

# PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
<b>CONVEYING PARTY DATA</b>	
Name	Execution Date
ConjuChem Biotechnologies Inc. (Canadian Corporation Number 6513590)	05/28/2010
<b>RECEIVING PARTY DATA</b>	
Name:	4523482 Canada Inc. (Canadian Corporation Number 4523482)
Street Address:	225 President-Kennedy Avenue
City:	Montreal (Quebec)
State/Country:	CANADA
Postal Code:	H2X 348
<b>PROPERTY NUMBERS Total: 5</b>	
Property Type	Number
Application Number:	11170967
Application Number:	11215967
Application Number:	11304446
Application Number:	12221553
Application Number:	12221554
<b>CORRESPONDENCE DATA</b>	
Fax Number:	(212)755-7306
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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Correspondent Name:	JONES DAY
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NAME OF SUBMITTER:	Wayne Szeto
Total Attachments: 63 source=ASN#page 1.tif	

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**PATENT**  
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RECORDATION FORM COVER SHEET  
**PATENTS ONLY**

To the Director of the U.S. Patent and Trademark Office: Please record the attached original documents or the new address(es) below

<b>1. Name of conveying party(ies):</b> ConjuChem Biotechnologies Inc. (Canadian Corporation Number 6513590)  Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>2. Name and address of receiving party(ies):</b>  Name: <u>4523482 Canada Inc.</u> (Canadian Corporation Number 4523482)  Address: <u>225 President-Kennedy Avenue</u> <u>Montreal (Quebec)</u> <u>H2X 3Y8</u>  Country (if other than USA): Canada Zip Code:   Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>3. Nature of conveyance:</b>  <input checked="" type="checkbox"/> Assignment Merger Security Agreement Change of Name Joint Research Agreement Government Interest Assignment Executive Order 9424, Confirmatory License Other  Execution Date: <u>May 28, 2010</u>			
<b>4. Application number(s) or patent number(s):</b> A. Patent Application No.(s) <u>11/170,967; 11/215,967; 11/304,446;</u> <u>12/221,553; and 12/221,554.</u> B. Patent No.(s) Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>5. Name and address of party to whom correspondence concerning document should be mailed:</b>  JONES DAY 222 East 41 <sup>st</sup> Street New York, New York 10017-6702		<b>6. Number of applications and patents involved:</b> <u>5</u> <b>7. Total fee (37 CFR 3.41):</b> .....\$200.00 Please charge to the deposit account listed in Section 8. <b>8. Deposit account number:</b> <u>50-3013</u>	
<b>DO NOT USE THIS SPACE</b>			
<b>9. Statement and signature.</b>  <i>To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.</i>  Wayne Szeto For Adriane M. Antler (Reg. No. 32,605) <u>59,672</u> <u>Wayne Szeto</u> <u>June 7, 2010</u> Name of Person Signing Reg. No. Signature Date  <div style="text-align: right;">Total number of pages including cover sheet: <span style="border: 1px solid black; padding: 2px;">63</span></div>			

Mail documents to be recorded with required cover sheet information to:  
Mail Stop Assignment Recordation Services  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450  
Or fax documents to Fax No.: 571-273-0140

### CONFIRMATORY ASSIGNMENT

WHEREAS, ConjuChem Biotechnologies Inc., a corporation organized and existing under the laws of Canada, having the Canadian corporation number 6513590, having a place of business at 225 President-Kennedy Avenue, Montreal (Quebec) H2X 3Y8, Canada ("ASSIGNOR"), is the owner of record in the United States Patent and Trademark Office of the entire right, title and interest in, to and under the U.S. patent applications listed on Appendix A hereto:

and WHEREAS, 4523482 Canada Inc., a corporation organized and existing under the laws of Canada, having the Canadian corporation number 4523482, having a place of business at 225 President-Kennedy Avenue, Montreal (Quebec) H2X 3Y8, Canada ("ASSIGNEE"), has been assigned from ASSIGNOR the entire right, title and interest in, to and under the U.S. patent applications listed on Appendix A hereto, pursuant to a Divestiture Agreement dated August 25, 2009 between ASSIGNOR and ASSIGNEE:

and WHEREAS on August 25, 2009, ASSIGNOR changed its name from ConjuChem Biotechnologies Inc. to Colabor Group Inc. and its address to 1620 De Montarville Blvd., Boucherville (Quebec) J4B 8P4, Canada;

and WHEREAS on August 25, 2009, ASSIGNEE changed its name from 4523482 Canada Inc. to ConjuChem Biotechnologies Inc. as a result of its amalgamation with 4503996 Canada Inc. as shown in the Certificate of Arrangement and Plan of Arrangement attached hereto:

NOW, THEREFORE, THIS CONFIRMATORY ASSIGNMENT hereby confirms that Assignor has assigned and conveyed to Assignee any and all of its entire right, title, and interest in, to, and under the U.S. patent applications listed on Appendix A hereto, and the inventions the subjects thereof, with the intent that the grant of any patents thereon shall be in the name of and vest in Assignee with all rights and powers arising or accruing therefrom including the rights to sue for damages and other remedies past and future in respect of any infringement of such rights.

AND ASSIGNOR HEREBY authorizes and requests the Commissioner for Patents and any Official of any country or countries foreign to the United States, whose duty it is to issue patents or other evidence or forms of industrial property protection on applications as aforesaid, to issue the same to ASSIGNEE, its successors, legal representatives and assigns.

IN WITNESS WHEREOF this confirmatory assignment is executed on behalf of Assignor on the  
28 day of May, 2010.



Gilles C. Lachance  
President and Chief Executive Officer

  
Witness Signature

Line Touchette  
Witness Printed Name

277 Presqu'île Charlevoix,  
Witness Residential Address Québec

  
Witness Signature

Marco Gagnon  
Witness Printed Name

418 des Pins St-Julie  
Witness Residential Address Qc

And on behalf of Assignee, on the \_\_\_ day of \_\_\_, 2010.

\_\_\_\_\_  
Mark D. Perrin  
President and Chief Executive Officer

Witness Signature

Witness Printed Name

Witness Residential Address

Witness Signature

Witness Printed Name

Witness Residential Address

## APPENDIX A

<b>Title</b>	<b>U.S. Patent Application No.</b>	<b>Filing Date</b>
Long Lasting Synthetic Exendin-4 Peptide Conjugates	11/170,967	June 29, 2005
Methods Involving Long Lasting Synthetic Exendin-4-Peptide Conjugates	11/215,967	August 30, 2005
Methods Involving Long Lasting Synthetic Exendin-4-Peptide Conjugates	11/304,446	December 14, 2005
Long Lasting Synthetic Exendin-4 Peptide Conjugates And Methods Of Use Thereof	12/221,553	August 8, 2008
Protection of Exendin-4 Peptides Through Conjugation	12/221,554	August 8, 2008



Industry Canada Industrie Canada

**Certificate of Arrangement**

**Certificat d'arrangement**

**Canada Business Corporations Act**

**Loi canadienne sur les sociétés par actions**

CONJUCHEM BIOTECHNOLOGIES INC. /

651359-0

BIOTECHNOLOGIES CONJUCHEM INC.

4503996 CANADA INC.

450399-6

4523482 CANADA INC.

452348-2

GESTION COLABOR INC. /

430050-5

COLABOR MANAGEMENT INC.

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

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

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

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

\_\_\_\_\_  
Richard G. Shaw  
Director - Directeur

August 25, 2009 / le 25 août 2009

\_\_\_\_\_  
Date of Arrangement - Date de l'arrangement

Canada





Industry Canada Industrie Canada  
Canada Business Loi canadienne sur les  
Corporations Act sociétés par actions

FORM 14.1  
ARTICLES OF ARRANGEMENT  
(SECTION 192)

FORMULAIRE 14.1  
CLAUSES D'ARRANGEMENT  
(ARTICLE 192)

1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) <b>CONJUCHEM BIOTECHNOLOGIES INC. / BIOTECHNOLOGIES CONJUCHEM INC. GESTION COLABOR INC. / COLABOR MANAGEMENT INC. 4503996 CANADA INC. 4523482 CANADA INC.</b>	2 -- Corporation No (s) - N°(s) de la(des) société(s) <b>651359-0 430050-5 450399-6 452348-2</b>
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant <b>CONJUCHEM BIOTECHNOLOGIES INC. / BIOTECHNOLOGIES CONJUCHEM INC.</b>	4 -- Corporation No (s) - N°(s) de la(des) société(s) <b>651359-0</b>
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant <b>CONJUCHEM BIOTECHNOLOGIES INC</b>	6 -- Corporation No (s) - N°(s) de la(des) société(s) <b>452859-0</b>
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant <b>N/A</b>	8 -- Corporation No (s) - N°(s) de la(des) société(s)
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant	10 -- Corporation No (s) or Jurisdiction of Incorporation N°(s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a ☒ The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement  
Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

**CONJUCHEM BIOTECHNOLOGIES INC. /  
BIOTECHNOLOGIES CONJUCHEM INC.**

The name of **CONJUCHEM BIOTECHNOLOGIES INC. /** is changed to **COLABOR GROUP INC. / GROUPE COLABOR INC.**

La dénomination sociale de **BIOTECHNOLOGIES CONJUCHEM INC.** est modifiée pour **COLABOR GROUP INC. / GROUPE COLABOR INC.**

- b ☒ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement  
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c ☐ The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement  
La(des) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected  
Le plan d'arrangement ci-joint portant sur la(des) personne(s) morale(s) susmentionnée(s) prend effet

a. See Appendix 1 annexed hereto for the plan of arrangement (the "Plan of Arrangement") and Schedule "B" thereof for the rights, privileges, restrictions and conditions attaching to (i) the Common Shares modified under the arrangement and renamed "Redeemable Common Shares" and (ii) the Common Shares and the Preferred Shares created under the arrangement, the whole in accordance with section 2.03 (iv) of the Plan of Arrangement

b. 4503996 Canada Inc and 4523482 Canada Inc will be amalgamated pursuant to section 2.03 (xx) of the Plan of Arrangement.  
See Appendix 2 annexed hereto.

Signature 	Printed Name - Nom en lettres moulées <b>Clemens Mayr</b>	12 -- Capacity of - En qualité de <b>Secretary</b>	13 -- Tel. No - N° de tél <b>(514) 397-4258</b>
FOR DEPARTMENTAL USE ONLY - À L'USAGE DES MINISTÈRES <b>AUG 25 2009</b>			

RC 3189 (2003/06)

Canada

## APPENDIX 1

### PLAN OF ARRANGEMENT

(See attached document.)

CONJUCHEM BIOTECHNOLOGIES INC.

AND

4503996 CANADA INC.

AND

4523482 CANADA INC.

PLAN OF ARRANGEMENT  
UNDER SECTION 192(3)  
OF THE CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1  
INTERPRETATION

Section 1.01 Definitions.

In this Plan of Arrangement the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Amalco" means the corporation resulting from the Amalgamation pursuant to the Certificate;

"Amalco Convertible Debentures" means the 8% convertible unsecured subordinated debentures of Amalco due December 31, 2010;

"Amalco Options" means the Amalco Share purchase options;

"Amalco Shares" means the common shares in the capital of Amalco having the features set out in Schedule "A" hereto;

"Amalco Supplemental Debenture Indenture" means the supplemental indenture to be entered into in accordance with the New ConjuChem OpCo Supplemental Debenture Indenture pursuant to which, in accordance with the New ConjuChem OpCo Supplemental Debenture Indenture and the ConjuChem Debenture Indenture, Amalco assumes all of the covenants and obligations of New ConjuChem OpCo under the New ConjuChem OpCo Supplemental Debenture Indenture and the ConjuChem Debenture Indenture in respect of the New ConjuChem OpCo Convertible Debentures, which supplemental indenture shall, following the Amalgamation, entitle the holders of the New ConjuChem OpCo Convertible Debentures after the Effective Time to acquire Amalco Shares, *in lieu* of New ConjuChem OpCo Shares, on conversion of the ConjuChem Convertible Debentures;

"Amalco Supplemental Warrant Indentures" means the supplemental indentures to be entered into in accordance with the New ConjuChem OpCo Supplemental Warrant Indentures pursuant to which, in accordance with the New ConjuChem OpCo Supplemental Warrant Indentures and the ConjuChem Warrant Indentures, Amalco assumes all of the covenants and obligations of New ConjuChem OpCo under the New ConjuChem OpCo Supplemental Warrant Indentures and the ConjuChem Warrant Indentures in respect of the New ConjuChem OpCo Warrants, which supplemental indentures shall, following the Amalgamation, entitle the holders of the New ConjuChem OpCo Warrants after the Effective Time to acquire Amalco Shares, *in lieu* of New ConjuChem OpCo Shares, on exercise of the New ConjuChem OpCo Warrants;

"Amalco Warrants" means the Amalco Share purchase warrants;

"Amalgamation" has the meaning ascribed thereto in Section 2.03(b)(xx);

**"Arrangement"** means the arrangement involving the Fund, Fund Unitholders, CLP, CLP Exchangeable Unitholders, Fund Convertible Debenture holders, ConjuChem, ConjuChem Shareholders, ConjuChem Rightsholders, New ConjuChem and New ConjuChem OpCo under the provisions of Section 192(2) of the CBCA as set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement or this Plan of Arrangement or made at the direction of the Court;

**"Arrangement Agreement"** means an arrangement agreement dated July 8, 2009 between the Fund, ConjuChem, New ConjuChem and New ConjuChem OpCo;

**"Articles of Arrangement"** means one or more articles of arrangement in respect of the Arrangement required under subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted, which shall be in a form and content satisfactory to the Fund and ConjuChem, each acting reasonably;

**"Assumed Liabilities"** has the meaning ascribed thereto in the Divestiture Agreement;

**"business day"** means a day, other than a Saturday, a Sunday or other day on which commercial banks in Montreal, Quebec are closed;

**"CBCA"** means the *Canada Business Corporations Act*, as amended;

**"Certificate"** means the certificate to be issued by the Director pursuant to subsection 192(7) of the CBCA giving effect to the Arrangement;

**"Closing Date"** shall be the second business day following receipt of the Final Order provided, however, that if the conditions set forth in the Arrangement Agreement shall not have been satisfied or waived on or by such date, the Closing Date shall be the third business day after such conditions shall have been satisfied or waived, but in no event shall the Closing Date be later than the business day prior to the Outside Date (as defined in the Arrangement Agreement);

