. All shelf information permitted under applicable laws to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus supplement will be incorporated by reference into this prospectus for the purposes of securities legislation as of the date of such prospectus supplement and only for the purposes of the distribution of the securities to which the prospectus supplement pertains.

The prospectus supplements may also add, update or change information contained in this prospectus. You should carefully read this prospectus and any accompanying prospectus supplement, together with the documents we incorporate by reference, before you invest in our securities. This prospectus may not be used to offer or sell securities unless accompanied by a prospectus supplement.

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on a delayed or continuous basis. The prospectus supplement for each offering will provide the specific terms of the plan of distribution for that offering.

Our common stock is listed for trading on the NASDAQ Capital Market under the symbol “CPAH” and on the Toronto Stock Exchange under the symbol “CCV”. On December 11, 2012, the last reported sales prices of our common stock on the NASDAQ Capital Market and the Toronto Stock Exchange were US\$2.10 per share and CDN\$2.00 per share, respectively. **There is currently no market through which the securities, other than our common stock, may be sold and purchasers may not be able to resell the securities purchased under this prospectus. This may affect the pricing of the securities, other than our common stock, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. See “Risk Factors” in the U.S. prospectus attached to this prospectus as well as risk factors disclosed in other documents incorporated by reference herein.**

Investing in our securities involves significant risks. See “Risk Factors” in the U.S. prospectus attached to this prospectus as well as risk factors disclosed in other documents incorporated by reference herein.

To facilitate the offering of securities, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the securities at a level above that which might otherwise prevail in the open market. These transactions may be discontinued at any time.

Our head office is located at Suite 300, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M3, Canada. InCorp Services, Inc., our registered agent, is located at 2360 Corporate Circle, Suite 400, Henderson, Nevada 89074-7722, U.S.A.

Our company is incorporated under the laws of the state of Nevada in the United States. As a result, it may not be possible for investors to enforce judgments obtained in Canada against our company.

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ABOUT THIS PROSPECTUS

This prospectus incorporates the accompanying U.S. prospectus included in a registration statement on a Form S-3 filed by us with the United States Securities and Exchange Commission, as well as any documents incorporated by reference in, or that become incorporated by reference in, the U.S. prospectus.

Unless we otherwise indicate or unless the context requires otherwise, all references in this prospectus to:

- the terms “we”, “us”, “our”, and “CounterPath” refer to CounterPath Corporation;
- the term “securities” means the common stock, preferred stock, debt securities, warrants and units described in this prospectus; and
- all reference to “dollars”, “\$”, “USD” or “US\$” are to U.S. dollars and all reference to “CDN\$” are to Canadian dollars.

SUPPLEMENTAL CANADIAN DISCLOSURE

In accordance with the requirements of applicable securities laws in each relevant province of Canada, the disclosure in the U.S. prospectus incorporated in this prospectus is supplemented with the following additional disclosure.

EXCHANGE RATE INFORMATION

We measure and report our financial results in U.S. dollars. The following table sets forth, for the periods indicated, the high and low exchange rates for one U.S. dollar, expressed in Canadian dollars, the average of such exchange rates on the last day of each month during such period and the exchange rate at the end of such period, based on the noon buying rate in Canadian dollars as quoted by the Bank of Canada. Although obtained from sources believed to be reliable, the data is only for informational purposes, and the Bank of Canada does not guarantee that the data is accurate or complete. No representation is made that the U.S. dollar amounts have been, could have been or could be converted into Canadian dollars at the noon buying rates on such dates or any other dates.

Year Ended April 30,	Noon Buying Rate (US\$)			
	Period End	Average	High	Low
2010	CDN\$1.0116	CDN\$1.0694	CDN\$0.9961	CDN\$1.1872
2011	CDN\$0.9486	CDN\$1.0138	CDN\$1.0778	CDN\$0.9486
2012	CDN\$0.9884	CDN\$0.9928	CDN\$1.0604	CDN\$0.9449

Three Months Ended July 31,	Noon Buying Rate (US\$)			
	Period End	Average	High	Low
2011	CDN\$0.9538	CDN\$0.9623	CDN\$0.9861	CDN\$0.9449
2012	CDN\$1.0014	CDN\$1.1085	CDN\$1.0418	CDN\$0.9839

On December 11, 2012, the noon buying rate of the Bank of Canada was US\$1.00 = CDN\$0.99.

NOTICE TO INVESTORS REGARDING U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The financial statements incorporated in this prospectus have been prepared in accordance with generally accepted accounting principles in the United States of America which are different in certain material respects from generally accepted accounting principles in Canada. As we are an “SEC issuer” (within the meaning of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* of the Canadian Securities Administrators), we are not required to provide, and have not provided, a reconciliation of our financial statements to generally accepted accounting principles in Canada.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risk factors described under “Risk Factors” in the U.S. prospectus, forming part of this prospectus, and in the documents incorporated by reference in this prospectus. Additional risks, including those that relate to any particular securities that we will offer, will be included in the applicable prospectus supplement. Our business, financial condition or results of operations could be materially adversely affected by any of these risk factors. The market or trading price of our securities could decline due to any of these risks.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from CounterPath Corporation, Suite 300, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M3, Canada, Attention: Chief Financial Officer, telephone number (604) 320-3344. These documents are also available through SEDAR, which can be accessed at www.sedar.com.

We have previously filed the following documents with the various securities commissions or similar regulatory authorities in the provinces of Canada, and specifically incorporate them by reference into this prospectus:

1. the annual report on Form 10-K for the fiscal year ended April 30, 2012 filed on September 11, 2012;
2. the audited annual financial statements for the year ended April 30, 2012 filed on July 19, 2012;
3. the MD&A supplement for the fiscal year ended April 30, 2012 filed on July 19, 2012;
4. the quarterly report on Form 10-Q for the quarterly period ended July 31, 2012 filed on September 13, 2012;
5. the MD&A supplement for quarterly period ended July 31, 2012 filed on September 13, 2012;
6. the material change report dated June 19, 2012 and filed on June 21, 2012 relating to a non-brokered private placement of 1,465,000 units of our company at CDN\$2.50 per unit for total gross proceeds of CDN\$3,662,500;
7. the material change report dated June 29, 2012 and filed on July 3, 2012 relating to the listing on the NASDAQ Capital Market;
8. the material change report dated August 20, 2012 and filed on August 21, 2012 relating to the listing on the Toronto Stock Exchange;
9. the report of voting results dated October 2, 2012 and filed on October 2, 2012 relating to the outcome of the votes at the annual meeting of shareholders held on September 27, 2012;
10. the notice of annual meeting of stockholders and related proxy statement dated August 24, 2011 and filed on August 25, 2011; and
11. the notice of annual meeting of stockholders and related proxy statement dated August 13, 2012 and filed on August 13, 2012 and related supplement dated August 15, 2012 and filed on August 16, 2012.

Any documents of the type referred to above (including material change reports but excluding confidential material change reports) and other disclosure documents of the type required by Item 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, if filed by us with a securities commission or any similar regulatory authority in Canada after the date of this prospectus and prior to the termination of any offering under this prospectus, shall be deemed to be incorporated by reference into this prospectus. In addition, any documents incorporated by reference in, or that become incorporated by reference in, the U.S. Prospectus after the date of this prospectus and prior to the termination of the offering of securities under this prospectus are deemed to be incorporated by reference in this prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for the purposes of this prospectus, to the extent that a statement contained herein, or in any other subsequently filed document that also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to be incorporated by reference in this prospectus or to constitute a part of this prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material

fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

A prospectus supplement containing the specific terms of an offering of securities will be delivered to the purchasers of such securities together with this prospectus and will be deemed to be incorporated by reference in this prospectus as of the date of such prospectus supplement, but only for the purpose of the offering of the securities covered by that prospectus supplement.