**"CLP"** means Colabor Limited Partnership, a limited partnership existing under the laws of Québec;

**"CLP Exchangeable Unitholder"** means the holders of CLP Exchangeable Units;

**"CLP Exchangeable Units"** means Exchangeable LP Units of CLP;

**"ConjuChem"** means ConjuChem Biotechnologies Inc., a corporation existing under the laws of Canada;

**"ConjuChem Convertible Debentures"** means the 8% convertible unsecured subordinated debentures of ConjuChem due December 31, 2010, issued pursuant to the terms of the ConjuChem Debenture Indenture and convertible into ConjuChem Shares;

**"ConjuChem Debenture Indenture"** means the debenture indenture between Computershare Trust Company of Canada and ConjuChem dated December 13, 2007, governing the terms of the ConjuChem Convertible Debentures;

**"ConjuChem Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"ConjuChem Information Circular"** means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to the ConjuChem

Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

**"ConjuChem Letters of Transmittal"** means the letters of transmittal to be sent by ConjuChem to ConjuChem Shareholders and to ConjuChem Warrantholders, respectively, in connection with the Arrangement;

**"ConjuChem New Common Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem New Preferred Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem Options"** means the stock options issued to directors, senior officers, employees and consultants of ConjuChem, governed by the terms of the ConjuChem Stock Option Plan and permitting the holders thereof to purchase an aggregate of up to 21,758,680 ConjuChem Shares;

**"ConjuChem Redeemable Common Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem Rights"** means the rights to acquire ConjuChem Shares upon exercise or conversion, as the case may be, of ConjuChem Options, ConjuChem Warrants or ConjuChem Convertible Debentures;

**"ConjuChem Rightsholders"** means the holders from time to time of ConjuChem Rights;

**"ConjuChem Securityholders"** means the ConjuChem Shareholders and the ConjuChem Rightsholders;

**"ConjuChem Shareholders"** means the holders from time to time of ConjuChem Shares;

**"ConjuChem Shares"** means the common shares of ConjuChem;

**"ConjuChem Stock Option Plan"** means the stock option plan of ConjuChem adopted in 2006, as amended on March 6, 2007;

**"ConjuChem Supplemental Debenture Indenture"** means the supplemental indenture to be entered into in accordance with the Fund Debenture Indenture pursuant to which ConjuChem shall become a co-debtor under the Fund Debenture Indenture in respect of the Fund Convertible Debentures, which supplemental indenture shall entitle the holders of the Fund Convertible Debentures, after the Effective Time, to acquire ConjuChem New Common Shares from the Fund, *in lieu* of the Fund Ordinary Units, on conversion of the Fund Convertible Debentures;

**"ConjuChem Warrantholders"** means the holders from time to time of ConjuChem Warrants;

**"ConjuChem Warrants"** means the 131,201,750 common share purchase warrants of ConjuChem, each of which entitles the holder to acquire, subject to adjustment, one ConjuChem Share issued pursuant to the terms of the ConjuChem Warrant Indentures;

**"ConjuChem Warrant Indentures"** means the warrant indenture dated November 28, 2006 and the warrant indenture dated December 13, 2007, governing the terms of the ConjuChem Warrants;

**"Consolidation Ratio"** means the fraction, the numerator of which is the weighted average of the trading price of the ConjuChem Shares for the ten trading days immediately before the Effective Date and the denominator of which is the weighted average of the trading price of the Fund Ordinary Units for the ten trading days immediately before the Effective Date;

**"Court"** means the Superior Court of Québec;

**"Debenture Trustee"** means Computershare Trust Company of Canada;

**"Director"** means the Director appointed under section 260 of the CBCA;

**"Dissenting Shareholder"** means any registered ConjuChem Shareholder who has duly exercised its rights of dissent provided for hereunder and in the Interim Order;

**"Dissenting Unitholder"** means any registered holder of Fund Ordinary Units who has duly exercised its rights of dissent provided for hereunder and in the Interim Order;

**"Divested Assets"** means the Assets as such term is defined in the Divestiture Agreement;

**"Divestiture Agreement"** means the divestiture agreement to be entered into between ConjuChem, New ConjuChem OpCo and the Fund as the Effective Time providing for the transfer of the Divested Assets to New ConjuChem OpCo and the assumption by New ConjuChem OpCo of the Transferred Liabilities, the form of which is attached to the Arrangement Agreement;

**"Effective Date"** means the date shown on the Certificate;

**"Effective Time"** means 12:01 a.m. on the Effective Date;

**"Exchange Ratio"** means the fraction, the numerator of which is the weighted average of the trading price of the Fund Ordinary Units for the ten trading days immediately before the Effective Date and the denominator of which is the weighted average of the trading price of the ConjuChem Shares for the ten trading days immediately before the Effective Date.

**"Final Order"** means the final order of the Court approving the Arrangement as such order may be amended by the Court (with the consent of both the Fund and ConjuChem, each acting reasonably) at any time prior to the Effective Date in respect of which any applicable delay to appeal has expired without appeal or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Fund and ConjuChem, each acting reasonably) on appeal;

**"Fund"** means Colabor Income Fund, a trust existing under the laws of Québec;

**"Fund Convertible Debentures"** means the 7% extendible convertible unsecured subordinated debentures of the Fund issued pursuant to the terms of the Fund Debenture Indenture and convertible into Fund Ordinary Units;

**"Fund Debenture Indenture"** means the debenture indenture between Computershare Trust Company of Canada and the Fund dated January 4, 2007, governing the terms of the Fund Convertible Debentures;

**"Fund Declaration of Trust"** means the amended and restated declaration of trust of the Fund dated June 28, 2005;

**"Fund Information Circular"** means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to the Fund Unitholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

**"Fund Letter of Transmittal"** means the letter of transmittal to be sent by the Fund to the holders of Fund Ordinary Units in connection with the Arrangement, in the form accompanying the Fund Information Circular;

**"Fund Loan Amount"** means the aggregate amount payable pursuant to the Fund Loan Promissory Note, which amount shall be equal to \$5,000,000;

**"Fund Loan Promissory Note"** means the promissory note of ConjuChem, in the principal amount of the Fund Loan Amount, to be issued to CLP pursuant to Section 2.03(b)(ii) in consideration of the loan to ConjuChem by CLP in the amount of the Fund Loan Amount;

**"Fund Ordinary Units"** means the ordinary trust units of the Fund designated as such in the Fund Declaration of Trust;

**"Fund Special Voting Units"** means the special voting units of the Fund designated as such in the Fund Declaration of Trust;

**"Fund Unitholders"** means the holders of Fund Units;

**"Fund Units"** means the Fund Ordinary Units and the Fund Special Voting Units;

**"Indemnity Agreement"** means the indemnity agreement to be entered into between ConjuChem, New ConjuChem and New ConjuChem OpCo as of the Effective Time, the form of which is attached to the Arrangement Agreement;

**"Interim Order"** means the interim order of the Court pursuant to subsection 192(4) of the CBCA providing for, among other things, the calling and holding of the Meetings, as the same may be amended by the Court with the consent of the Fund and ConjuChem, each acting reasonably;

**"Meeting"** means either the special meeting of Fund Unitholders or the special meeting of ConjuChem Securityholders, as the case may be, to be held to consider the Arrangement, and any adjournment thereof;

**"New ConjuChem"** means 4503996 Canada Inc., a corporation existing under the CBCA;

**"New ConjuChem Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"New ConjuChem OpCo"** means 4523482 Canada Inc., a corporation existing under the CBCA;

**"New ConjuChem OpCo Convertible Debentures"** means the New ConjuChem OpCo Convertible Debentures issued in replacement of the ConjuChem Convertible Debentures;

**"New ConjuChem OpCo Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"New ConjuChem OpCo Supplemental Debenture Indenture"** means the supplemental indenture to be entered into in accordance with the ConjuChem Debenture Indenture pursuant to which, in accordance with the ConjuChem Debenture Indenture, New ConjuChem OpCo assumes, and ConjuChem is released from, all of the covenants and obligations of ConjuChem under the ConjuChem Debenture Indenture in respect of the ConjuChem Convertible Debentures;

**"New ConjuChem OpCo Supplemental Warrant Indentures"** means the supplemental indentures to be entered into in accordance with the ConjuChem Warrant Indentures pursuant to which, in accordance with the ConjuChem Warrant Indentures, New ConjuChem OpCo assumes, and ConjuChem is released from, all of the covenants and obligations of ConjuChem under the ConjuChem Warrant Indentures in respect of the ConjuChem Warrants;

**"New ConjuChem OpCo Warrants"** means New ConjuChem OpCo share purchase warrants issued in continuation of the ConjuChem Warrants;

**"New ConjuChem Options"** means the ConjuChem Share purchase options issued in replacement of the ConjuChem Options;

**"New ConjuChem Shareholders"** means the holders of New ConjuChem Shares;

**"New ConjuChem Shares"** means the common shares in the capital of New ConjuChem;

**"New ConjuChem Stock Option Plan"** means the stock option plan to be adopted by New ConjuChem having the terms and conditions described in the ConjuChem Information Circular;

**"Person"** includes any individual, firm, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, body corporate, corporation, company, unincorporated association or organization, governmental authority, syndicate or other entity, whether or not having legal status;

**"Roll-Over Agreement"** means the exchange agreement to be entered into between the CLP Exchangeable Unitholder and ConjuChem pursuant to which the CLP Exchangeable Unitholder will transfer its CLP Exchangeable Units and its Fund Special Voting Units in exchange for a number of ConjuChem New Common Shares determined by applying the Exchange Ratio to the number of Fund Special Voting Units transferred;

**"Subsidiary"** has the meaning ascribed thereto in the CBCA;

**"Tax Act"** means the *Income Tax Act* (Canada), as amended;

**"Transferred Liabilities"** means the Assumed Liabilities and the Other Assumed Liabilities as such terms are defined in the Divestiture Agreement; and

**"Warrant Trustee"** means Computershare Trust Company of Canada;

## Section 1.02 Schedules

Schedule "A" Terms of the Amalco Shares

Schedule "B" Share Capital of ConjuChem

Schedule "C" ConjuChem By-Law No. 2

## Section 1.03 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into articles, sections and other portions and the insertion of headings are for reference purposes only and shall not affect the interpretation of this Plan of Arrangement



Unless otherwise indicated, any reference in this Plan of Arrangement to "Article" or "section" followed by a number refers to the specified Article or section of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereunder" and similar expressions refer to this Plan of Arrangement, and any amendments, variations or supplements hereto made in accordance with the terms hereof or the Arrangement Agreement or made at the direction of the Court in the Final Order and do not refer to any particular Article, section or other portion of this Plan of Arrangement.

**Section 1.04 Rules of Construction.**

In this Plan of Arrangement, unless the context otherwise requires, (a) words importing the singular number include the plural and vice versa, (b) words importing any gender include all genders, and (c) "include", "includes" and "including" shall be deemed to be followed by the words "without limitation".

**Section 1.05 Date of Any Action.**

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a business day, such action shall be required to be taken on the next succeeding day which is a business day.

**Section 1.06 Time.**

Time shall be of the essence in every matter or action contemplated hereunder.

**Section 1.07 Currency.**

Unless otherwise stated, all references in this Plan of Arrangement to sums of money and payments to be made hereunder are expressed in lawful money of Canada.

**Section 1.08 Statutes.**

Any reference to a statute includes all rules and regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation or rule which amends, supplements or supersedes any such statute, regulation or rule.

## ARTICLE 2 ARRANGEMENT

**Section 2.01 Arrangement Agreement.**

This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms part of the Arrangement Agreement, and constitutes an arrangement as referred to in Section 192 of the CBCA.

**Section 2.02 Binding Effect.**

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate, will become effective at, and be binding at and after, the Effective Time on ConjuChem, New ConjuChem, New ConjuChem OpCo, all registered and beneficial ConjuChem Securityholders, all creditors of the ConjuChem, the Fund, CLP, all registered and beneficial Fund Unitholders, CLP Exchangeable Unitholders and the holders of Fund Convertible Debentures.

**Section 2.03 Arrangement.**

- (a) On the Effective Date, the following events set out in this Section 2.03 shall occur and shall be deemed to occur consecutively in the order set out in this Section 2.03 without any further authorization, act or formality:
- (b) Effective at the Effective Time:
  - (i) The Fund Declaration of Trust shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions described herein all as may be reflected in a further amended and restated declaration of trust to be dated as of the Effective Date;
  - (ii) The Fund, through CLP, shall loan to ConjuChem the Fund Loan Amount and, in consideration therefor, ConjuChem shall issue and deliver to CLP the Fund Loan Promissory Note;
  - (iii) ConjuChem shall transfer, assign and convey (the "Transfer") to New ConjuChem OpCo the Divested Assets and, in consideration therefor, New ConjuChem OpCo shall assume (the "Assumption") the Transferred Liabilities as well as issue to ConjuChem such number of fully paid New ConjuChem OpCo common shares to be equal to the number of outstanding ConjuChem Shares immediately prior to the Effective Time, all on the terms and conditions set forth in the Divestiture Agreement. The Transfer and the Assumption shall be deemed to:
    - (A) operate as a novation by substitution of ConjuChem by New ConjuChem OpCo with respect to all Transferred Liabilities, such that ConjuChem shall be fully and irrevocably released and forever discharged by all Persons with respect to all Transferred Liabilities by the effect of such novation. In particular:
      - (I) each of the ConjuChem Warrants outstanding immediately prior to the Effective Date shall continue as a New ConjuChem OpCo Warrant. All terms and conditions of such New ConjuChem OpCo Warrants will be the same as the terms and conditions of such ConjuChem Warrants. In connection therewith, ConjuChem, New ConjuChem OpCo and the Warrant Trustee shall enter into the New ConjuChem OpCo Supplemental Warrant Indentures;
      - (II) New ConjuChem OpCo shall assume, and ConjuChem shall be unconditionally released from, all the covenants and obligations of ConjuChem under the ConjuChem Debenture Indenture in respect of the ConjuChem Convertible Debentures for consideration with a fair market value equivalent to the principal amount of the ConjuChem Convertible Debentures such that the ConjuChem Convertible Debentures shall be valid and binding obligations of New ConjuChem OpCo entitling the holders thereof, as and solely against New ConjuChem OpCo, to all the rights of holders of ConjuChem Convertible Debentures under the ConjuChem Debenture Indenture and in connection therewith, ConjuChem, New ConjuChem OpCo and the Debenture Trustee shall enter into the New ConjuChem OpCo Supplemental Debenture Indenture;