CONSOLIDATED CAPITALIZATION

There have been no material changes in share and loan capital of our company, on a consolidated basis, since July 31, 2012.

EARNINGS COVERAGE RATIOS

If we offer debt securities having a term to maturity in excess of one year or preferred stock, we will set forth in the applicable prospectus supplement our earnings coverage ratios.

PRIOR SALES

During the twelve months preceding the date of this prospectus, we issued the following securities:

1. On May 17 and June 10, 2012, warrant holders exercised an aggregate of 57,000 share purchase warrants at the exercise price of CDN\$2.25 (US\$2.19) per share of our common stock prior to the expiry of warrants on June 14, 2013. Accordingly, we issued 57,000 shares of our common stock.
2. On June 19, 2012, we issued an aggregate of 1,465,000 units under a non-brokered private placement for aggregate gross proceeds of US\$3,597,000 (CDN\$3,662,500) at a price of US\$2.46 (CDN\$2.50) per unit, with each unit consisting of one share of our common stock and one-half of one share purchase warrant, with each whole warrant entitling the holder to purchase one additional share of our common stock at an exercise price of US\$3.25 per share until June 19, 2014.

The funds used in operations and in investing activities for the three months ended, July 31, 2012, net of net income, net income adjustments and working capital changes, totaled \$474,503 and \$34,501, respectively. The funds used in operations and in investing activities were funded by our existing cash of \$8,154,139 as at April 30, 2012. We do not expect to use any of the net proceeds of the June 19, 2012 private placement to fund our current operations for the foreseeable future as we expect our cash flow from operations and existing balance of cash prior to the private placement will be adequate to fund any operating shortfalls.

3. On July 19, 2012, pursuant to our deferred share unit plan, we granted US\$215,000 of deferred share units to six non-employee directors and US\$175,000 of deferred share units to two officers and one employee. This constituted a grant of an aggregate of 133,443 deferred share units, which is equal to the dollar amount granted divided by the closing market share price on July 19, 2012. Each deferred share unit provides the holder thereof the right to exchange the unit into one share of our common stock under the terms and conditions of the plan. US\$215,000 of the deferred share units vest immediately and US\$175,000 of the deferred share units vest as to 1/3 of the deferred share units on the first, second and third anniversary of the date of the grant, at which time the deferred share units are fully vested.
4. On July 19, 2012, we granted 305,000 stock options to various employees pursuant to our 2010 Stock Option Plan. Each stock option entitles the holder thereof the right to purchase one share of our common stock at a price equal to US\$2.55. The options vest in the amount of 12.5% on the date which is six months from the date of grant and then beginning in the seventh month at 1/42 per month for 42 months, at which time the stock options are fully vested.
5. On March 8, 2012, we granted 25,000 stock options to various employees pursuant to our 2010 Stock Option Plan. Each stock option entitles the holder thereof the right to purchase one share of our common stock at a price equal to US\$2.55. The options vest in the amount of 12.5% on the date which is six months from the date of grant and then beginning in the seventh month at 1/42 per month for 42 months, at which time the stock options are fully vested.
6. On December 14, 2011, we granted 1,000,000 stock options to various employees pursuant to our 2010 Stock Option Plan. Each stock option entitles the holder thereof the right to purchase one share of our common stock at a price of

US\$1.70. The options vest in the amount of 12.5% on the date which is six months from the date of grant and then beginning in the seventh month at 1/42 per month for 42 months, at which time the stock options are fully vested.

TRADING PRICE AND VOLUME

Our common stock is listed for trading on the NASDAQ Capital Market and the Toronto Stock Exchange. Our common stock began quotation on the OTC Bulletin Board on March 2, 2004 and began trading on the NASDAQ Capital Market on July 11, 2012 and trading on the TSX Venture Exchange on August 25, 2008 and the Toronto Stock Exchange on August 20, 2012.

The following table lists the price range and trading volumes of our common stock on the TSX Venture Exchange/Toronto Stock Exchange and the OTC Bulletin Board/NASDAQ Capital Market, respectively.

Month	TSX Venture Exchange/ Toronto Stock Exchange			OTC Bulletin Board/ NASDAQ Capital Market		
	High	Low	Volume	High	Low	Volume
September 2011	CDN\$2.35	CDN\$1.60	608,033	US\$2.30	US\$1.71	135,136
October 2011	CDN\$2.00	CDN\$1.75	84,496	US\$2.23	US\$1.70	83,218
November 2011	CDN\$1.80	CDN\$1.60	152,165	US\$1.85	US\$1.50	52,621
December 2011	CDN\$1.75	CDN\$1.65	211,907	US\$1.80	US\$1.35	93,190
January 2012	CDN\$1.75	CDN\$1.63	71,591	US\$1.75	US\$1.50	57,874
February 2012	CDN\$2.14	CDN\$1.62	188,175	US\$2.05	US\$1.60	107,807
March 2012	CDN\$2.89	CDN\$2.18	147,414	US\$2.95	US\$1.95	123,142
April 2012	CDN\$2.85	CDN\$2.50	404,929	US\$2.94	US\$2.35	68,346
May 2012	CDN\$2.90	CDN\$2.60	119,758	US\$2.95	US\$2.50	32,644
June 2012	CDN\$2.80	CDN\$2.50	103,888	US\$2.90	US\$1.30	75,014
July 2012	CDN\$3.03	CDN\$2.45	140,999	US\$3.25	US\$2.40	30,628
August 2012	CDN\$2.75	CDN\$2.40	60,889	US\$2.70	US\$2.20	30,848
September 2012	CDN\$2.50	CDN\$2.05	68,855	US\$2.69	US\$2.36	51,315
October 2012	CDN\$2.50	CDN\$2.07	69,520	US\$2.60	US\$2.10	72,234
November 2012	CDN\$2.50	CDN\$2.10	110,718	US\$2.55	US\$2.03	75,684
December 1, 2012 to December 11, 2012	CDN\$2.15	CDN\$1.89	72,870	US\$2.17	US\$1.90	69,917

LEGAL MATTERS

The validity of the securities offered will be passed upon for us by Clark Wilson LLP. If the securities are being distributed through any underwriters, dealers or agents, certain legal matters may be passed upon for them by counsel identified in the applicable prospectus supplement. To our knowledge, as at the date hereof, the partners and associates of Clark Wilson LLP, as a group, own less than 1% of the issued and outstanding shares of our common stock.

INTEREST OF EXPERTS

The consolidated financial statements of CounterPath Corporation as of April 30, 2012 and April 30, 2011 and for the years then ended have been incorporated by reference in this prospectus in reliance on the report of BDO Canada LLP, an independent registered public accounting firm, which has also been incorporated by reference in this prospectus, given on the authority of said firm as experts in auditing and accounting. To our knowledge, as at the date hereof, each of partners, employees and consultants of BDO Canada LLP, as a group, own less than 1% of the issued and outstanding shares of our common stock.