- (B) transfer, assign and convey to New ConjuChem OpCo all rights, defenses and counter-claims, of any kind whatsoever, that ConjuChem ever had, now has or may have in the future or prior to the Effective Time in connection with the Transferred Liabilities; and
- (C) operate as a novation by substitution of ConjuChem by New ConjuChem OpCo as creditor of all rights, benefits and interests in connection with the Divested Assets that ConjuChem ever had, now has or may have in the future or prior to the Effective Time;
- (iv) The existing share capital of ConjuChem shall be, and shall be deemed to be, amended to (i) add a redemption right to the ConjuChem Shares, such ConjuChem Shares being hereafter referred to as the ConjuChem Redeemable Common Shares, having the features set forth in Schedule "B" hereto (the "**ConjuChem Redeemable Common Shares**"), (ii) to create a new class of shares having the features set forth in Schedule "B" hereto (the "**ConjuChem New Common Shares**"), and (iii) to create a new class of preferred shares issuable in series having the features set forth in Schedule "B" hereto (the "**ConjuChem New Preferred Shares**");
- (v) The holders of the Fund Ordinary Units (including Dissenting Unitholders) shall transfer, and shall be deemed to have transferred, each Fund Ordinary Unit to ConjuChem in exchange for a number of ConjuChem New Common Shares determined pursuant to the Exchange Ratio;
- (vi) ConjuChem shall add to the stated capital account in respect of the ConjuChem New Common Shares only a part of the amount of the consideration received for the ConjuChem New Common Shares, such part being equal to the aggregate of the costs (determined pursuant to paragraph 85 1(8)(e) of the Tax Act) to ConjuChem of the Fund Ordinary Units;
- (vii) The ConjuChem Shareholders (including Dissenting Shareholders) shall transfer, and shall be deemed to have transferred, the ConjuChem Redeemable Common Shares to New ConjuChem in exchange for New ConjuChem Shares on a one-for-one basis;
- (viii) The New ConjuChem Shares received by Dissenting Shareholders pursuant to Section 2.03(b)(vii) shall be, and shall be deemed to be, cancelled and the Dissenting Shareholders shall cease to have any rights as New ConjuChem Shareholders and ConjuChem Shareholders other than the right to be paid by New ConjuChem, in accordance with Section 3.01, an amount equal to the fair value of the ConjuChem Shares held by such Dissenting Shareholder immediately prior to the Effective Time;
- (ix) The ConjuChem Redeemable Common Shares shall be, and shall be deemed to have been, redeemed by ConjuChem and the aggregate redemption price shall be, and shall be deemed to be, satisfied by the transfer by ConjuChem to New ConjuChem of all of the issued and outstanding shares of New ConjuChem OpCo held by ConjuChem, whereupon all of the ConjuChem Redeemable Common Shares shall be, and shall be deemed to be, cancelled. Following the redemption of the ConjuChem Redeemable Common Shares, the ConjuChem Redeemable Common Shares shall be repealed from the authorized share capital of ConjuChem;
- (x) The ConjuChem New Common Shares received by Dissenting Unitholders pursuant to Section 2.03(b)(v) shall be, and shall be deemed to be, cancelled and the Dissenting Unitholders shall cease to have any rights as ConjuChem Shareholders and Fund Unitholders

other than the right to be paid by ConjuChem, in accordance with Section 3.02, an amount equal to the fair value of the Fund Ordinary Units held by such Dissenting Unitholders immediately prior to the Effective Time;

- (xi) ConjuChem shall change its name to "Colabor Group Inc." in the English language form and "Groupe Colabor Inc." in the French language form;
- (xii) The CLP Exchangeable Unitholder shall transfer, and shall be deemed to have transferred to ConjuChem its CLP Exchangeable Units and its Fund Special Voting Units in exchange for a number of ConjuChem New Common Shares determined by applying the Exchange Ratio to the number of Fund Special Voting Units transferred, on the terms and conditions set forth in the Roll-Over Agreement;
- (xiii) The articles of ConjuChem shall be, and shall be deemed to be, amended to provide that the directors of ConjuChem shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third (1/3) of the number of directors elected at the previous annual meeting of shareholders;
- (xiv) The ConjuChem New Common Shares will be consolidated based on the Consolidation Ratio;
- (xv) New ConjuChem shall adopt, and be deemed to have adopted, the New ConjuChem Stock Option Plan;
- (xvi) Each of the ConjuChem Options outstanding immediately prior to the Effective Date shall be cancelled and replaced by a New ConjuChem Option. The New ConjuChem Options will be governed by the terms of the New ConjuChem Stock Option Plan. Option certificates previously evidencing such ConjuChem Options shall thereafter evidence and be deemed to evidence such New ConjuChem Options issued in replacement thereof;
- (xvii) The ConjuChem Stock Option Plan shall be, and shall be deemed to be, cancelled and terminated;
- (xviii) ConjuChem shall be added as a co-debtor under the Fund Debenture Indenture in respect of the Fund Convertible Debentures such that the Fund Convertible Debentures shall also be valid and binding obligations of ConjuChem entitling the holders thereof, as against ConjuChem, to all the rights of holders of the Fund Convertible Debentures under the Fund Debenture Indenture, and in connection therewith, the Fund, ConjuChem and the Debenture Trustee shall enter into the ConjuChem Supplemental Debenture Indenture;
- (xix) The stated capital account of New ConjuChem OpCo common shares shall be, and shall be deemed to be, reduced to \$1, without any payment to the holders of New ConjuChem OpCo common shares;
- (xx) New ConjuChem and New ConjuChem OpCo shall be amalgamated (the "Amalgamation") with the same effect as provided in Section 181 of the CBCA and, as such, shall continue in existence as one and the same company, being Amalco, under the CBCA on the following terms and conditions:

- (A) the name of Amalco shall be "ConjuChem Biotechnologies Inc." in the English language form and "ConjuChem Biotechnologies Inc" in the French language form;
- (B) the registered office of Amalco shall be situated in the Province of Québec;
- (C) Amalco shall be authorized to issue an unlimited number of Amalco Shares, without par value;
- (D) there shall be no restrictions on the activities that Amalco is authorized to carry on, nor any restrictions on the transfer of Amalco Shares;
- (E) the board of directors of Amalco will consist of not less than three and not more than ten directors, the exact number of which shall be determined by the directors from time to time;
- (F) the directors of Amalco shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third ( $\frac{1}{3}$ ) of the number of directors elected at the previous annual meeting of shareholders;
- (G) the first directors of Amalco who shall hold office until the next annual meeting of shareholders of Amalco or until their successors are elected or appointed, shall be the persons whose names, addresses and occupations appear below:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Felix J. Baker	666 Greenwich Street, apt. 910 New York, New York United States 10021	Managing Partner, Baker Brothers Investments (life sciences investment fund)
William K. Heiden	10 Livingston Road Wellesley, Massachusetts United States 02482	Consultant
Jacques R. Lapointe	7774 Tenth Sideroad Milton, Ontario Canada L9T 4Y9	Chairman of the Board of ConjuChem and Corporate director
Mark Perrin	1712 Mount Curve Ave. Minneapolis, Minnesota United States 55093	President and Chief Executive Officer of ConjuChem
Steve Petrone	18129 Elkas Blvd Kirkland, Québec Canada H9J 3E1	Chief Financial Officer, 20-20 Technologies Inc (high-technology company)
Craig Saxton	628 Hambourg Road	Corporate director

	Lyme, Connecticut United States 06371	
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- (H) the by-laws of Amalco shall be the by-laws of New ConjuChem in effect prior to the Effective Date;
  - (I) all of the rights and properties of New ConjuChem and New ConjuChem OpCo immediately before the Amalgamation become the rights and properties of Amalco by virtue of the Amalgamation;
  - (J) all of the liabilities of New ConjuChem and New ConjuChem OpCo immediately before the Amalgamation become the liabilities of Amalco by virtue of the Amalgamation;
- (xxi) On the Amalgamation referred to in Section 2.03(b)(xx) above;
- (A) each of the issued and outstanding New ConjuChem Shares immediately prior to the Amalgamation shall be converted into one Amalco Share;
  - (B) All of the New ConjuChem OpCo common shares held by New ConjuChem shall be cancelled without any repayment of capital in respect thereof;
  - (C) Each of the New ConjuChem OpCo Warrants outstanding immediately prior to the Amalgamation shall become an Amalco Warrant. All terms and conditions of such Amalco Warrants will be the same as the terms and conditions of such New ConjuChem OpCo Warrants. In connection therewith, Amalco and the Warrant Trustee shall enter into the Amalco Supplemental Warrant Indentures;
  - (D) Each of the New ConjuChem Options outstanding immediately prior to the Amalgamation shall become an Amalco Option. All terms and conditions of such Amalco Options will be the same as the terms and conditions of such New ConjuChem Options. Option certificates previously evidencing such New ConjuChem Options shall thereafter evidence and be deemed to evidence such Amalco Options issued in replacement thereof;
  - (E) Each of the New ConjuChem OpCo Convertible Debentures outstanding immediately prior to the Amalgamation shall become an Amalco Convertible Debenture. All terms and conditions of such Amalco Convertible Debentures will be the same as the terms and conditions of such New ConjuChem OpCo Convertible Debentures. Convertible debenture certificates previously evidencing such New ConjuChem OpCo Convertible Debentures shall thereafter evidence and be deemed to evidence such Amalco Convertible Debentures issued in replacement thereof and in connection therewith, Amalco and the Debenture Trustee shall enter into the Amalco Supplemental Debenture Indenture;
- (xxii) The auditors of Amalco shall be Ernst & Young LLP;
- (xxiii) The auditors of ConjuChem shall be changed to Raymond Chabot Grant Thornton LLP;

- (xxiv) ConjuChem shall adopt, and be deemed to adopt, the general by-law No. 2 attached hereto as Schedule "C" and by-law No. 1 of ConjuChem shall be deemed to be replaced; and
- (xxv) On or before December 31, 2009, the stated capital of the ConjuChem New Common Shares shall be reduced, without further formality or approval, and without any payment to the holders of ConjuChem New Common Shares, by an amount to be determined by the directors of ConjuChem which shall not exceed \$30 million.

### ARTICLE 3 RIGHTS OF DISSENT

#### Section 3.01 Rights of Dissent of ConjuChem Shareholders.

- (a) Each registered ConjuChem Shareholder shall have the right to dissent with respect to the Arrangement in accordance with the Interim Order. The New ConjuChem Shares held by a Dissenting Shareholder pursuant to and immediately after the step contemplated in Section 2.03(b)(vii) that were received by the Dissenting Shareholder in consideration for such Dissenting Shareholder's ConjuChem Redeemable Common Shares shall be deemed to be cancelled and such New ConjuChem Shares shall be deemed to no longer be issued and outstanding as of the Effective Time. The Dissenting Shareholder shall, at the Effective Time, and immediately after the step contemplated in Section 2.03(b)(vii) and for greater certainty before the amalgamation contemplated in Section 2.03(b)(xx), cease to have any rights as a New ConjuChem Shareholder and ConjuChem Shareholder and shall only be entitled to be paid by New ConjuChem the fair value of the ConjuChem Shares held by such Dissenting Shareholder immediately prior to the Effective Time. The fair value of the ConjuChem Shares shall be determined as of the close of business on the last business day before the day on which the Arrangement is approved by the holders of ConjuChem Shares at the Meeting. Notwithstanding subsection (25) of section 190 of the CBCA, a Dissenting Shareholder shall not be entitled to withdraw the ConjuChem Shareholder's notice of dissent in the circumstances contemplated therein. In no event shall ConjuChem or New ConjuChem be required to recognize a Dissenting Shareholder as a shareholder of ConjuChem or New ConjuChem after the Effective Time and the names of such holders shall be removed from the register of shareholders as at the Effective Time. ConjuChem Shareholders who have given a demand for payment which remains outstanding as at the Effective Time in accordance with the rights of dissent in respect of this Plan of Arrangement and who are ultimately not so entitled to be paid the fair value by New ConjuChem for the ConjuChem Shares in respect of which they dissent, shall not be, or be reinstated as, a ConjuChem Shareholder but for purposes of receipt of consideration shall be treated as if they had participated in this Plan of Arrangement on the same basis as a non-dissenting holder of ConjuChem Shares and accordingly shall be entitled to receive the New ConjuChem Shares as non-dissenting holders of ConjuChem Shares are entitled to receive on the basis set forth in Article 2 of this Plan of Arrangement.
- (b) For greater certainty, in no case shall ConjuChem, New ConjuChem or any other Person be required to recognize a Dissenting Shareholder as a shareholder of ConjuChem or New ConjuChem after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the register of ConjuChem Shareholders on the Effective Date and immediately after the step contemplated in Section 2.03(b)(vii) and for greater certainty before the amalgamation contemplated in Section 2.03(b)(xx). In addition to any other restrictions under Section 190 of the CBCA and, for greater certainty, none of the following shall be entitled to exercise Dissent Rights: (i) holders of ConjuChem Options, ConjuChem Warrants or ConjuChem Convertible Debentures and (ii) ConjuChem Shareholders who vote, or who have instructed a proxyholder to vote and have not revoked such instructions, in favor of the Arrangement.

### Section 3.02      Rights of Dissent of Fund Unitholders

- (a) Each registered Fund Unitholder shall have the right to dissent with respect to the Arrangement in accordance with the Interim Order. The ConjuChem New Common Shares held by a Dissenting Unitholder pursuant to and immediately after the step contemplated in Section 2.03(b)(v) that were received by the Dissenting Unitholder in consideration for such Dissenting Unitholder's Fund Ordinary Units shall be deemed to be cancelled and such ConjuChem New Common Shares shall be deemed to no longer be issued and outstanding as of the Effective Time. The Dissenting Unitholder shall, at the Effective Time, cease to have any rights as a ConjuChem Shareholder and as a Fund Unitholder and shall only be entitled to be paid by ConjuChem the fair value of the Fund Ordinary Units held by such Dissenting Unitholder immediately prior to the Effective Time. The fair value of the Fund Ordinary Units shall be determined as of the close of business on the last business day before the day on which the Arrangement is approved by the holders of Fund Units at the Meeting. Notwithstanding subsection (25) of section 190 of the CBCA, a Dissenting Unitholder shall not be entitled to withdraw the Fund Unitholder's notice of dissent in the circumstances contemplated therein. In no event shall the Fund or ConjuChem be required to recognize a Dissenting Unitholder as a unitholder of the Fund or a shareholder of ConjuChem after the Effective Time and the names of such Dissenting Unitholders shall be removed from the register of unitholders and shareholders as at the Effective Time. Fund Unitholders who have given a demand for payment which remains outstanding as at the Effective Time in accordance with the rights of dissent in respect of this Plan of Arrangement and who are ultimately not so entitled to be paid the fair value by ConjuChem for the Fund Ordinary Units in respect of which they dissent, shall not be, or be reinstated as, unitholders of the Fund but for purposes of receipt of consideration shall be treated as if they had participated in this Plan of Arrangement on the same basis as a non-dissenting holder of Fund Ordinary Units and accordingly shall be entitled to receive the ConjuChem New Common Shares as non-dissenting holders of Fund Ordinary Units are entitled to receive on the basis set forth in Article 2 of this Plan of Arrangement.
- (b) For greater certainty, in no case shall the Fund, ConjuChem or any other Person be required to recognize Dissenting Unitholders as holders of Fund Ordinary Units after the Effective Time, and the names of such Dissenting Unitholders shall be deleted from the register of Fund Unitholders on the Effective Date.

## ARTICLE 4 CERTIFICATES AND DELIVERY

### Section 4.01      Exchange of ConjuChem Share Certificates.

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, New ConjuChem shall deposit with the New ConjuChem Depositary, for the benefit of ConjuChem Shareholders, sufficient New ConjuChem Shares to comply with Section 2.03(b)(vii). Upon surrender to the New ConjuChem Depositary for cancellation of a certificate which, immediately prior to the Effective Time, represented outstanding ConjuChem Shares that are to be exchanged for New ConjuChem Shares, together with a duly completed and executed ConjuChem Letter of Transmittal and such additional documents and instruments as the New ConjuChem Depositary may reasonably require, the ConjuChem Shareholder of such surrendered certificate shall be entitled to receive from the New ConjuChem Depositary, and the New ConjuChem Depositary shall deliver as soon as possible to such ConjuChem Shareholder, the New ConjuChem Shares which such ConjuChem Shareholder has the right to receive under the Arrangement.



- (b) Until surrendered as contemplated by this Section 4.01, each certificate which immediately prior to the Effective Time represented ConjuChem Shares shall be deemed after the Effective Time to represent only the right to be exchanged for New ConjuChem Shares.
- (c) ConjuChem Shareholders shall not receive New ConjuChem Shares or any dividends or other distributions which may be declared thereon after the Effective Date until they submit the certificates for their ConjuChem Shares to the New ConjuChem Depositary along with a duly completed ConjuChem Letter of Transmittal. All dividends or other distributions, if any, made with respect to any New ConjuChem Shares allotted and issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the New ConjuChem Depositary to be held by the New ConjuChem Depositary, in trust, for the registered holder thereof. Each certificate formerly representing ConjuChem Shares that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive New ConjuChem Shares or any dividends or other distributions which may have been declared thereon.
- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding ConjuChem Shares shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the New ConjuChem Depositary will issue in exchange for such lost, stolen or destroyed certificate, New ConjuChem Shares in accordance with such holder's ConjuChem Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to New ConjuChem and the New ConjuChem Depositary in such sum as New ConjuChem and the New ConjuChem Depositary may direct, or otherwise indemnify New ConjuChem and the New ConjuChem Depositary in a manner satisfactory to New ConjuChem and the New ConjuChem Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

**Section 4.02      Exchange of ConjuChem Warrant Certificates.**

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, New ConjuChem OpCo shall deposit with the New ConjuChem OpCo Depositary, for the benefit of ConjuChem Warrantholders, sufficient New ConjuChem OpCo Warrants to comply with Section 2.03(b)(iii)(A)(I). Upon surrender to the New ConjuChem OpCo Depositary for cancellation of a certificate which, immediately prior to the Effective Time, represented outstanding ConjuChem Warrants that are to be exchanged for Amalco Warrants, together with a duly completed and executed ConjuChem Letter of Transmittal and such additional documents and instruments as the New ConjuChem OpCo Depositary may reasonably require, the ConjuChem Warrantholder of such surrendered certificate shall be entitled to receive from the New ConjuChem OpCo Depositary, and the New ConjuChem OpCo Depositary shall deliver as soon as possible to such ConjuChem Warrantholder, the Amalco Warrant which such ConjuChem Warrantholder has the right to receive under the Arrangement.
- (b) Until surrendered as contemplated by this Section 4.02, each certificate which immediately prior to the Effective Time represented ConjuChem Warrants shall be deemed after the Effective Time to represent only the right to be exchanged for Amalco Warrants.
- (c) ConjuChem Warrantholders shall not receive Amalco Warrants or any distributions which may be declared thereon after the Effective Date until they submit the certificates for their ConjuChem Warrants to the New ConjuChem OpCo Depositary along with a duly completed ConjuChem Letter of Transmittal. All distributions, if any, made with respect to any Amalco Warrant allotted and

issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the New ConjuChem OpCo Depositary to be held by the New ConjuChem OpCo Depositary, in trust, for the registered holder thereof. Each certificate formerly representing ConjuChem Warrants that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive Amalco Warrants or any distributions which may have been declared thereon.

- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding ConjuChem Warrants shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the New ConjuChem OpCo Depositary will issue in exchange for such lost, stolen or destroyed certificate, Amalco Warrants in accordance with such holder's ConjuChem Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to New ConjuChem OpCo and the New ConjuChem OpCo Depositary in such sum as New ConjuChem OpCo and the New ConjuChem OpCo Depositary may direct, or otherwise indemnify New ConjuChem OpCo and the New ConjuChem OpCo Depositary in a manner satisfactory to New ConjuChem OpCo and the New ConjuChem OpCo Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

#### **Section 4.03      Exchange of Fund Certificates.**

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, ConjuChem shall deposit with the ConjuChem Depositary, for the benefit of Fund Unitholders, sufficient ConjuChem New Common Shares to comply with Section 2.03(b)(v). Upon surrender to the ConjuChem Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Fund Ordinary Units that are to be exchanged for ConjuChem New Common Shares, together with a duly completed and executed Fund Letter of Transmittal and such additional documents and instruments as the ConjuChem Depositary may reasonably require, the Fund Unitholder of such surrendered certificate shall be entitled to receive from the ConjuChem Depositary, and the ConjuChem Depositary shall deliver as soon as possible to such Fund Unitholder, the ConjuChem New Common Shares which such ConjuChem Shareholder has the right to receive under the Arrangement.
- (b) Until surrendered as contemplated by this Section 4.02, each certificate which immediately prior to the Effective Time represented Fund Ordinary Units shall be deemed after the Effective Time to represent only the right to be exchanged for ConjuChem New Common Shares.
- (c) Fund Unitholders shall not receive ConjuChem New Common Shares or any dividends or other distributions which may be declared thereon after the Effective Date until they submit the certificates for their Fund Ordinary Units to the ConjuChem Depositary along with a duly completed Fund Letter of Transmittal. All dividends or other distributions, if any, made with respect to any ConjuChem New Common Shares allotted and issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the ConjuChem Depositary to be held by the ConjuChem Depositary, in trust, for the registered holder thereof. Each certificate formerly representing Fund Ordinary Units that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive ConjuChem New Common Shares or any dividends or other distributions which may have been declared thereon.

- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Fund Ordinary Units shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the ConjuChem Depositary will issue in exchange for such lost, stolen or destroyed certificate, ConjuChem New Common Shares in accordance with such holder's Fund Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to ConjuChem and the ConjuChem Depositary in such sum as ConjuChem and the ConjuChem Depositary may direct, or otherwise indemnify ConjuChem and the ConjuChem Depositary in a manner satisfactory to ConjuChem and the ConjuChem Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

## **ARTICLE 5 AMENDMENTS**

### **Section 5.01 Amendments to Plan of Arrangement.**

- (a) The Fund and ConjuChem may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time; provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) filed with the Court and, if made following the Meetings, approved by the Court, and (iii) communicated to ConjuChem Securityholders and Fund Unitholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Fund and ConjuChem at any time prior to the Meetings with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meetings (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meetings shall be effective only if (i) it is consented to by each of the Fund and ConjuChem (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by ConjuChem Securityholders and Fund Unitholders voting in the manner directed by the Court.

## **ARTICLE 6 FURTHER ASSURANCES**

### **Section 6.01 Further Assurances.**

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

**SCHEDULE "A"**  
**TERMS OF THE AMALCO SHARES**

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The classes and any maximum number of shares that the corporation is authorized to issue

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ConjuChem Biotechnologies Inc. (the "Corporation") is authorized to issue an unlimited number of common shares having attached thereto the following rights, privileges, restrictions and conditions:

- (a) **Payment of Dividends:** The holders of the common shares will be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the common shares, the board of directors may in its sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares will, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive assets of the Corporation upon such a distribution in priority to or concurrently with the holders of the common shares, be entitled to participate in the distribution. Such distribution will be made in equal amounts per share on all the common shares at the time outstanding without preference or distinction.
- (c) **Voting Rights:** The holders of the common shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

**SCHEDULE "B"**  
**SHARE CAPITAL OF CONJUCHEM**

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The classes and any maximum number of shares that the corporation is authorized to issue

---

ConjuChem Biotechnologies Inc. (the "**Corporation**") is authorized to issue an unlimited number of Common Shares, an unlimited number of Redeemable Common Shares and an unlimited number of Preferred Shares issuable in series having attached thereto the following rights, privileges, restrictions and conditions:

**1. Common Shares:**

- (a) **Payment of Dividends:** Subject to the rights and conditions attaching to the Preferred Shares, the holders of the Common Shares will be, entitled to receive dividends, if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the rights and conditions attaching to the Preferred Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Common Shares will be entitled to participate in the distribution.
- (c) **Voting Rights:** The holders of the Common Shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

**2. Redeemable Common Shares:**

- (a) **Payment of Dividends:** The holders of Redeemable Common Shares will be, subject to the rights and conditions attaching to the Preferred Shares, entitled to receive dividends, *pari passu* with the holders of Common Shares and proportionally to the number of shares held by each, if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the rights and conditions attaching to the Preferred Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of Redeemable Common Shares and the holders of the Common Shares will rank equally as to priority of distribution and the holders of Redeemable Common Shares will be entitled to participate concurrently with the holders of the Common Shares in the distribution. Such distribution will be made in equal amounts per share on all Redeemable Common Shares and the Common Shares at the time outstanding without preference or distinction.

- (c) **Voting Rights:** The holders of Redeemable Common Shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings. The holders of Redeemable Common Shares and the Common Shares shall vote as a single class of shares.
- (d) **Redemption by Corporation:** The Corporation may redeem at any time the whole or from time to time any part of the then outstanding Redeemable Common Shares from any one or more of the holders thereof as the board of directors of the Corporation may in its sole discretion determine on payment of the "Redemption Consideration" for each Redeemable Common Share to be redeemed. The "Redemption Consideration" for each Redeemable Common Share shall consist of such number of common shares in the capital of 4523482 Canada Inc. equal to (a) the number of outstanding and issued common shares in the capital of 4523482 Canada Inc. at the time of the redemption divided by (b) the number of outstanding and issued Redeemable Common Shares at that time.

### 3. Preferred Shares:

- (a) **Issuable in Series.** The Preferred Shares shall be issuable in series and the board of directors of the Corporation shall have the right, from time to time, to fix the number of, and to determine the designation, rights, privileges, restrictions and conditions attaching to, the Preferred Shares of each series subject to the limitations, if any, set out in the Articles of the Corporation.
- (b) **Dividends.** The holders of any series of Preferred Shares shall be entitled to receive in priority to the holders of Common Shares and shares of any other class of the Corporation ranking subordinate to the Preferred Shares, as and when declared by the board of directors of the Corporation, dividends in the amounts specified or determinable in accordance with the rights, privileges, restrictions and conditions attaching to the series of which such Preferred Shares form part.
- (c) **Rights on Liquidation, Dissolution, or Winding-up.** Upon any liquidation, dissolution, or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, before any amount shall be paid to or any assets distributed among the holders of Common Shares and shares of any other class of the Corporation ranking subordinate to the Preferred Shares, the holders of the Preferred Shares shall be entitled to receive with respect to the shares of each series thereof all amounts which may be provided in the Articles of the Corporation and the conditions attaching to the series of which such Preferred Shares form part, to be payable thereon in respect of return of capital, premium and accumulated dividends remaining unpaid, including all cumulative dividends, whether or not declared.
- (d) **Voting.** Subject to applicable law, the holders of the Preferred Shares shall not be entitled to receive any notice of or to attend or to vote at any meeting of shareholders of the Corporation; provided that at any meeting of shareholders at which, notwithstanding the foregoing, the holders of the Preferred Shares are required or entitled by law to vote separately as a class or series, each holder of the Preferred Shares of any series thereof shall be entitled to cast, in respect of each such Preferred Share held, one vote per each such Preferred Share.
- (e) **Certain Class Votes.** The holders of the Preferred Shares shall not be entitled to vote separately as a class, and the holders of any series of the Preferred Shares shall not be entitled to vote separately as a series, upon a proposal to amend the Articles of the

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Corporation in the case of an amendment of a kind referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the Act.

**SCHEDULE "C"**

**BY-LAW No. 2**

A by-law relating generally to  
the transaction of the business  
and affairs of

GROUPE COLABOR INC. / COLABOR GROUP INC.

**DIRECTORS**

1. Number of directors. The number of directors will be determined from time to time by resolution of the directors, provided that such number is not contrary to the articles of the Corporation

**DIRECTORS' MEETING**

2. Calling of and notice of meetings. Meetings of the board of directors (the "Board") will be held on such day and at such time and place as the chairman of the Board, the President or any Vice-President who is a director of the Corporation or any two directors may determine. Notice of meetings of the Board will be given to each director not less than 48 hours before the time when the meeting is to be held. Each newly elected Board may, without notice, hold its first meeting for the purposes of organization and the appointment of officers immediately following the meeting of shareholders at which such Board was elected
3. Quorum. The quorum for transaction of business at any meeting of the Board or committee thereof will consist of a majority of the members thereof, or such other number of directors as the Board may from time to time determine. At any meeting of the Board, every question will be decided by a majority of the votes cast on the question and the chairman of the meeting will not be entitled to a second or casting vote.
4. Chairman. Subject to the provisions of any resolution of the directors, the chairman of the Board, or in his absence, the President, or in the absence of both of them, any officer who is a director, or in the absence also of any such officer, such director as the meeting will select, will act as chairman of the meeting.
5. Meetings by telephonic or electronic means. A meeting of the directors may be held by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

**SHAREHOLDERS' MEETINGS**

6. Notice of meetings. Notice of the time and place of a meeting of shareholders must be sent to each shareholder entitled to vote at the meeting, to each director and to the auditors of the Corporation not less than 21 days and no more than 60 days prior to the date fixed for such meeting, or within such other minimum and maximum delays as may from time to time be prescribed under the *Canada Business Corporations Act* (the "Act").
7. Quorum. At any meeting of shareholders, a quorum will be two persons present in person or by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting entitled to vote at the meeting and holding or representing by proxy not less than 10% of the votes entitled to be cast at the meeting.