TRANSFER AGENT AND REGISTRAR

Our shares of common stock are issued in registered form. Valiant Trust Company of 3rd Floor, 750 Cambie Street, Vancouver, British Columbia, V6B 0A2, Canada (Telephone: (604) 699-4884; Facsimile: (604) 681-3067) is the registrar and transfer agent for our shares of common stock.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

General

Securities legislation in certain provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. The right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus or any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Warrants

Original purchasers of warrants, if offered separately, will have a contractual right of rescission against our company in respect of the conversion, exchange or exercise of such warrant.

The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the warrant, the amount paid upon conversion, exchange or exercise upon surrender of the underlying securities gained thereby, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the convertible, exchangeable or exercisable security under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

Original purchasers of such warrants are further advised that in certain provinces the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal advisor.

U.S. PROSPECTUS

The U.S. prospectus is attached and forms a part of this prospectus.

PROSPECTUS

COUNTERPATH CORPORATION

\$50,000,000

**Common Stock
Preferred Stock
Debt Securities
Warrants
Units**

We may offer and sell, from time to time, our common stock, preferred stock, debt securities, warrants to purchase debt or equity securities or units of such securities at prices and on terms that will be determined at the time of any such offering. The aggregate offering price of all securities sold under this prospectus will not exceed \$50,000,000.

As of December 11, 2012, the aggregate market value of our outstanding common stock held by non-affiliates was approximately \$51,352,703 which was calculated based on 24,453,668 shares of outstanding common stock held by non-affiliates at a price per share of \$2.10 (being the closing price of our common stock on December 11, 2012). Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities pursuant to this prospectus with a value of more than one-third of the aggregate market value of our common stock held by non-affiliates in any 12-month period, so long as the aggregate market value of our common stock held by non-affiliates is less than \$75,000,000. In the event that subsequent to the date of this prospectus, the aggregate market value of our outstanding common stock held by non-affiliates equals or exceeds \$75,000,000, then the one-third limitation on sales will not apply to additional sales made pursuant to this prospectus. We have not sold any securities pursuant to General Instruction I.B.6 of Form S-3 during the 12 calendar months prior to, and including, the date of this prospectus.

This prospectus provides you with a general description of the securities that we may offer. Each time our securities are offered under this prospectus, we will provide a prospectus supplement containing more specific information about the particular offering. The prospectus supplements may also add, update or change information contained in this prospectus. You should carefully read this prospectus and any accompanying prospectus supplement, together with the documents we incorporate by reference, before you invest in our securities. This prospectus may not be used to offer or sell securities unless accompanied by a prospectus supplement.

We may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on a delayed or continuous basis. The prospectus supplement for each offering will provide the specific terms of the plan of distribution for that offering. For more detailed information, see “Plan of Distribution” beginning on page 14 of this prospectus.

Our common stock is listed for trading on the NASDAQ Capital Market under the symbol “CPAH” and on the Toronto Stock Exchange under the symbol “CCV”. On December 11, 2012, the last reported sales prices of our common stock on the NASDAQ Capital Market and the Toronto Stock Exchange were \$2.10 per share and CDN\$2.00 per share, respectively. We have not yet determined whether any of the other securities that may be offered by this prospectus will be listed on any exchange or other public market. If we decide to seek a listing for any of those securities, that will be disclosed in a prospectus supplement.

Investing in our securities involves significant risks. See “Risk Factors” beginning on page 4.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is December 12, 2012.

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ABOUT THIS PROSPECTUS

This prospectus is a part of a registration statement that we filed with the United States Securities and Exchange Commission or SEC utilizing a “shelf” registration process. Under this shelf registration process, we may offer and sell any of the securities or any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of \$50,000,000.

This prospectus provides you with a general description of the securities that we may offer. Each time we offer securities, we will provide a prospectus supplement containing specific information about the terms of that offering and the securities being offered. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the documents incorporated by reference into this prospectus under the heading “Incorporation of Certain Information by Reference” and the additional information described under the heading “Where You Can Find More Information”.

Unless we otherwise indicate or unless the context requires otherwise, all references in this prospectus to:

- the terms “we”, “us”, “our”, and “CounterPath” refer to CounterPath Corporation;
- the term “securities” means the common stock, preferred stock, debt securities, warrants and units described in this prospectus; and
- all reference to “dollars”, “\$”, “USD” or “US\$” are to U.S. dollars and all reference to “CDN\$” are to Canadian dollars.

The information contained in this prospectus is not complete and may be changed. You should rely only on the information provided in or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized any dealer, salesman or other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer of any securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference, is accurate as of any date other than the date of the document in which such information is contained or such other date referred to in such document, regardless of the time of any sale or issuance of a security. Our business, financial condition, results of operations and prospects may have changed since those dates.

ABOUT COUNTERPATH CORPORATION

Our business focuses on the design, development, marketing and sales of personal computer and mobile application software, gateway server software and related professional services, such as pre and post sales, technical support and customization services. Our software products are sold into the telecommunications sector, specifically the voice over Internet protocol (VoIP), unified communications and fixed-mobile convergence markets. VoIP, unified communications and fixed-mobile convergence are general terms for technologies that use Internet or mobile protocols for the transmission of packets of data which may include voice, video, text, fax, and other forms of information that have traditionally been carried over the dedicated circuit-switched connections of the public switched telephone network.

Our strategy is to sell our software to our customers to allow such customers to deliver session initiation protocol and voice over Internet protocol (VoIP) services. Customers that we are targeting include: (1) telecommunications service providers and Internet telephony service providers, (2) original equipment manufacturers serving the telecommunication market; (3) small, medium and large sized businesses; and (4) end users. Our software enables voice communication from the end user through the network to another end user and enables the service provider to deliver other streaming content to end users such as video. Our acquisitions of FirstHand Technologies Inc. and BridgePort Networks, Inc. in February 2008 expanded the product portfolio of our company to include fixed-mobile-convergence applications for the enterprise and telecom service provider markets.

We were incorporated under the laws of the State of Nevada on April 18, 2003. Following incorporation, we commenced the business of operating an entertainment advertising website. On April 30, 2004, we changed our business following the merger of our company with Xten Networks, Inc., a private Nevada company. On August 26, 2005, we entered into an agreement and plan of merger with Ineen, Inc., our wholly-owned subsidiary, whereby Ineen merged with and into our company, with our company carrying on as the surviving corporation under the name CounterPath Solutions, Inc. On October 17, 2007, we changed our name from CounterPath Solutions, Inc. to CounterPath Corporation. On March 19, 2008, our board of directors approved a five for one common stock consolidation. As a result, our authorized capital decreased from 415,384,500 shares of common stock to 83,076,900 shares of common stock. On November 1, 2010, our wholly-owned subsidiary, FirstHand Technologies Inc. was amalgamated with CounterPath Technologies Inc., carrying on as CounterPath Technologies Inc.

Our resident agent for service is Incorp Services, Inc. The address of our resident agent is 2360 Corporate Circle, Suite 400, Henderson, Nevada 89074-7722, telephone: (702) 866-2500. Our principle executive offices are located Suite 300, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M3, Canada. Our telephone number is (604) 320-3344.

RISK FACTORS

An investment in our common stock involves a high degree of risk. The risks described below include material risks to our company or to investors in this offering that are known to our company. If any of the following risks actually occur, our business, financial condition and results of operations could be materially harmed. As a result, the trading price of our common stock could decline and you might lose all or part of your investment. When determining whether to buy our common stock, you should also refer to the other information contained in or incorporated by reference in this prospectus and any applicable prospectus supplement.

Risks Associated with Our Business and Industry

The current economic environment has adversely affected business spending patterns, which may have an adverse effect on our business.

The disruptions in the financial markets and challenging economic conditions have adversely affected the United States, Europe and the world economy, and in particular, reduced consumer spending and reduced spending by businesses. Turmoil in global credit markets and recent turmoil in the geopolitical environment in many parts of the world and other disruptions, such as the European debt crisis, are and may continue to put pressure on global economic conditions. Our operating results in one or more segments may also be affected by uncertain or changing economic conditions particularly germane to that segment or to particular customer markets within that segment. If our customers delay or cancel spending on their IT infrastructure, that decision could result in reductions in sales of our products, longer sales cycles and increased price competition. There can be no assurances that government responses to the disruptions in the financial markets will restore spending to previous levels. If global economic and market conditions, or economic conditions in the United States or other key markets, remain uncertain or persist, spread, or deteriorate further, we may experience material impacts on our business, operating results, and financial condition.

Our revenue, operating results and gross margin can fluctuate significantly and unpredictably from quarter to quarter and from year to year, and we expect that they will continue to do so, which could have a material adverse effect on our operating results.

The rate at which our customers order our products, and the size of these orders, are highly variable and difficult to predict. In the past, we have experienced significant variability in our customer purchasing practices on a quarterly and annual basis, and we expect that this variability will continue, as a result of a number of factors, many of which are beyond our control, including:

- demand for our products and the timing and size of customer orders;
- length of sales cycles;
- length of time of deployment of our products by our customers;
- customers' budgetary constraints;
- competitive pressures; and
- general economic conditions.

As a result of this volatility in our customers' purchasing practices, our revenue has historically fluctuated unpredictably on a quarterly and annual basis and we expect this to continue for the foreseeable future. Our budgeted expense levels depend in part on our expectations of future revenue. Because any substantial adjustment to expenses to account for lower levels of revenue is difficult and takes time, if our revenue declines, our operating expenses and general overhead would likely be high relative to revenue, which could have a material adverse effect on our operating margin and operating results.

If we are not able to control our operating expenses, then our financial condition may be adversely affected.

Operating expenses increased to \$15,503,327 for the year ended April 30, 2012 from \$14,827,431 for the year ended April 30, 2011 while our revenue increased to \$14,083,496 for the year ended April 30, 2012 from \$11,040,298 for the year ended April 30, 2011. Our ability to reach and maintain profitability is conditional upon our ability to control our operating expenses. While we have been successful in containing our operating expenses, there is a risk that we will have to increase our operating expenses in the future. Factors that could cause our operating expenses to increase include our determination to spend more on sales and marketing in order to increase product sales or our determination that more research and development expenditures are required in order to keep our current software products competitive or in order to develop new products for the market. To the extent that our operating expenses increase without a corresponding increase in revenue, our financial condition would be adversely impacted.

We have negative cash flow from operating activities and the net proceeds from sales of securities may be used to fund anticipated negative cash flow from operating activities in future periods.

We had negative cash flow from operating activities of \$301,331 for the most recently completed financial year ended April 30, 2012 and \$474,503 for the three month period ended July 31, 2012. While our revenue has increased to \$14,083,496 for the year ended April 30, 2012 from \$11,040,298 for the year ended April 30, 2011 and to \$4,387,768 for the three months ended July 31, 2012 from \$2,758,734 for the three months ended July 31, 2011, the net proceeds from sales of securities may be used to fund anticipated negative cash flow from operating activities in future periods. Although our net income for the three months ended July 31, 2012 was \$867,538, there is no guarantee that we can sustain such results. Furthermore, we may require additional financing in order to meet our next significant milestones.

We face larger and better-financed competitors, which may affect our ability to operate our business and achieve or maintain profitability.

Management is aware of similar products which compete directly with our products and some of the companies developing these similar products are larger and better-financed than us and may develop products superior to those of our company. In addition to price competition, increased competition may result in other aggressive business tactics from our competitors, such as:

- emphasizing their own size and perceived stability against our smaller size and narrower recognition;
- providing customers “one-stop shopping” options for the purchase of network equipment and application software;
- offering customers financing assistance;
- making early announcements of competing products and employing extensive marketing efforts; and
- asserting infringement of their intellectual property rights.

Such competition may potentially affect our chances of achieving and maintaining profitability and ultimately adversely affect our ability to continue as a going concern.

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock or a delisting from a stock exchange on which our common stock trades and a reduction in our ability to raise capital. Because our operations have been partially financed through the sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our continued operations. Any reduction in our ability to raise equity capital in the future would force us to reallocate funds from other planned uses and would have a significant negative effect on our business plans and operations, including our ability to develop new products and continue our current operations. If our stock price declines, there can be no assurance that we can raise additional capital or generate funds from operations sufficient to meet our obligations.

All of our directors and officers are located outside the United States, with the result that it may be difficult for investors to enforce within the United States any judgments obtained against us or some of our directors or officers.

All of our directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of such persons’ assets are located outside the United States. As a result, it may be difficult for investors to enforce within the United States any judgments obtained against us or our officers or directors, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, investors may be effectively prevented from pursuing remedies under United States federal securities laws against some of our directors or officers.

We may in the future be subject to damaging and disruptive intellectual property litigation that could materially and adversely affect our business, results of operations and financial condition, as well as the continued viability of our company.

We may be unaware of filed patent applications and issued patents that could relate to our products and services. Intellectual property litigation, if determined against us, could:

- result in the loss of a substantial number of existing customers or prohibit the acquisition of new customers;
- cause us to lose access to key distribution channels;
- result in substantial employee layoffs or risk the permanent loss of highly-valued employees;
- materially and adversely affect our brand in the market place and cause a substantial loss of goodwill;

- cause our stock price to decline significantly; and
- lead to the bankruptcy or liquidation of our company.

Parties making claims of infringement may be able to obtain injunctive or other equitable relief that could effectively block our ability to provide our products or services and could cause us to pay substantial royalties, licensing fees or damages. The defense of any lawsuit could result in time-consuming and expensive litigation, regardless of the merits of such claims.

We could lose our competitive advantages if we are not able to protect any proprietary technology and intellectual property rights against infringement, and any related litigation could be time-consuming and costly.

Our success and ability to compete depends to a significant degree on our proprietary technology incorporated in our software. If any of our competitors' copies or otherwise gains access to our proprietary technology or develops similar technologies independently, we would not be able to compete as effectively. We also consider our family of registered and unregistered trademarks including CounterPath, Bria, eyeBeam, X-Lite, and SoftPhone.com invaluable to our ability to continue to develop and maintain the goodwill and recognition associated with our brand. The measures we take to protect the proprietary technology software, and other intellectual property rights, which presently are based upon a combination of patents, patents pending, copyright, trade secret and trademark laws, may not be adequate to prevent their unauthorized use. Further, the laws of foreign countries may provide inadequate protection of such intellectual property rights.

We may need to bring legal claims to enforce or protect such intellectual property rights. Any litigation, whether successful or unsuccessful, could result in substantial costs and diversions of resources. In addition, notwithstanding any rights we have secured in our intellectual property, other persons may bring claims against us that we have infringed on their intellectual property rights, including claims based upon the content we license from third parties or claims that our intellectual property right interests are not valid. Any claims against us, with or without merit, could be time consuming and costly to defend or litigate, divert our attention and resources, result in the loss of goodwill associated with our service marks or require us to make changes to our website or other of our technologies.

Our products may become obsolete and unmarketable if we are unable to respond adequately to rapidly changing technology and customer demands.