8. Casting vote. In case of an equality of votes at any meeting of shareholders, the chairman of the meeting will not be entitled to a second or casting vote.

9. Chairman. The chairman of the Board, or in his absence, the lead director, if any, or in his absence, the President, if he is a director, or in his absence, any officer who is a director, or in his absence, any Vice President who is a shareholder, will preside as chairman at any meeting of the shareholders. If all the foregoing are absent, the persons present and entitled to vote at said meeting will choose one of their number to act as chairman of the meeting.

10. Meetings by telephonic or electronic means. The board may determine the manner in which meetings will be held. A meeting of the shareholders may be held by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. To the extent permitted by the Act, the directors may provide for the depositing and tabulation of proxies by means of telephone, electronic or other communication facility and a person entitled to vote at a meeting of shareholders may vote by means of telephone, electronic or other communication facility the Corporation has made available for that purpose.

11. Place of meeting. Meetings of shareholders may be held at any place within Canada that the directors determine.

12. Postponement or cancellation of meetings. A meeting of shareholders may be postponed or cancelled by the Board at any time prior to the date of the meeting.

13. Suspension/Adjournment of meeting. The chairman of any meeting of shareholders may, without the consent of such meeting, temporarily suspend the meeting, or otherwise adjourn the meeting to a new place and time, if, in the opinion of the chairman of the meeting, it is appropriate in the circumstances to do so.

14. Procedures at meetings. The Board may determine the procedures to be followed at any meeting of shareholders including, without limitation, the rules of order. Subject to the foregoing, the chairman of a meeting of shareholders may determine the procedures of the meeting in all respects.

15. Decisions of the chairman. Unless the chairman of a meeting of shareholders agrees otherwise, the chairman's decision on all matters or things, including any questions regarding the validity of a form of proxy or other instrument appointing a proxy, will be conclusive and binding upon the meeting of shareholders.

#### SHARE CERTIFICATES

16. Share certificates. Subject to the Act, the shares of the Corporation shall be represented by certificate or shall be electronically issued without a certificate. Subject to the Act, no transfer of a share issued by the Corporation will be registered unless or until the share certificate representing the share to be transferred has been presented for registration or, if no share certificate has been issued by the Corporation in respect of such share, unless or until either: i) a duly executed transfer in respect thereof has been presented for registration, or ii) the transfer of ownership is conducted electronically in accordance with the provisions of a direct registration system operated by a clearing agency approved by applicable regulatory authorities.

#### BANKING ARRANGEMENTS, EXECUTION OF INSTRUMENTS, ETC.

17. Banking arrangements. The banking business of the Corporation, or any part thereof, will be transacted with such banks, trust companies or other financial institutions as the Board may designate, appoint or authorize from time to time and all such banking business, or any part thereof, will be transacted on the Corporation's behalf by one or more officers or other persons as the Board may designate, direct or authorize from time to time.

18. Execution of instruments. Any document requiring the signature of the Corporation may be signed by either the Executive Chairman of the Board, the Chairman of the Board or the President alone or by any of them with a Vice President of the Corporation and any document so signed shall bind the Corporation without the necessity of any other authorization or formality. In addition, the Board may from time to time determine the officers or other persons by whom any particular document or instrument or class of documents or instruments of the Corporation will be executed and the manner of execution thereof, including the use of facsimile or other electronic reproduction of any or all signatures and the use of the corporate seal or facsimile or other electronic reproduction thereof.

#### INDEMNIFICATION

19. Indemnification. The Corporation shall, in accordance with the provisions of the Act and to the full extent provided therein, indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity. The Corporation may extend the benefits of the foregoing indemnification to other persons, provided such persons are designated by way of a resolution of the Board.

#### MISCELLANEOUS

20. Invalidity of any provisions of this by-law. The invalidity or unenforceability of any provision of this by-law will not affect the validity or enforceability of the remaining provisions of this by-law.

21. Omissions and errors. The accidental omission to give any notice to any shareholder, director, officer or auditor or the non-receipt of any notice by any shareholder, director, officer or auditor or any error in any notice not affecting its substance will not invalidate any action taken at any meeting to which the notice related or otherwise founded on the notice.

#### INTERPRETATION

22. Interpretation. In this by-law and all other by-laws of the Corporation words importing the singular number only include the plural and vice versa; words importing any gender include all genders; words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities; "*Canada Business Corporations Act*" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as from time to time amended, re-enacted or replaced; terms that are not otherwise defined in this by-law have the meanings attributed to them in the *Canada Business Corporations Act*; and "meeting of shareholders" means an annual meeting of shareholders or a special meeting of shareholders.

## APPENDIX 2

### SUMMARY OF AMALGAMATION INFORMATION

**Name of the amalgamated corporation:** ConjuChem Biotechnologies Inc.

**Province or territory in Canada where the registered office is to be situated:** Québec

**Classes and any maximum number of shares that the corporation is authorized to issue:** An unlimited number of common shares See Schedule "A" to the Plan of Arrangement

**Restrictions, if any, on share transfers:** None

**Minimum and maximum number of directors:** Minimum: 3 Maximum: 10

**Restrictions, if any, on business the corporation may carry on:** None

**Other provisions, if any:** The directors shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third ( $\frac{1}{3}$ ) of the number of directors elected at the previous annual meeting of shareholders.

### CONFIRMATORY ASSIGNMENT

WHEREAS, ConjuChem Biotechnologies Inc., a corporation organized and existing under the laws of Canada, having the Canadian corporation number 6513590, having a place of business at 225 President-Kennedy Avenue, Montreal (Quebec) H2X 3Y8, Canada ("ASSIGNOR"), is the owner of record in the United States Patent and Trademark Office of the entire right, title and interest in, to and under the U.S. patent applications listed on Appendix A hereto;

and WHEREAS, 4523482 Canada Inc., a corporation organized and existing under the laws of Canada, having the Canadian corporation number 4523482, having a place of business at 225 President-Kennedy Avenue, Montreal (Quebec) H2X 3Y8, Canada ("ASSIGNEE"), has been assigned from ASSIGNOR the entire right, title and interest in, to and under the U.S. patent applications listed on Appendix A hereto, pursuant to a Divestiture Agreement dated August 25, 2009 between ASSIGNOR and ASSIGNEE;

and WHEREAS on August 25, 2009, ASSIGNOR changed its name from ConjuChem Biotechnologies Inc. to Colabor Group Inc. and its address to 1620 De Montarville Blvd., Boucherville (Quebec) J4B 8P4, Canada;

and WHEREAS on August 25, 2009, ASSIGNEE changed its name from 4523482 Canada Inc. to ConjuChem Biotechnologies Inc. as a result of its amalgamation with 4503996 Canada Inc. as shown in the Certificate of Arrangement and Plan of Arrangement attached hereto;

NOW, THEREFORE, THIS CONFIRMATORY ASSIGNMENT hereby confirms that Assignor has assigned and conveyed to Assignee any and all of its entire right, title, and interest in, to, and under the U.S. patent applications listed on Appendix A hereto, and the inventions the subjects thereof, with the intent that the grant of any patents thereon shall be in the name of and vest in Assignee with all rights and powers arising or accruing therefrom including the rights to sue for damages and other remedies past and future in respect of any infringement of such rights.

AND ASSIGNOR HEREBY authorizes and requests the Commissioner for Patents and any Official of any country or countries foreign to the United States, whose duty it is to issue patents or other evidence or forms of industrial property protection on applications as aforesaid, to issue the same to ASSIGNEE, its successors, legal representatives and assigns.

IN WITNESS WHEREOF this confirmatory assignment is executed on behalf of Assignor on the  
\_\_\_\_ day of \_\_\_\_\_, 2010.

Gilles C. Lachance  
President and Chief Executive Officer

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Printed Name

\_\_\_\_\_  
Witness Residential Address

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Printed Name

\_\_\_\_\_  
Witness Residential Address

And on behalf of Assignee, on the 28<sup>th</sup> day of May, 2010.

Mark D. Perrin

Mark D. Perrin  
President and Chief Executive Officer

Ronald J. Beining  
Witness Signature

Ronald J. Beining  
Witness Printed Name

1712 Mount Curve Ave.  
Witness Residential Address  
Minneapolis, MN 55403

Myrna Westen  
Witness Signature

Myrna Westen  
Witness Printed Name

PO BOX 9  
Witness Residential Address  
502 N Adams St.  
St. Croix Falls WI  
54084

## APPENDIX A

Title	U.S. Patent Application No.	Filing Date
Long Lasting Synthetic Exendin-4 Peptide Conjugates	11/170,967	June 29, 2005
Methods Involving Long Lasting Synthetic Exendin-4-Peptide Conjugates	11/215,967	August 30, 2005
Methods Involving Long Lasting Synthetic Exendin-4-Peptide Conjugates	11/304,446	December 14, 2005
Long Lasting Synthetic Exendin-4 Peptide Conjugates And Methods Of Use Thereof	12/221,553	August 8, 2008
Protection of Exendin-4 Peptides Through Conjugation	12/221,554	August 8, 2008



Industry Canada Industrie Canada

**Certificate of Arrangement**

**Certificat d'arrangement**

**Canada Business Corporations Act**

**Loi canadienne sur les sociétés par actions**

CONJUCHEM BIOTECHNOLOGIES INC. /

651359-0

BIOTECHNOLOGIES CONJUCHEM INC.

4503996 CANADA INC.

450399-6

4523482 CANADA INC.

452348-2

GESTION COLABOR INC. /

430050-5

COLABOR MANAGEMENT INC.

Name of CBCA corporation(s) involved -  
Dénomination(s) de la (des) société(s)  
I C S A concernée(s)

Corporation number - Numéro de la société

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

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

Richard G. Shaw  
Director - Directeur

August 25, 2009 / le 25 août 2009

Date of Arrangement - Date de l'arrangement

Canada



Industry-Canada Industrie Canada  
Canada Business Loi canadienne sur les  
Corporations Act sociétés par actions

FORM 14.1  
ARTICLES OF ARRANGEMENT  
(SECTION 192)

FORMULAIRE 14.1  
CLAUSES D'ARRANGEMENT  
(ARTICLE 192)

1 -- Name of the applicant corporation(s) - Dénomination sociale de la(des) requérante(s) <b>CONJUCHEM BIOTECHNOLOGIES INC. / BIOTECHNOLOGIES CONJUCHEM INC. GESTION COLABOR INC. / COLABOR MANAGEMENT INC. 4503996 CANADA INC. 4523482 CANADA INC.</b>	2 -- Corporation No (s) - N°(s) de la(des) société(s) <b>651359-0 430050-5 450399-6 452348-2</b>
3 -- Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la(des) société(s) dont les statuts sont modifiés, le cas échéant <b>CONJUCHEM BIOTECHNOLOGIES INC. / BIOTECHNOLOGIES CONJUCHEM INC.</b>	4 -- Corporation No (s) - N°(s) de la(des) société(s) <b>651359-0</b>
5 -- Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la(des) société(s) issue(s) de la(des) fusion(s), le cas échéant <b>CONJUCHEM BIOTECHNOLOGIES INC</b>	6 -- Corporation No (s) - N°(s) de la(des) société(s) <b>452859-0</b>
7 -- Name of the dissolved corporation(s), if applicable Dénomination sociale de la(des) société(s) dissoute(s), le cas échéant <b>N/A</b>	8 -- Corporation No (s) - N°(s) de la(des) société(s)
9 -- Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant	10 -- Corporation No (s) or Jurisdiction of Incorporation N°(s) de la(des) société(s) ou loi sous le régime de laquelle elle est constituée

11 -- In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement

- a ☒ The articles of the above named corporation(s) are amended in accordance with the attached plan of arrangement  
Les statuts de la(des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint  
**CONJUCHEM BIOTECHNOLOGIES INC. /**  
The name of **BIOTECHNOLOGIES CONJUCHEM INC.** is changed to **COLABOR GROUP INC. / GROUPE COLABOR INC.**  
La dénomination sociale de **BIOTECHNOLOGIES CONJUCHEM INC.** est modifiée pour **COLABOR GROUP INC. / GROUPE COLABOR INC.**
- b ☒ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement  
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint
- c ☐ The above named corporation(s) is(are) liquidated and dissolved in accordance with the attached plan of arrangement  
La(des) société(s) susmentionnée(s) est(sont) liquidée(s) et dissoute(s) conformément au plan d'arrangement ci-joint
- d ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected  
Le plan d'arrangement ci-joint portant sur la(des) personne(s) morale(s) susmentionnée(s) prend effet

a. See Appendix 1 annexed hereto for the plan of arrangement (the "Plan of Arrangement") and Schedule "B" thereof for the rights, privileges, restrictions and conditions attaching to (i) the Common Shares modified under the arrangement and renamed "Redeemable Common Shares" and (ii) the Common Shares and the Preferred Shares created under the arrangement, the whole in accordance with section 2.03 (iv) of the Plan of Arrangement

b. 4503996 Canada Inc and 4523482 Canada Inc will be amalgamated pursuant to section 2.03 (xx) of the Plan of Arrangement.  
See Appendix 2 annexed hereto.

Signature 	Printed Name - Nom en lettres moulées <b>Clemens Mayr</b>	12 -- Capacity of - En qualité de <b>Secretary</b>	13 -- Tel. No - N° de tél <b>(514) 397-4258</b>
FOR DEPARTMENTAL USE ONLY - À L'USAGE DES MINISTÈRES <b>AUG 25 2009</b>			

RC 3189 (2003/06)

Canada



## APPENDIX 1

### PLAN OF ARRANGEMENT

(See attached document.)

CONJUCHEM BIOTECHNOLOGIES INC.

AND

4503996 CANADA INC.

AND

4523482 CANADA INC.

PLAN OF ARRANGEMENT  
UNDER SECTION 192(3)  
OF THE CANADA BUSINESS CORPORATIONS ACT

ARTICLE 1  
INTERPRETATION

Section 1.01 Definitions.