Our industry is characterized by rapid changes in technology and customer demands. As a result, our products may quickly become obsolete and unmarketable. Our future success will depend on our ability to adapt to technological advances, anticipate customer demands, develop new products and enhance our current products on a timely and cost-effective basis. Further, our products must remain competitive with those of other companies with substantially greater resources. We may experience technical or other difficulties that could delay or prevent the development, introduction or marketing of new products or enhanced versions of existing products. Also, we may not be able to adapt new or enhanced services to emerging industry standards, and our new products may not be favorably received.

Unless we can establish broad market acceptance of our current products, our potential revenues may be significantly reduced.

We expect that a substantial portion of our future revenue will be derived from the sale of our software products. We expect that these product offerings and their extensions and derivatives will account for a majority of our revenue for the foreseeable future. Broad market acceptance of our software products is, therefore, critical to our future success and our ability to continue to generate revenues. Failure to achieve broad market acceptance of our software products as a result of competition, technological change, or otherwise, would significantly harm our business. Our future financial performance will depend primarily on the continued market acceptance of our current software product offerings and on the development, introduction and market acceptance of any future enhancements. There can be no assurance that we will be successful in marketing our current product offerings or any new product offerings, applications or enhancements, and any failure to do so would significantly harm our business.

Our use of open source software could impose limitations on our ability to commercialize our products.

We incorporate open source software into our products. Although we closely monitor our use of open source software, the terms of many open source software licenses have not been interpreted by U.S. courts, and there is a risk that such licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to sell our products. In such event, we could be required to make our proprietary software generally available to third parties, including competitors, at

no cost, to seek licenses from third parties to continue offering our products, to re-engineer our products or to discontinue the sale of our products in the event re-engineering cannot be accomplished on a timely basis or at all, any of which could adversely affect our revenues and operating expenses.

We may not be able to obtain necessary licenses of third-party technology on acceptable terms, or at all, which could delay product sales and development and adversely impact product quality.

We have incorporated third-party licensed technology into our current products. We anticipate that we are also likely to need to license additional technology from third parties to develop new products or product enhancements in the future. Third-party licenses may not be available or continue to be available to us on commercially reasonable terms. The inability to retain any third party licenses required in our current products or to obtain any new third-party licenses to develop new products and product enhancements could require us to obtain substitute technology of lower quality or performance standards or at greater cost, and delay or prevent us from making these products or enhancements, any of which could seriously harm the competitive position of our products.

Our products must interoperate with many different networks, software applications and hardware products, and this interoperability will depend on the continued prevalence of open standards.

Our products are designed to interoperate with our customers' existing and planned networks, which have varied and complex specifications, utilize multiple protocol standards, software applications and products from numerous vendors and contain multiple products that have been added over time. As a result, we must attempt to ensure that our products interoperate effectively with these existing and planned networks. To meet these requirements, we have and must continue to undertake development and testing efforts that require significant capital and employee resources. We may not accomplish these development efforts quickly or cost-effectively, or at all. If our products do not interoperate effectively, installations could be delayed or orders for our products could be cancelled, which would harm our revenue, gross margins and our reputation, potentially resulting in the loss of existing and potential customers. The failure of our products to interoperate effectively with our customers' networks may result in significant warranty, support and repair costs, divert the attention of our engineering personnel from our software development efforts and cause significant customer relations problems.

Additionally, the interoperability of our products with multiple different networks is significantly dependent on the continued prevalence of standards for IP multimedia services, such as SIP or Session Initiation Protocol. Some of our existing and potential competitors are network equipment providers who could potentially benefit from the deployment of their own proprietary non-standards-based architectures. If resistance to open standards by network equipment providers becomes prevalent, it could make it more difficult for our products to interoperate with our customers' networks, which would have a material adverse effect on our ability to sell our products to service providers.

We are subject to the credit risk of our customers, which could have a material adverse effect on our financial condition, results of operations and liquidity.

We are subject to the credit risk of our customers. Businesses that are good credit risks at the time of sale may become bad credit risks over time. In times of economic recession, the number of our customers who default on payments owed to us tends to increase. If we fail to adequately assess and monitor our credit risks, we could experience longer payment cycles, increased collection costs and higher bad debt expense. Additionally, to the degree that the ongoing turmoil in the credit markets makes it more difficult for some customers to obtain financing, those customers' ability to pay could be adversely impacted, which in turn could have a material adverse impact on our financial condition, results of operations and liquidity.

We are exposed to fluctuations in interest rates and exchange rates associated with foreign currencies.

A majority of our revenue activities are transacted in U.S. dollars. However, we are exposed to foreign currency exchange rate risk inherent in conducting business globally in numerous currencies, of which the most significant to our operations is the Canadian dollar. We are primarily exposed to a strengthening Canadian dollar as our operating expenses are primarily denominated in Canadian dollars while our revenues are primarily denominated in U.S. dollars. We address certain financial exposures through a controlled program of risk management that includes the use of derivative financial instruments. Our company's foreign currency risk management program includes foreign currency derivatives with cash flow hedge accounting designation that utilizes foreign currency forward contracts to hedge exposures to the variability in the U.S. dollar equivalent of anticipated non-U.S. dollar-denominated cash flows. These instruments generally have a maturity of less than one year. For these derivatives, our company reports the after-tax gain or loss from the effective portion of the hedge as a component of accumulated other comprehensive income (loss) in stockholders' equity and reclassifies it into earnings in the same period in

which the hedged transaction affects earnings, and within the same line item on the consolidated statements of operations as the impact of the hedged transaction. There can be no assurance that our hedging program will not result in a negative impact on our earnings and earnings per share.

We also routinely enter into foreign currency forward contracts, not designated as hedging instruments, to protect us from fluctuations in exchange rates.

Risks Associated with Our Securities

Our directors control a substantial number of shares of our common stock, decreasing your influence on stockholder decisions.

Based on the 41,563,353 shares of common stock that were issued and outstanding as of July 31, 2012, our directors owned approximately 26.5% of our outstanding common stock. As a result, our directors as a group could have a significant influence in delaying, deferring or preventing any potential change in control of our company; they will be able to strongly influence the actions of our board of directors even if they were to cease being directors of our company and can effectively control the outcome of actions brought to our stockholders for approval. Such a high level of ownership may adversely affect the exercise of your voting and other stockholder rights.

We do not expect to pay dividends in the foreseeable future.

We do not intend to declare dividends for the foreseeable future, as we anticipate that we will reinvest any future earnings in the development and growth of our business. Therefore, investors will not receive any funds unless they sell their common stock, and stockholders may be unable to sell their shares on favorable terms. We cannot assure you of a positive return on investment or that you will not lose the entire amount of your investment in our common stock.

The exercise of all or any number of outstanding warrants, stock options or deferred share units or the issuance of other stock-based awards or any issuance of shares to raise funds may dilute your holding of shares of our common stock.

If the holders of outstanding warrants, stock options and deferred share units exercise or convert all of their vested warrants, stock options and deferred share units as at July 31, 2012, then we would be required to issue an additional 8,164,342 shares of our common stock, which would represent approximately 16.4% of our issued and outstanding common stock after such issuances. The exercise of any or all outstanding warrants or stock options that are exercisable below market price will result in dilution to the interests of other holders of our common stock.

We may in the future grant to certain or all of our directors, officers, insiders, and key employees stock options to purchase the shares of our common stock, bonus shares, deferred share units and other stock based compensation as non-cash incentives to such persons. Subject to applicable stock exchange rules, if any, we may grant these stock options and other stock based compensation at exercise prices equal to or less than market prices, and we may grant them when the market for our securities is depressed. The issuance of any additional shares of common stock or securities convertible into common stock will cause our existing shareholders to experience dilution of their holding of our common stock.

In addition, shareholders could suffer dilution in their net book value per share depending on the price at which such securities are sold. Such issuance may cause a reduction in the proportionate ownership and voting power of all other shareholders. The dilution may result in a decline in the price of our shares of common stock or a change in the control of our company.

The Financial Industry Regulatory Authority, or FINRA, has adopted sales practice requirements, which may limit a stockholder's ability to buy and/or sell shares of our common stock.

The FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for its shares.

Securities analysts may not publish favorable research or reports about our business or may publish no information which could cause our stock price or trading volume to decline.

The trading market for our common stock will be influenced by the research and reports that industry or financial analysts publish about us and our business. We do not control these analyst reports. As a relatively small public company, we may be slow to attract research coverage and the analysts who publish information about our common stock will have had relatively little experience with our company, which could affect their ability to accurately forecast our results and make it more likely that we fail to meet their estimates. If any of the securities or industry analysts who cover us issue an adverse opinion regarding our stock price, our stock price may likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports covering us, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

An adverse rating of our debt securities may cause their trading price to fall.

If a rating agency rates our debt securities, if any, it may assign them a low rating. Rating agencies also may lower ratings on our debt securities, if any, in the future. If rating agencies assign a lower-than-expected rating or reduce, or indicate that they may reduce, their ratings in the future, the trading price of our debt securities, if any, could significantly decline.

We cannot assure you that an active trading market will develop for the securities.

There is currently no public market for any of our securities other than our common stock. We do not know if an active market will develop for our other securities, or if developed, whether such a market will continue. If an active market is not developed or maintained, the market price and the liquidity of our other securities may be adversely affected.

FORWARD LOOKING STATEMENTS

This prospectus, any prospectus supplement and the information and documents incorporated by reference into this prospectus contain or will contain forward-looking statements which relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. Forward-looking statements are based on material factors and assumptions made by our company in light of management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate in the circumstances, including but not limited to, general economic conditions, product pricing levels and competitive intensity, supply constraints, the timing and success of new product introductions, our expectations regarding our business, strategy, opportunities and prospects, including our ability to implement meaningful changes to address business challenges, and our expectations regarding the cash flow from operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled “Risk Factors” beginning on page 4 of this prospectus, that may cause our company’s or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. We caution you not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Except as required by applicable law, including the securities laws of the United States and Canada, we disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

USE OF PROCEEDS

Unless we specify otherwise in a prospectus supplement, we intend to use the net proceeds from sales of securities by us for general corporate purposes, which may include reducing any outstanding indebtedness, increasing our working capital or financing acquisitions and capital expenditures. Pending such use, we may temporarily invest the proceeds. We currently do not have any plans, proposals or arrangements with regards to any acquisition.

We had negative cash flow from operating activities of \$301,331 for the most recently completed financial year ended April 30, 2012 and \$474,503 for the three month period ended July 31, 2012. In addition to other uses of net proceeds described

herein and to be specified in a prospectus supplement, the net proceeds from sales of securities may also be used to fund anticipated negative cash flow from operating activities in future periods. As at November 30, 2012, our estimated consolidated working capital was \$11.3 million.

DESCRIPTION OF CAPITAL STOCK

We are authorized to issue 83,076,900 shares of common stock with a par value of \$0.001 and 100,000,000 shares of preferred stock with a par value of \$0.001. To the fullest extent permitted by the laws of the State of Nevada, our board of directors may fix and determine the designations, rights, preferences or other variations of each class or series of within each class of capital stock of our company.

As of December 12, 2012 we had 41,724,874 shares of common stock outstanding and one share of preferred stock designated as the Series A Special Voting Share outstanding.

The following description of our common stock and preferred stock is a summary. For a more complete description, we refer you to our articles of incorporation and bylaws, and the applicable statutes of the State of Nevada.

Common Stock

Upon liquidation, dissolution or winding up of our company, the holders of shares of common stock are entitled to share ratably in all net assets available for distribution to stockholders after payment to creditors. The shares of common stock are not convertible or redeemable and have no preemptive, subscription or conversion rights. There are no conversions, redemption, sinking fund or similar provisions regarding the common stock. Each outstanding share of common stock is entitled to one vote on all matters submitted to a vote of stockholders. There are no cumulative voting rights.

Each stockholder is entitled to receive the dividends as may be declared by our board of directors out of funds legally available for dividends and, in the event of liquidation, to share pro rata in any distribution of our assets after payment of liabilities. Our board of directors is not obligated to declare a dividend. Any future dividends will be subject to the discretion of our board of directors and will depend upon, among other things, future earnings, the operating and financial condition of our company, its capital requirements, general business conditions and other pertinent factors. It is not anticipated that dividends will be paid in the foreseeable future.

Preferred Stock

The following describes the general terms and provisions of the preferred stock we may offer. When we offer to sell a particular series of the preferred stock, we will describe the particular terms of any preferred stock offered from time to time in a supplement to this prospectus, which may supplement or change the terms outlined below.

Our board of directors will fix the rights, preferences, privileges, qualifications, limitations and restrictions of each series of the preferred stock that we sell in the certificate of designation relating to that series.

Before we issue any series of preferred stock, the form of any certificate of designation that describes the terms of the series of preferred stock we offer will be filed with the SEC and incorporated by reference as an exhibit to the registration statement of which this prospectus is a part or as an exhibit to a current report on Form 8-K. For the complete terms of a particular series of preferred stock, you should refer to the applicable prospectus supplement and the form of certificate of designation for that particular series of preferred stock. We encourage you to read the applicable prospectus supplement and the form of certificate of designation for that particular series of preferred stock before you purchase any of our preferred stock.

If we offer a series of preferred stock, we will describe the specific terms of that series in a prospectus supplement, including:

- the number of shares in any series;
- the designation for any series by number, letter or title that shall distinguish the series from any other series of preferred stock;
- the dividend rate, if any, and whether dividends on that series of preferred stock will be cumulative, noncumulative or partially cumulative;
- the voting rights of that series of preferred stock, if any;
- the conversion provisions applicable to that series of preferred stock, if any;

- the redemption or sinking fund provisions applicable to that series of preferred stock, if any;
- the liquidation preference per share of that series of preferred stock, if any;
- the rank of that series of preferred stock relative to other series of preferred stock; and
- the terms of any other rights, preferences, privileges, qualifications, limitations or restrictions, if any, applicable to that series of preferred stock.

Change in Control

There are no provisions in our articles of incorporation or bylaws that would delay, defer or prevent a change in control of our company.

DESCRIPTION OF DEBT SECURITIES

The following describes the general terms and provisions of the debt securities we may offer. When we offer to sell a particular series of debt securities, we will describe the specific terms of any debt securities offered from time to time in a supplement to this prospectus, which may supplement or change the terms outlined below.

We may issue secured or unsecured and senior or subordinated debt securities. Each series of debt securities may have different terms. The senior debt securities will be issued under one or more senior indentures, dated as of a date prior to such issuance, between us and a trustee to be named in a prospectus supplement, as amended or supplemented from time to time. Any subordinated debt securities will be issued under one or more subordinated indentures, dated as of a date prior to such issuance, between us and a trustee to be named in a prospectus supplement, as amended or supplemented from time to time. The indentures will be subject to and governed by the United States Trust Indenture Act of 1939.