In this Plan of Arrangement the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Amalco" means the corporation resulting from the Amalgamation pursuant to the Certificate;

"Amalco Convertible Debentures" means the 8% convertible unsecured subordinated debentures of Amalco due December 31, 2010;

"Amalco Options" means the Amalco Share purchase options;

"Amalco Shares" means the common shares in the capital of Amalco having the features set out in Schedule "A" hereto;

"Amalco Supplemental Debenture Indenture" means the supplemental indenture to be entered into in accordance with the New ConjuChem OpCo Supplemental Debenture Indenture pursuant to which, in accordance with the New ConjuChem OpCo Supplemental Debenture Indenture and the ConjuChem Debenture Indenture, Amalco assumes all of the covenants and obligations of New ConjuChem OpCo under the New ConjuChem OpCo Supplemental Debenture Indenture and the ConjuChem Debenture Indenture in respect of the New ConjuChem OpCo Convertible Debentures, which supplemental indenture shall, following the Amalgamation, entitle the holders of the New ConjuChem OpCo Convertible Debentures after the Effective Time to acquire Amalco Shares, *in lieu* of New ConjuChem OpCo Shares, on conversion of the ConjuChem Convertible Debentures;

"Amalco Supplemental Warrant Indentures" means the supplemental indentures to be entered into in accordance with the New ConjuChem OpCo Supplemental Warrant Indentures pursuant to which, in accordance with the New ConjuChem OpCo Supplemental Warrant Indentures and the ConjuChem Warrant Indentures, Amalco assumes all of the covenants and obligations of New ConjuChem OpCo under the New ConjuChem OpCo Supplemental Warrant Indentures and the ConjuChem Warrant Indentures in respect of the New ConjuChem OpCo Warrants, which supplemental indentures shall, following the Amalgamation, entitle the holders of the New ConjuChem OpCo Warrants after the Effective Time to acquire Amalco Shares, *in lieu* of New ConjuChem OpCo Shares, on exercise of the New ConjuChem OpCo Warrants;

"Amalco Warrants" means the Amalco Share purchase warrants;

"Amalgamation" has the meaning ascribed thereto in Section 2.03(b)(xx);

**"Arrangement"** means the arrangement involving the Fund, Fund Unitholders, CLP, CLP Exchangeable Unitholders, Fund Convertible Debenture holders, ConjuChem, ConjuChem Shareholders, ConjuChem Rightsholders, New ConjuChem and New ConjuChem OpCo under the provisions of Section 192(2) of the CBCA as set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement or this Plan of Arrangement or made at the direction of the Court;

**"Arrangement Agreement"** means an arrangement agreement dated July 8, 2009 between the Fund, ConjuChem, New ConjuChem and New ConjuChem OpCo;

**"Articles of Arrangement"** means one or more articles of arrangement in respect of the Arrangement required under subsection 192(6) of the CBCA to be filed with the Director after the Final Order has been granted, which shall be in a form and content satisfactory to the Fund and ConjuChem, each acting reasonably;

**"Assumed Liabilities"** has the meaning ascribed thereto in the Divestiture Agreement;

**"business day"** means a day, other than a Saturday, a Sunday or other day on which commercial banks in Montreal, Quebec are closed;

**"CBCA"** means the *Canada Business Corporations Act*, as amended;

**"Certificate"** means the certificate to be issued by the Director pursuant to subsection 192(7) of the CBCA giving effect to the Arrangement;

**"Closing Date"** shall be the second business day following receipt of the Final Order provided, however, that if the conditions set forth in the Arrangement Agreement shall not have been satisfied or waived on or by such date, the Closing Date shall be the third business day after such conditions shall have been satisfied or waived, but in no event shall the Closing Date be later than the business day prior to the Outside Date (as defined in the Arrangement Agreement);

**"CLP"** means Colabor Limited Partnership, a limited partnership existing under the laws of Québec;

**"CLP Exchangeable Unitholder"** means the holders of CLP Exchangeable Units;

**"CLP Exchangeable Units"** means Exchangeable LP Units of CLP;

**"ConjuChem"** means ConjuChem Biotechnologies Inc., a corporation existing under the laws of Canada;

**"ConjuChem Convertible Debentures"** means the 8% convertible unsecured subordinated debentures of ConjuChem due December 31, 2010, issued pursuant to the terms of the ConjuChem Debenture Indenture and convertible into ConjuChem Shares;

**"ConjuChem Debenture Indenture"** means the debenture indenture between Computershare Trust Company of Canada and ConjuChem dated December 13, 2007, governing the terms of the ConjuChem Convertible Debentures;

**"ConjuChem Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"ConjuChem Information Circular"** means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to the ConjuChem

Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

**"ConjuChem Letters of Transmittal"** means the letters of transmittal to be sent by ConjuChem to ConjuChem Shareholders and to ConjuChem Warrantholders, respectively, in connection with the Arrangement;

**"ConjuChem New Common Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem New Preferred Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem Options"** means the stock options issued to directors, senior officers, employees and consultants of ConjuChem, governed by the terms of the ConjuChem Stock Option Plan and permitting the holders thereof to purchase an aggregate of up to 21,758,680 ConjuChem Shares;

**"ConjuChem Redeemable Common Shares"** has the meaning ascribed thereto in Section 2.03(b)(iv);

**"ConjuChem Rights"** means the rights to acquire ConjuChem Shares upon exercise or conversion, as the case may be, of ConjuChem Options, ConjuChem Warrants or ConjuChem Convertible Debentures;

**"ConjuChem Rightsholders"** means the holders from time to time of ConjuChem Rights;

**"ConjuChem Securityholders"** means the ConjuChem Shareholders and the ConjuChem Rightsholders;

**"ConjuChem Shareholders"** means the holders from time to time of ConjuChem Shares;

**"ConjuChem Shares"** means the common shares of ConjuChem;

**"ConjuChem Stock Option Plan"** means the stock option plan of ConjuChem adopted in 2006, as amended on March 6, 2007;

**"ConjuChem Supplemental Debenture Indenture"** means the supplemental indenture to be entered into in accordance with the Fund Debenture Indenture pursuant to which ConjuChem shall become a co-debtor under the Fund Debenture Indenture in respect of the Fund Convertible Debentures, which supplemental indenture shall entitle the holders of the Fund Convertible Debentures, after the Effective Time, to acquire ConjuChem New Common Shares from the Fund, *in lieu* of the Fund Ordinary Units, on conversion of the Fund Convertible Debentures;

**"ConjuChem Warrantholders"** means the holders from time to time of ConjuChem Warrants;

**"ConjuChem Warrants"** means the 131,201,750 common share purchase warrants of ConjuChem, each of which entitles the holder to acquire, subject to adjustment, one ConjuChem Share issued pursuant to the terms of the ConjuChem Warrant Indentures;

**"ConjuChem Warrant Indentures"** means the warrant indenture dated November 28, 2006 and the warrant indenture dated December 13, 2007, governing the terms of the ConjuChem Warrants;

**"Consolidation Ratio"** means the fraction, the numerator of which is the weighted average of the trading price of the ConjuChem Shares for the ten trading days immediately before the Effective Date and the denominator of which is the weighted average of the trading price of the Fund Ordinary Units for the ten trading days immediately before the Effective Date;

**"Court"** means the Superior Court of Québec;

**"Debenture Trustee"** means Computershare Trust Company of Canada;

**"Director"** means the Director appointed under section 260 of the CBCA;

**"Dissenting Shareholder"** means any registered ConjuChem Shareholder who has duly exercised its rights of dissent provided for hereunder and in the Interim Order;

**"Dissenting Unitholder"** means any registered holder of Fund Ordinary Units who has duly exercised its rights of dissent provided for hereunder and in the Interim Order;

**"Divested Assets"** means the Assets as such term is defined in the Divestiture Agreement;

**"Divestiture Agreement"** means the divestiture agreement to be entered into between ConjuChem, New ConjuChem OpCo and the Fund as the Effective Time providing for the transfer of the Divested Assets to New ConjuChem OpCo and the assumption by New ConjuChem OpCo of the Transferred Liabilities, the form of which is attached to the Arrangement Agreement;

**"Effective Date"** means the date shown on the Certificate;

**"Effective Time"** means 12:01 a.m. on the Effective Date;

**"Exchange Ratio"** means the fraction, the numerator of which is the weighted average of the trading price of the Fund Ordinary Units for the ten trading days immediately before the Effective Date and the denominator of which is the weighted average of the trading price of the ConjuChem Shares for the ten trading days immediately before the Effective Date.

**"Final Order"** means the final order of the Court approving the Arrangement as such order may be amended by the Court (with the consent of both the Fund and ConjuChem, each acting reasonably) at any time prior to the Effective Date in respect of which any applicable delay to appeal has expired without appeal or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Fund and ConjuChem, each acting reasonably) on appeal;

**"Fund"** means Colabor Income Fund, a trust existing under the laws of Québec;

**"Fund Convertible Debentures"** means the 7% extendible convertible unsecured subordinated debentures of the Fund issued pursuant to the terms of the Fund Debenture Indenture and convertible into Fund Ordinary Units;

**"Fund Debenture Indenture"** means the debenture indenture between Computershare Trust Company of Canada and the Fund dated January 4, 2007, governing the terms of the Fund Convertible Debentures;

**"Fund Declaration of Trust"** means the amended and restated declaration of trust of the Fund dated June 28, 2005;

**"Fund Information Circular"** means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to the Fund Unitholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

**"Fund Letter of Transmittal"** means the letter of transmittal to be sent by the Fund to the holders of Fund Ordinary Units in connection with the Arrangement, in the form accompanying the Fund Information Circular;

**"Fund Loan Amount"** means the aggregate amount payable pursuant to the Fund Loan Promissory Note, which amount shall be equal to \$5,000,000;

**"Fund Loan Promissory Note"** means the promissory note of ConjuChem, in the principal amount of the Fund Loan Amount, to be issued to CLP pursuant to Section 2.03(b)(ii) in consideration of the loan to ConjuChem by CLP in the amount of the Fund Loan Amount;

**"Fund Ordinary Units"** means the ordinary trust units of the Fund designated as such in the Fund Declaration of Trust;

**"Fund Special Voting Units"** means the special voting units of the Fund designated as such in the Fund Declaration of Trust;

**"Fund Unitholders"** means the holders of Fund Units;

**"Fund Units"** means the Fund Ordinary Units and the Fund Special Voting Units;

**"Indemnity Agreement"** means the indemnity agreement to be entered into between ConjuChem, New ConjuChem and New ConjuChem OpCo as of the Effective Time, the form of which is attached to the Arrangement Agreement;

**"Interim Order"** means the interim order of the Court pursuant to subsection 192(4) of the CBCA providing for, among other things, the calling and holding of the Meetings, as the same may be amended by the Court with the consent of the Fund and ConjuChem, each acting reasonably;

**"Meeting"** means either the special meeting of Fund Unitholders or the special meeting of ConjuChem Securityholders, as the case may be, to be held to consider the Arrangement, and any adjournment thereof;

**"New ConjuChem"** means 4503996 Canada Inc., a corporation existing under the CBCA;

**"New ConjuChem Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"New ConjuChem OpCo"** means 4523482 Canada Inc., a corporation existing under the CBCA;

**"New ConjuChem OpCo Convertible Debentures"** means the New ConjuChem OpCo Convertible Debentures issued in replacement of the ConjuChem Convertible Debentures;

**"New ConjuChem OpCo Depositary"** means Computershare Trust Company of Canada at its offices set out in the ConjuChem Letters of Transmittal;

**"New ConjuChem OpCo Supplemental Debenture Indenture"** means the supplemental indenture to be entered into in accordance with the ConjuChem Debenture Indenture pursuant to which, in accordance with the ConjuChem Debenture Indenture, New ConjuChem OpCo assumes, and ConjuChem is released from, all of the covenants and obligations of ConjuChem under the ConjuChem Debenture Indenture in respect of the ConjuChem Convertible Debentures;

**"New ConjuChem OpCo Supplemental Warrant Indentures"** means the supplemental indentures to be entered into in accordance with the ConjuChem Warrant Indentures pursuant to which, in accordance with the ConjuChem Warrant Indentures, New ConjuChem OpCo assumes, and ConjuChem is released from, all of the covenants and obligations of ConjuChem under the ConjuChem Warrant Indentures in respect of the ConjuChem Warrants;

**"New ConjuChem OpCo Warrants"** means New ConjuChem OpCo share purchase warrants issued in continuation of the ConjuChem Warrants;

**"New ConjuChem Options"** means the ConjuChem Share purchase options issued in replacement of the ConjuChem Options;

**"New ConjuChem Shareholders"** means the holders of New ConjuChem Shares;

**"New ConjuChem Shares"** means the common shares in the capital of New ConjuChem;

**"New ConjuChem Stock Option Plan"** means the stock option plan to be adopted by New ConjuChem having the terms and conditions described in the ConjuChem Information Circular;

**"Person"** includes any individual, firm, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, body corporate, corporation, company, unincorporated association or organization, governmental authority, syndicate or other entity, whether or not having legal status;

**"Roll-Over Agreement"** means the exchange agreement to be entered into between the CLP Exchangeable Unitholder and ConjuChem pursuant to which the CLP Exchangeable Unitholder will transfer its CLP Exchangeable Units and its Fund Special Voting Units in exchange for a number of ConjuChem New Common Shares determined by applying the Exchange Ratio to the number of Fund Special Voting Units transferred;

**"Subsidiary"** has the meaning ascribed thereto in the CBCA;

**"Tax Act"** means the *Income Tax Act* (Canada), as amended;

**"Transferred Liabilities"** means the Assumed Liabilities and the Other Assumed Liabilities as such terms are defined in the Divestiture Agreement; and

**"Warrant Trustee"** means Computershare Trust Company of Canada;

## Section 1.02 Schedules

Schedule "A" Terms of the Amalco Shares

Schedule "B" Share Capital of ConjuChem

Schedule "C" ConjuChem By-Law No. 2

## Section 1.03 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into articles, sections and other portions and the insertion of headings are for reference purposes only and shall not affect the interpretation of this Plan of Arrangement

Unless otherwise indicated, any reference in this Plan of Arrangement to "Article" or "section" followed by a number refers to the specified Article or section of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereunder" and similar expressions refer to this Plan of Arrangement, and any amendments, variations or supplements hereto made in accordance with the terms hereof or the Arrangement Agreement or made at the direction of the Court in the Final Order and do not refer to any particular Article, section or other portion of this Plan of Arrangement.

**Section 1.04 Rules of Construction.**

In this Plan of Arrangement, unless the context otherwise requires, (a) words importing the singular number include the plural and vice versa, (b) words importing any gender include all genders, and (c) "include", "includes" and "including" shall be deemed to be followed by the words "without limitation".

**Section 1.05 Date of Any Action.**

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a business day, such action shall be required to be taken on the next succeeding day which is a business day.

**Section 1.06 Time.**

Time shall be of the essence in every matter or action contemplated hereunder.

**Section 1.07 Currency.**

Unless otherwise stated, all references in this Plan of Arrangement to sums of money and payments to be made hereunder are expressed in lawful money of Canada.

**Section 1.08 Statutes.**

Any reference to a statute includes all rules and regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation or rule which amends, supplements or supersedes any such statute, regulation or rule.

**ARTICLE 2  
ARRANGEMENT**

**Section 2.01 Arrangement Agreement.**

This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms part of the Arrangement Agreement, and constitutes an arrangement as referred to in Section 192 of the CBCA.

**Section 2.02 Binding Effect.**

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate, will become effective at, and be binding at and after, the Effective Time on ConjuChem, New ConjuChem, New ConjuChem OpCo, all registered and beneficial ConjuChem Securityholders, all creditors of the ConjuChem, the Fund, CLP, all registered and beneficial Fund Unitholders, CLP Exchangeable Unitholders and the holders of Fund Convertible Debentures.



**Section 2.03 Arrangement.**

- (a) On the Effective Date, the following events set out in this Section 2.03 shall occur and shall be deemed to occur consecutively in the order set out in this Section 2.03 without any further authorization, act or formality:
- (b) Effective at the Effective Time:
  - (i) The Fund Declaration of Trust shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions described herein all as may be reflected in a further amended and restated declaration of trust to be dated as of the Effective Date;
  - (ii) The Fund, through CLP, shall loan to ConjuChem the Fund Loan Amount and, in consideration therefor, ConjuChem shall issue and deliver to CLP the Fund Loan Promissory Note;
  - (iii) ConjuChem shall transfer, assign and convey (the "Transfer") to New ConjuChem OpCo the Divested Assets and, in consideration therefor, New ConjuChem OpCo shall assume (the "Assumption") the Transferred Liabilities as well as issue to ConjuChem such number of fully paid New ConjuChem OpCo common shares to be equal to the number of outstanding ConjuChem Shares immediately prior to the Effective Time, all on the terms and conditions set forth in the Divestiture Agreement. The Transfer and the Assumption shall be deemed to:
    - (A) operate as a novation by substitution of ConjuChem by New ConjuChem OpCo with respect to all Transferred Liabilities, such that ConjuChem shall be fully and irrevocably released and forever discharged by all Persons with respect to all Transferred Liabilities by the effect of such novation. In particular:
      - (I) each of the ConjuChem Warrants outstanding immediately prior to the Effective Date shall continue as a New ConjuChem OpCo Warrant. All terms and conditions of such New ConjuChem OpCo Warrants will be the same as the terms and conditions of such ConjuChem Warrants. In connection therewith, ConjuChem, New ConjuChem OpCo and the Warrant Trustee shall enter into the New ConjuChem OpCo Supplemental Warrant Indentures;
      - (II) New ConjuChem OpCo shall assume, and ConjuChem shall be unconditionally released from, all the covenants and obligations of ConjuChem under the ConjuChem Debenture Indenture in respect of the ConjuChem Convertible Debentures for consideration with a fair market value equivalent to the principal amount of the ConjuChem Convertible Debentures such that the ConjuChem Convertible Debentures shall be valid and binding obligations of New ConjuChem OpCo entitling the holders thereof, as and solely against New ConjuChem OpCo, to all the rights of holders of ConjuChem Convertible Debentures under the ConjuChem Debenture Indenture and in connection therewith, ConjuChem, New ConjuChem OpCo and the Debenture Trustee shall enter into the New ConjuChem OpCo Supplemental Debenture Indenture;

- (B) transfer, assign and convey to New ConjuChem OpCo all rights, defenses and counter-claims, of any kind whatsoever, that ConjuChem ever had, now has or may have in the future or prior to the Effective Time in connection with the Transferred Liabilities; and
- (C) operate as a novation by substitution of ConjuChem by New ConjuChem OpCo as creditor of all rights, benefits and interests in connection with the Divested Assets that ConjuChem ever had, now has or may have in the future or prior to the Effective Time;
- (iv) The existing share capital of ConjuChem shall be, and shall be deemed to be, amended to (i) add a redemption right to the ConjuChem Shares, such ConjuChem Shares being hereafter referred to as the ConjuChem Redeemable Common Shares, having the features set forth in **Schedule "B"** hereto (the **"ConjuChem Redeemable Common Shares"**), (ii) to create a new class of shares having the features set forth in **Schedule "B"** hereto (the **"ConjuChem New Common Shares"**), and (iii) to create a new class of preferred shares issuable in series having the features set forth in **Schedule "B"** hereto (the **"ConjuChem New Preferred Shares"**);
- (v) The holders of the Fund Ordinary Units (including Dissenting Unitholders) shall transfer, and shall be deemed to have transferred, each Fund Ordinary Unit to ConjuChem in exchange for a number of ConjuChem New Common Shares determined pursuant to the Exchange Ratio;
- (vi) ConjuChem shall add to the stated capital account in respect of the ConjuChem New Common Shares only a part of the amount of the consideration received for the ConjuChem New Common Shares, such part being equal to the aggregate of the costs (determined pursuant to paragraph 85 1(8)(e) of the Tax Act) to ConjuChem of the Fund Ordinary Units;
- (vii) The ConjuChem Shareholders (including Dissenting Shareholders) shall transfer, and shall be deemed to have transferred, the ConjuChem Redeemable Common Shares to New ConjuChem in exchange for New ConjuChem Shares on a one-for-one basis;
- (viii) The New ConjuChem Shares received by Dissenting Shareholders pursuant to Section 2.03(b)(vii) shall be, and shall be deemed to be, cancelled and the Dissenting Shareholders shall cease to have any rights as New ConjuChem Shareholders and ConjuChem Shareholders other than the right to be paid by New ConjuChem, in accordance with Section 3.01, an amount equal to the fair value of the ConjuChem Shares held by such Dissenting Shareholder immediately prior to the Effective Time;
- (ix) The ConjuChem Redeemable Common Shares shall be, and shall be deemed to have been, redeemed by ConjuChem and the aggregate redemption price shall be, and shall be deemed to be, satisfied by the transfer by ConjuChem to New ConjuChem of all of the issued and outstanding shares of New ConjuChem OpCo held by ConjuChem, whereupon all of the ConjuChem Redeemable Common Shares shall be, and shall be deemed to be, cancelled. Following the redemption of the ConjuChem Redeemable Common Shares, the ConjuChem Redeemable Common Shares shall be repealed from the authorized share capital of ConjuChem;
- (x) The ConjuChem New Common Shares received by Dissenting Unitholders pursuant to Section 2.03(b)(v) shall be, and shall be deemed to be, cancelled and the Dissenting Unitholders shall cease to have any rights as ConjuChem Shareholders and Fund Unitholders

other than the right to be paid by ConjuChem, in accordance with Section 3.02, an amount equal to the fair value of the Fund Ordinary Units held by such Dissenting Unitholders immediately prior to the Effective Time;

- (xi) ConjuChem shall change its name to "Colabor Group Inc." in the English language form and "Groupe Colabor Inc." in the French language form;
- (xii) The CLP Exchangeable Unitholder shall transfer, and shall be deemed to have transferred to ConjuChem its CLP Exchangeable Units and its Fund Special Voting Units in exchange for a number of ConjuChem New Common Shares determined by applying the Exchange Ratio to the number of Fund Special Voting Units transferred, on the terms and conditions set forth in the Roll-Over Agreement;
- (xiii) The articles of ConjuChem shall be, and shall be deemed to be, amended to provide that the directors of ConjuChem shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third (1/3) of the number of directors elected at the previous annual meeting of shareholders;
- (xiv) The ConjuChem New Common Shares will be consolidated based on the Consolidation Ratio;
- (xv) New ConjuChem shall adopt, and be deemed to have adopted, the New ConjuChem Stock Option Plan;
- (xvi) Each of the ConjuChem Options outstanding immediately prior to the Effective Date shall be cancelled and replaced by a New ConjuChem Option. The New ConjuChem Options will be governed by the terms of the New ConjuChem Stock Option Plan. Option certificates previously evidencing such ConjuChem Options shall thereafter evidence and be deemed to evidence such New ConjuChem Options issued in replacement thereof;
- (xvii) The ConjuChem Stock Option Plan shall be, and shall be deemed to be, cancelled and terminated;
- (xviii) ConjuChem shall be added as a co-debtor under the Fund Debenture Indenture in respect of the Fund Convertible Debentures such that the Fund Convertible Debentures shall also be valid and binding obligations of ConjuChem entitling the holders thereof, as against ConjuChem, to all the rights of holders of the Fund Convertible Debentures under the Fund Debenture Indenture, and in connection therewith, the Fund, ConjuChem and the Debenture Trustee shall enter into the ConjuChem Supplemental Debenture Indenture;
- (xix) The stated capital account of New ConjuChem OpCo common shares shall be, and shall be deemed to be, reduced to \$1, without any payment to the holders of New ConjuChem OpCo common shares;
- (xx) New ConjuChem and New ConjuChem OpCo shall be amalgamated (the "Amalgamation") with the same effect as provided in Section 181 of the CBCA and, as such, shall continue in existence as one and the same company, being Amalco, under the CBCA on the following terms and conditions:

- (A) the name of Amalco shall be "ConjuChem Biotechnologies Inc." in the English language form and "ConjuChem Biotechnologies Inc" in the French language form;
- (B) the registered office of Amalco shall be situated in the Province of Québec;
- (C) Amalco shall be authorized to issue an unlimited number of Amalco Shares, without par value;
- (D) there shall be no restrictions on the activities that Amalco is authorized to carry on, nor any restrictions on the transfer of Amalco Shares;
- (E) the board of directors of Amalco will consist of not less than three and not more than ten directors, the exact number of which shall be determined by the directors from time to time;
- (F) the directors of Amalco shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third ( $\frac{1}{3}$ ) of the number of directors elected at the previous annual meeting of shareholders;
- (G) the first directors of Amalco who shall hold office until the next annual meeting of shareholders of Amalco or until their successors are elected or appointed, shall be the persons whose names, addresses and occupations appear below:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Felix J. Baker	666 Greenwich Street, apt. 910 New York, New York United States 10021	Managing Partner, Baker Brothers Investments (life sciences investment fund)
William K. Heiden	10 Livingston Road Wellesley, Massachusetts United States 02482	Consultant
Jacques R. Lapointe	7774 Tenth Sideroad Milton, Ontario Canada L9T 4Y9	Chairman of the Board of ConjuChem and Corporate director
Mark Perrin	1712 Mount Curve Ave. Minneapolis, Minnesota United States 55093	President and Chief Executive Officer of ConjuChem
Steve Petrone	18129 Elkas Blvd Kirkland, Québec Canada H9J 3E1	Chief Financial Officer, 20-20 Technologies Inc (high-technology company)
Craig Saxton	628 Hambourg Road	Corporate director

	Lyme, Connecticut United States 06371	
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- (H) the by-laws of Amalco shall be the by-laws of New ConjuChem in effect prior to the Effective Date;
  - (I) all of the rights and properties of New ConjuChem and New ConjuChem OpCo immediately before the Amalgamation become the rights and properties of Amalco by virtue of the Amalgamation;
  - (J) all of the liabilities of New ConjuChem and New ConjuChem OpCo immediately before the Amalgamation become the liabilities of Amalco by virtue of the Amalgamation;
- (xxi) On the Amalgamation referred to in Section 2.03(b)(xx) above;
- (A) each of the issued and outstanding New ConjuChem Shares immediately prior to the Amalgamation shall be converted into one Amalco Share;
  - (B) All of the New ConjuChem OpCo common shares held by New ConjuChem shall be cancelled without any repayment of capital in respect thereof;
  - (C) Each of the New ConjuChem OpCo Warrants outstanding immediately prior to the Amalgamation shall become an Amalco Warrant. All terms and conditions of such Amalco Warrants will be the same as the terms and conditions of such New ConjuChem OpCo Warrants. In connection therewith, Amalco and the Warrant Trustee shall enter into the Amalco Supplemental Warrant Indentures;
  - (D) Each of the New ConjuChem Options outstanding immediately prior to the Amalgamation shall become an Amalco Option. All terms and conditions of such Amalco Options will be the same as the terms and conditions of such New ConjuChem Options. Option certificates previously evidencing such New ConjuChem Options shall thereafter evidence and be deemed to evidence such Amalco Options issued in replacement thereof;
  - (E) Each of the New ConjuChem OpCo Convertible Debentures outstanding immediately prior to the Amalgamation shall become an Amalco Convertible Debenture. All terms and conditions of such Amalco Convertible Debentures will be the same as the terms and conditions of such New ConjuChem OpCo Convertible Debentures. Convertible debenture certificates previously evidencing such New ConjuChem OpCo Convertible Debentures shall thereafter evidence and be deemed to evidence such Amalco Convertible Debentures issued in replacement thereof and in connection therewith, Amalco and the Debenture Trustee shall enter into the Amalco Supplemental Debenture Indenture;
- (xxii) The auditors of Amalco shall be Ernst & Young LLP;
- (xxiii) The auditors of ConjuChem shall be changed to Raymond Chabot Grant Thornton LLP;

- (xxiv) ConjuChem shall adopt, and be deemed to adopt, the general by-law No. 2 attached hereto as Schedule "C" and by-law No. 1 of ConjuChem shall be deemed to be replaced; and
- (xxv) On or before December 31, 2009, the stated capital of the ConjuChem New Common Shares shall be reduced, without further formality or approval, and without any payment to the holders of ConjuChem New Common Shares, by an amount to be determined by the directors of ConjuChem which shall not exceed \$30 million.