Before we issue any debt securities, the form of indentures will be filed with the SEC and incorporated by reference as an exhibit to the registration statement of which this prospectus is a part or as an exhibit to a current report on Form 8-K. For the complete terms of the debt securities, you should refer to the applicable prospectus supplement and the form of indentures for those particular debt securities. We encourage you to read the applicable prospectus supplement and the form of indenture for those particular debt securities before you purchase any of our debt securities.

If we offer a series of debt securities, we will describe the specific terms of the debt securities in a prospectus supplement, including:

- the title of the debt securities;
- the aggregate principal amount of the debt securities, the percentage of the principal amount at which the debt securities will be issued and the date or dates when the principal of the debt securities will be payable or how those dates will be determined;
- whether the amount of payments of principal of, or premium, if any, or interest on, the debt securities will be determined with reference to an index, formula or other method, which could be based on one or more commodities, equity indices or other indices, and how these amounts will be determined;
- provisions with respect to the subordination of the rights of holders of the debt securities to other security holders or creditors;
- whether such debt securities will be convertible into or exchangeable for any other securities and, if so, the terms and conditions upon which such debt securities will be so convertible or exchangeable and any applicable limitations on ownership or transferability of such other securities received on conversion;
- the person to whom any interest in a debt security will be payable, if other than the registered holder at the close of business on the regular record date;
- the interest rate or rates, which may be fixed or variable, that the debt securities will bear, if any, and how the rate or rates will be determined;
- the date or dates from which any interest will accrue or how the date or dates will be determined, the date or dates on which any interest will be payable, any regular record dates for these payments or how these dates will be determined and the basis on which any interest will be calculated, if other than on the basis of a 360-day year of twelve 30-day months;
- the place or places of payment, transfer, conversion and exchange of the debt securities and where notices or demands to or upon us in respect of the debt securities may be served;
- any provisions granting special rights to the holders of the debt securities upon the occurrence of specified events, including but not limited to any make-whole amount, which is the amount in addition to principal and interest that is

required to be paid to the holder of a debt security as a result of any optional redemption or accelerated payments of such debt security, or the method for determining the make-whole amount;

- any optional redemption provisions;
- provisions relating to subsidiary guarantees, if any;
- any sinking fund or other provisions that would obligate us to repurchase or redeem the debt securities;
- any changes or additions to the events of default under the applicable indenture or our covenants, including additions of any restrictive covenants, with respect to the debt securities;
- any changes or additions to the provisions concerning defeasance and covenant defeasance contained in the indentures that will be applicable to the debt securities;
- if other than the trustee, the name of any paying agent, security registrar and transfer agent for the debt securities;
- if the debt securities are not to be issued in book-entry form only and held by The Depository Trust Company, or DTC, as depository, the form of such debt securities, including whether such debt securities are to be issuable in permanent or temporary global form, as registered securities, bearer securities or both, any restrictions on the offer, sale or delivery of bearer securities and the terms, if any, upon which bearer securities of the series may be exchanged for registered securities of the series and vice versa, if permitted by applicable law and regulations;
- the currency or currencies of such debt securities;
- the denomination or denominations that the debt securities will be issued, if other than denominations of \$1,000 or any integral multiples in the case of the registered securities and \$5,000 or any integral multiples in the case of the bearer securities;
- whether and under what circumstances we will pay additional amounts to holders in respect of any tax assessment or government charge, and, if so, whether we will have the option to redeem the debt securities rather than pay such additional amounts; and
- the name of the trustee and the nature of any material relationship with us or any of our affiliates, and the percentage of debt securities of the class necessary to require the trustee to take action.

DESCRIPTION OF WARRANTS

The following describes the general terms and provisions of the warrants that we may offer. When we offer to sell a particular series of warrants, we will describe the specific terms of any warrants offered from time to time in a supplement to this prospectus, which may supplement or change the terms outlined below.

We may issue warrants for the purchase of common stock, preferred stock, units or debt securities in one or more series. We may issue warrants independently or together with common stock, preferred stock, units or debt securities, and the warrants may be attached to or separate from these securities. We will evidence each series of warrants by warrant certificates that we may issue under a separate agreement. We may enter into the warrant agreement with a warrant agent. We will indicate the name and address of any such warrant agent in the applicable prospectus supplement relating to a particular series of warrants.

Before we issue any warrants, the forms of warrant agreements and warrant certificates will be filed with the SEC and incorporated by reference as exhibits to the registration statement of which this prospectus is a part or as exhibits to a current report on Form 8-K. For the complete terms of the warrants, you should refer to the applicable prospectus supplement and the forms of warrant agreement and warrant certificate for those particular warrants. We encourage you to read the applicable prospectus supplement and the forms of warrant agreement and warrant certificate for those particular warrants before you purchase any of our warrants.

If we offer warrants, we will describe the specific terms of the warrants in a prospectus supplement, including:

- the offering price and aggregate number of warrants offered;
- the currency for which the warrants may be purchased;
- if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each such security or each principal amount of such security;
- if applicable, the date on and after which the warrants and the related securities will be separately transferable;
- in the case of warrants to purchase debt securities, the principal amount of debt securities purchasable upon exercise of one warrant and the price at, and currency, in which, this principal amount of debt securities may be purchased upon such exercise;
- in the case of warrants to purchase common stock, preferred stock or units, the number of shares of common stock, preferred stock or units purchasable upon the exercise of one warrant and the price at which these securities may be purchased upon such exercise;

- the effect of any merger, consolidation, sale or other disposition of our business on the warrant agreement and the warrants;
- the terms of any rights to redeem or call the warrants;
- any provisions for changes to or adjustments in the exercise price or number of securities issuable upon exercise of the warrants;
- the dates on which the right to exercise the warrants will commence and expire;
- the manner in which the warrant agreement and warrants may be modified;
- the terms of the securities issuable upon exercise of the warrants; and
- any other specific terms, preferences, rights or limitations of or restrictions on the warrants.

DESCRIPTION OF UNITS

We may issue units consisting of one or more warrants, debt securities, shares of common stock, shares of preferred stock, or any combination of such securities. When we offer to sell particular units, we will describe the specific terms of any units offered from time to time in a supplement to this prospectus, which may supplement or change the terms outlined below.

Before we issue any units, the form of unit agreement will be filed with the SEC and incorporated by reference as an exhibit to the registration statement of which this prospectus is a part or as an exhibit to a current report on Form 8-K. For the complete terms of the units, you should refer to the applicable prospectus supplement and the form of units for those particular units. We encourage you to read the applicable prospectus supplement and the form of units for those particular units before you purchase any of our units.

If we offer units, we will describe the specific terms of the units in a prospectus supplement, including:

- the terms of the units and of the warrants, debt securities, common stock and preferred stock comprising the units, including whether and under what circumstances the securities comprising the units may be traded separately;
- a description of the terms of any unit agreement governing the units; and
- a description of the provisions for the payment, settlement, transfer or exchange of the units.

PLAN OF DISTRIBUTION

General

We may offer and sell the securities described in this prospectus through underwriters, dealers or agents, or directly to one or more purchasers or through a combination of these methods. The applicable prospectus supplement will describe the terms of the offering of the securities, including, without limitation:

- the name or names of any underwriters, dealers or agents, if any;
- the purchase price of the securities and the proceeds we will receive from the sale;
- any underwriting discounts and other items constituting underwriters' compensation;
- any compensation to underwriters, dealers or agents in connection with the offering; and
- any securities exchange or market on which the securities may be listed.

We may distribute the securities from time to time in one or more transactions at:

- a fixed price or prices, which may be changed;
- market prices prevailing at the time of sale;
- varying prices determined at the time of sale related to such prevailing market prices; or
- other negotiated prices.

Underwriters, dealers or agents, if any, may be customers of, engage in transactions with, or perform services for, us in the ordinary course of business. If material, we will describe in the prospectus supplement the nature of any such relationship and the name of the parties involved.

Only underwriters named in the prospectus supplement will be underwriters of the securities offered by the prospectus supplement.

By Underwriters

If we use underwriters in the sale of the securities, they may acquire the securities for their own account and may resell the securities from time to time in one or more transactions at a fixed public offering price or at varying prices determined at the time of sale. We may offer the securities to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. We may agree to pay the underwriters a fee or commission for various services relating to the offering of the securities.

By Dealers

If we use a dealer in the sale of the securities, we may sell the securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may change from time to time.

By Agents

We may sell the securities directly or through agents we designate from time to time.

Direct Sales

We may sell the securities directly at such prices and upon such terms as agreed to by us and the purchaser. In this case, no underwriters, dealers or agents would be involved in the offering.

Compensation of Underwriters, Dealers or Agents

In connection with the sale of the securities, underwriters, dealers or agents may receive compensation from us or from purchasers of the securities for whom they act as agents in the form of discounts, concessions or commissions. Underwriters may sell the securities to or through dealers, and those dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of the securities, and any institutional investors or others that purchase securities directly and then resell the securities, may be deemed to be underwriters, and any discounts or commissions received by them from us and any profit on the resale of the securities by them may be deemed to be underwriting discounts and commissions under the United States Securities Act of 1933.

Delayed Delivery Contracts

We may authorize agents or underwriters to solicit offers by institutional investors to purchase securities from us at the public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. We will describe the conditions to these contracts and the commissions we must pay for solicitation of these contracts in the prospectus supplement.

Stabilization and Other Transactions

To facilitate the offering of securities, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the securities. This may include over-allotments or short sales of the securities, which involve the sale by persons participating in the offering of more securities than we sell to them. In these circumstances, these persons would cover such over-allotments or short positions by exercising their over-allotment option, if any, or making purchases in the open market. In addition, these persons may stabilize or maintain the price of the securities by bidding for or purchasing securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in the offering may be reclaimed if securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the securities at a level above that which might otherwise prevail in the open market. These transactions may be discontinued at any time.

Derivative Transactions and Hedging

We, the underwriters or other agents may engage in derivative transactions involving the securities. These derivatives may consist of short sale transactions and other hedging activities. The underwriters or agents may acquire a long or short position in the securities, hold or resell the securities acquired and purchase options or futures on the securities and other derivative

instruments with returns linked to or related to changes in the price of the securities. In order to facilitate these derivative transactions, we may enter into security lending or repurchase agreements with the underwriters or agents. The underwriters or agents may effect the derivative transactions through sales of the securities to the public, including short sales, or by lending the securities in order to facilitate short sale transactions by others. The underwriters or agents may also use the securities purchased or borrowed from us or others (or, in the case of derivatives, securities received from us in settlement of those derivatives) to directly or indirectly settle sales of the securities or close out any related open borrowings of the securities.

Indemnification

Underwriters, dealers or agents who participate in the distribution of securities may be entitled under agreements to be entered into with us to indemnification by us against certain liabilities, including liabilities under Canadian and United States securities laws, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

EXPERTS AND COUNSEL

The consolidated financial statements of CounterPath Corporation as of April 30, 2012 and April 30, 2011 and for the years then ended have been incorporated by reference in this prospectus in reliance on the report of BDO Canada LLP, an independent registered public accounting firm, which has also been incorporated by reference in this prospectus, given on the authority of said firm as experts in auditing and accounting.

The validity of the securities offered will be passed upon for us by Clark Wilson LLP. If the securities are being distributed through any underwriters, dealers or agents, certain legal matters may be passed upon for them by counsel identified in the applicable prospectus supplement.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The following documents filed by our company with the SEC are incorporated into this prospectus by reference:

1. our annual report on Form 10-K filed on July 19, 2012 (including portions of our proxy statement for the annual meeting of stockholders to be held on September 27, 2012, filed on August 13, 2012, to the extent specifically incorporated by reference therein);
2. our quarterly report on Form 10-Q filed on September 13, 2012;
3. our current reports on Form 8-K filed on June 22, 2012, July 2, 2012, August 21, 2012 and October 2, 2012; and
4. the description of our common stock contained in our Form 8-A filed on June 29, 2012, which refers to the description of our securities contained in our registration statement on Form S-1 filed on October 7, 2011, including any amendments or reports filed for the purpose of updating such description.

In addition to the foregoing, we incorporate by reference any filings we make under Section 13(a), 13(c), 14 or 15(d) of the United States Securities Exchange Act of 1934 (i) after the date of the initial registration statement and prior to the effectiveness of the registration statement and (ii) after the date of this prospectus and until the offering of the securities covered by this prospectus is completed; provided, however, that we are not incorporating by reference any additional documents or information furnished and not filed with the SEC.

The information incorporated by reference is considered to be a part of this prospectus, and the information we file later with the SEC will automatically update and supersede the information filed earlier.

We will provide to each person, including any beneficial holder, to whom a prospectus is delivered, at no cost, upon written or oral request, a copy of any or all of the information that has been incorporated by reference in the prospectus but not delivered with the prospectus. Requests for documents should be directed to CounterPath Corporation, Suite 300, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M3, Canada, Attention: Chief Financial Officer, telephone number (604) 320-3344. Exhibits to these filings will not be sent unless those exhibits have been specifically incorporated by reference in such filings.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Such filings are available to the public over the internet at the SEC's website at <http://www.sec.gov>.

You may read and copy any materials we file with SEC at the SEC's Public Reference Room at 100 F Street, N.E. Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Our filings can also be reviewed by accessing the SEC's website at <http://www.sec.gov>.



Tel: 604 688 5421
Fax: 604 688 5132
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

AUDITORS CONSENT

We have read the short form prospectus of CounterPath Corporation (the "Corporation") dated December 12, 2012 relating to the Short Form Base Shelf Prospectus for the issue of up to \$50,000,000 Common Stock, Preferred Stock, Debt Securities, Warrants, or Units. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned short form prospectus of our report to the shareholders of the Corporation on the consolidated balance sheets of the Corporation as at April 30, 2012 and 2011 and the consolidated statements of operations and comprehensive loss, cash flows, and changes in stockholders' equity for the years then ended. Our report is dated July 19, 2012.

(signed) "BDO CANADA LLP"

Chartered Accountants

Vancouver, Canada

December 12, 2012

CERTIFICATE OF COUNTERPATH CORPORATION

DATE: December 12, 2012

This short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the provinces of British Columbia and Ontario.

"Donovan Jones"

Donovan Jones
President, Chief Executive Officer and Director

"David Karp"

David Karp
Chief Financial Officer, Treasurer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Terence Matthews"

Terence Matthews
Director

"Chris Cooper"

Chris Cooper
Director

COUNTERPATH CORPORATION

US\$50,000,000

**Common Stock
Preferred Stock
Debt Securities
Warrants
Units**

Prospectus

December 12, 2012