### ARTICLE 3 RIGHTS OF DISSENT

#### Section 3.01 Rights of Dissent of ConjuChem Shareholders.

- (a) Each registered ConjuChem Shareholder shall have the right to dissent with respect to the Arrangement in accordance with the Interim Order. The New ConjuChem Shares held by a Dissenting Shareholder pursuant to and immediately after the step contemplated in Section 2.03(b)(vii) that were received by the Dissenting Shareholder in consideration for such Dissenting Shareholder's ConjuChem Redeemable Common Shares shall be deemed to be cancelled and such New ConjuChem Shares shall be deemed to no longer be issued and outstanding as of the Effective Time. The Dissenting Shareholder shall, at the Effective Time, and immediately after the step contemplated in Section 2.03(b)(vii) and for greater certainty before the amalgamation contemplated in Section 2.03(b)(xx), cease to have any rights as a New ConjuChem Shareholder and ConjuChem Shareholder and shall only be entitled to be paid by New ConjuChem the fair value of the ConjuChem Shares held by such Dissenting Shareholder immediately prior to the Effective Time. The fair value of the ConjuChem Shares shall be determined as of the close of business on the last business day before the day on which the Arrangement is approved by the holders of ConjuChem Shares at the Meeting. Notwithstanding subsection (25) of section 190 of the CBCA, a Dissenting Shareholder shall not be entitled to withdraw the ConjuChem Shareholder's notice of dissent in the circumstances contemplated therein. In no event shall ConjuChem or New ConjuChem be required to recognize a Dissenting Shareholder as a shareholder of ConjuChem or New ConjuChem after the Effective Time and the names of such holders shall be removed from the register of shareholders as at the Effective Time. ConjuChem Shareholders who have given a demand for payment which remains outstanding as at the Effective Time in accordance with the rights of dissent in respect of this Plan of Arrangement and who are ultimately not so entitled to be paid the fair value by New ConjuChem for the ConjuChem Shares in respect of which they dissent, shall not be, or be reinstated as, a ConjuChem Shareholder but for purposes of receipt of consideration shall be treated as if they had participated in this Plan of Arrangement on the same basis as a non-dissenting holder of ConjuChem Shares and accordingly shall be entitled to receive the New ConjuChem Shares as non-dissenting holders of ConjuChem Shares are entitled to receive on the basis set forth in Article 2 of this Plan of Arrangement.
- (b) For greater certainty, in no case shall ConjuChem, New ConjuChem or any other Person be required to recognize a Dissenting Shareholder as a shareholder of ConjuChem or New ConjuChem after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the register of ConjuChem Shareholders on the Effective Date and immediately after the step contemplated in Section 2.03(b)(vii) and for greater certainty before the amalgamation contemplated in Section 2.03(b)(xx). In addition to any other restrictions under Section 190 of the CBCA and, for greater certainty, none of the following shall be entitled to exercise Dissent Rights: (i) holders of ConjuChem Options, ConjuChem Warrants or ConjuChem Convertible Debentures and (ii) ConjuChem Shareholders who vote, or who have instructed a proxyholder to vote and have not revoked such instructions, in favor of the Arrangement.

### Section 3.02      Rights of Dissent of Fund Unitholders

- (a) Each registered Fund Unitholder shall have the right to dissent with respect to the Arrangement in accordance with the Interim Order. The ConjuChem New Common Shares held by a Dissenting Unitholder pursuant to and immediately after the step contemplated in Section 2.03(b)(v) that were received by the Dissenting Unitholder in consideration for such Dissenting Unitholder's Fund Ordinary Units shall be deemed to be cancelled and such ConjuChem New Common Shares shall be deemed to no longer be issued and outstanding as of the Effective Time. The Dissenting Unitholder shall, at the Effective Time, cease to have any rights as a ConjuChem Shareholder and as a Fund Unitholder and shall only be entitled to be paid by ConjuChem the fair value of the Fund Ordinary Units held by such Dissenting Unitholder immediately prior to the Effective Time. The fair value of the Fund Ordinary Units shall be determined as of the close of business on the last business day before the day on which the Arrangement is approved by the holders of Fund Units at the Meeting. Notwithstanding subsection (25) of section 190 of the CBCA, a Dissenting Unitholder shall not be entitled to withdraw the Fund Unitholder's notice of dissent in the circumstances contemplated therein. In no event shall the Fund or ConjuChem be required to recognize a Dissenting Unitholder as a unitholder of the Fund or a shareholder of ConjuChem after the Effective Time and the names of such Dissenting Unitholders shall be removed from the register of unitholders and shareholders as at the Effective Time. Fund Unitholders who have given a demand for payment which remains outstanding as at the Effective Time in accordance with the rights of dissent in respect of this Plan of Arrangement and who are ultimately not so entitled to be paid the fair value by ConjuChem for the Fund Ordinary Units in respect of which they dissent, shall not be, or be reinstated as, unitholders of the Fund but for purposes of receipt of consideration shall be treated as if they had participated in this Plan of Arrangement on the same basis as a non-dissenting holder of Fund Ordinary Units and accordingly shall be entitled to receive the ConjuChem New Common Shares as non-dissenting holders of Fund Ordinary Units are entitled to receive on the basis set forth in Article 2 of this Plan of Arrangement.
- (b) For greater certainty, in no case shall the Fund, ConjuChem or any other Person be required to recognize Dissenting Unitholders as holders of Fund Ordinary Units after the Effective Time, and the names of such Dissenting Unitholders shall be deleted from the register of Fund Unitholders on the Effective Date.

## ARTICLE 4 CERTIFICATES AND DELIVERY

### Section 4.01      Exchange of ConjuChem Share Certificates.

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, New ConjuChem shall deposit with the New ConjuChem Depositary, for the benefit of ConjuChem Shareholders, sufficient New ConjuChem Shares to comply with Section 2.03(b)(vii). Upon surrender to the New ConjuChem Depositary for cancellation of a certificate which, immediately prior to the Effective Time, represented outstanding ConjuChem Shares that are to be exchanged for New ConjuChem Shares, together with a duly completed and executed ConjuChem Letter of Transmittal and such additional documents and instruments as the New ConjuChem Depositary may reasonably require, the ConjuChem Shareholder of such surrendered certificate shall be entitled to receive from the New ConjuChem Depositary, and the New ConjuChem Depositary shall deliver as soon as possible to such ConjuChem Shareholder, the New ConjuChem Shares which such ConjuChem Shareholder has the right to receive under the Arrangement.

- (b) Until surrendered as contemplated by this Section 4.01, each certificate which immediately prior to the Effective Time represented ConjuChem Shares shall be deemed after the Effective Time to represent only the right to be exchanged for New ConjuChem Shares.
- (c) ConjuChem Shareholders shall not receive New ConjuChem Shares or any dividends or other distributions which may be declared thereon after the Effective Date until they submit the certificates for their ConjuChem Shares to the New ConjuChem Depositary along with a duly completed ConjuChem Letter of Transmittal. All dividends or other distributions, if any, made with respect to any New ConjuChem Shares allotted and issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the New ConjuChem Depositary to be held by the New ConjuChem Depositary, in trust, for the registered holder thereof. Each certificate formerly representing ConjuChem Shares that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive New ConjuChem Shares or any dividends or other distributions which may have been declared thereon.
- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding ConjuChem Shares shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the New ConjuChem Depositary will issue in exchange for such lost, stolen or destroyed certificate, New ConjuChem Shares in accordance with such holder's ConjuChem Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to New ConjuChem and the New ConjuChem Depositary in such sum as New ConjuChem and the New ConjuChem Depositary may direct, or otherwise indemnify New ConjuChem and the New ConjuChem Depositary in a manner satisfactory to New ConjuChem and the New ConjuChem Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

**Section 4.02      Exchange of ConjuChem Warrant Certificates.**

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, New ConjuChem OpCo shall deposit with the New ConjuChem OpCo Depositary, for the benefit of ConjuChem Warrantholders, sufficient New ConjuChem OpCo Warrants to comply with Section 2.03(b)(iii)(A)(I). Upon surrender to the New ConjuChem OpCo Depositary for cancellation of a certificate which, immediately prior to the Effective Time, represented outstanding ConjuChem Warrants that are to be exchanged for Amalco Warrants, together with a duly completed and executed ConjuChem Letter of Transmittal and such additional documents and instruments as the New ConjuChem OpCo Depositary may reasonably require, the ConjuChem Warrantholder of such surrendered certificate shall be entitled to receive from the New ConjuChem OpCo Depositary, and the New ConjuChem OpCo Depositary shall deliver as soon as possible to such ConjuChem Warrantholder, the Amalco Warrant which such ConjuChem Warrantholder has the right to receive under the Arrangement.
- (b) Until surrendered as contemplated by this Section 4.02, each certificate which immediately prior to the Effective Time represented ConjuChem Warrants shall be deemed after the Effective Time to represent only the right to be exchanged for Amalco Warrants.
- (c) ConjuChem Warrantholders shall not receive Amalco Warrants or any distributions which may be declared thereon after the Effective Date until they submit the certificates for their ConjuChem Warrants to the New ConjuChem OpCo Depositary along with a duly completed ConjuChem Letter of Transmittal. All distributions, if any, made with respect to any Amalco Warrant allotted and



issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the New ConjuChem OpCo Depositary to be held by the New ConjuChem OpCo Depositary, in trust, for the registered holder thereof. Each certificate formerly representing ConjuChem Warrants that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive Amalco Warrants or any distributions which may have been declared thereon.

- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding ConjuChem Warrants shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the New ConjuChem OpCo Depositary will issue in exchange for such lost, stolen or destroyed certificate, Amalco Warrants in accordance with such holder's ConjuChem Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to New ConjuChem OpCo and the New ConjuChem OpCo Depositary in such sum as New ConjuChem OpCo and the New ConjuChem OpCo Depositary may direct, or otherwise indemnify New ConjuChem OpCo and the New ConjuChem OpCo Depositary in a manner satisfactory to New ConjuChem OpCo and the New ConjuChem OpCo Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

#### **Section 4.03      Exchange of Fund Certificates.**

- (a) On the Closing Date, prior to the filing of the Articles of Arrangement with the Registrar, ConjuChem shall deposit with the ConjuChem Depositary, for the benefit of Fund Unitholders, sufficient ConjuChem New Common Shares to comply with Section 2.03(b)(v). Upon surrender to the ConjuChem Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Fund Ordinary Units that are to be exchanged for ConjuChem New Common Shares, together with a duly completed and executed Fund Letter of Transmittal and such additional documents and instruments as the ConjuChem Depositary may reasonably require, the Fund Unitholder of such surrendered certificate shall be entitled to receive from the ConjuChem Depositary, and the ConjuChem Depositary shall deliver as soon as possible to such Fund Unitholder, the ConjuChem New Common Shares which such ConjuChem Shareholder has the right to receive under the Arrangement.
- (b) Until surrendered as contemplated by this Section 4.02, each certificate which immediately prior to the Effective Time represented Fund Ordinary Units shall be deemed after the Effective Time to represent only the right to be exchanged for ConjuChem New Common Shares.
- (c) Fund Unitholders shall not receive ConjuChem New Common Shares or any dividends or other distributions which may be declared thereon after the Effective Date until they submit the certificates for their Fund Ordinary Units to the ConjuChem Depositary along with a duly completed Fund Letter of Transmittal. All dividends or other distributions, if any, made with respect to any ConjuChem New Common Shares allotted and issued pursuant to the Arrangement but for which a certificate has not been issued shall be paid or delivered to the ConjuChem Depositary to be held by the ConjuChem Depositary, in trust, for the registered holder thereof. Each certificate formerly representing Fund Ordinary Units that is not deposited with all other documents as required pursuant to this Plan of Arrangement on or prior to the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature including the right of the holder to receive ConjuChem New Common Shares or any dividends or other distributions which may have been declared thereon.

- (d) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Fund Ordinary Units shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the ConjuChem Depositary will issue in exchange for such lost, stolen or destroyed certificate, ConjuChem New Common Shares in accordance with such holder's Fund Letter of Transmittal. When authorizing such delivery, the Person to whom such shares are to be delivered shall as a condition precedent to the delivery, give a bond satisfactory to ConjuChem and the ConjuChem Depositary in such sum as ConjuChem and the ConjuChem Depositary may direct, or otherwise indemnify ConjuChem and the ConjuChem Depositary in a manner satisfactory to ConjuChem and the ConjuChem Depositary, against any claim that may be made with respect to the certificate alleged to have been lost, stolen or destroyed.

## **ARTICLE 5 AMENDMENTS**

### **Section 5.01 Amendments to Plan of Arrangement.**

- (a) The Fund and ConjuChem may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time; provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) filed with the Court and, if made following the Meetings, approved by the Court, and (iii) communicated to ConjuChem Securityholders and Fund Unitholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Fund and ConjuChem at any time prior to the Meetings with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meetings (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meetings shall be effective only if (i) it is consented to by each of the Fund and ConjuChem (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by ConjuChem Securityholders and Fund Unitholders voting in the manner directed by the Court.

## **ARTICLE 6 FURTHER ASSURANCES**

### **Section 6.01 Further Assurances.**

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

**SCHEDULE "A"**  
**TERMS OF THE AMALCO SHARES**

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**The classes and any maximum number of shares that the corporation is authorized to issue**

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ConjuChem Biotechnologies Inc. (the "Corporation") is authorized to issue an unlimited number of common shares having attached thereto the following rights, privileges, restrictions and conditions:

- (a) **Payment of Dividends:** The holders of the common shares will be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or concurrently with the holders of the common shares, the board of directors may in its sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares will, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive assets of the Corporation upon such a distribution in priority to or concurrently with the holders of the common shares, be entitled to participate in the distribution. Such distribution will be made in equal amounts per share on all the common shares at the time outstanding without preference or distinction.
- (c) **Voting Rights:** The holders of the common shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

**SCHEDULE "B"**  
**SHARE CAPITAL OF CONJUCHEM**

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The classes and any maximum number of shares that the corporation is authorized to issue

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ConjuChem Biotechnologies Inc. (the "Corporation") is authorized to issue an unlimited number of Common Shares, an unlimited number of Redeemable Common Shares and an unlimited number of Preferred Shares issuable in series having attached thereto the following rights, privileges, restrictions and conditions:

**1. Common Shares:**

- (a) **Payment of Dividends:** Subject to the rights and conditions attaching to the Preferred Shares, the holders of the Common Shares will be, entitled to receive dividends, if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the rights and conditions attaching to the Preferred Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Common Shares will be entitled to participate in the distribution.
- (c) **Voting Rights:** The holders of the Common Shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings.

**2. Redeemable Common Shares:**

- (a) **Payment of Dividends:** The holders of Redeemable Common Shares will be, subject to the rights and conditions attaching to the Preferred Shares, entitled to receive dividends, *pari passu* with the holders of Common Shares and proportionally to the number of shares held by each, if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine.
- (b) **Participation upon Liquidation, Dissolution or Winding-Up:** Subject to the rights and conditions attaching to the Preferred Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of Redeemable Common Shares and the holders of the Common Shares will rank equally as to priority of distribution and the holders of Redeemable Common Shares will be entitled to participate concurrently with the holders of the Common Shares in the distribution. Such distribution will be made in equal amounts per share on all Redeemable Common Shares and the Common Shares at the time outstanding without preference or distinction.

- (c) **Voting Rights:** The holders of Redeemable Common Shares will be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one vote in respect of each common share held at all such meetings. The holders of Redeemable Common Shares and the Common Shares shall vote as a single class of shares.
- (d) **Redemption by Corporation:** The Corporation may redeem at any time the whole or from time to time any part of the then outstanding Redeemable Common Shares from any one or more of the holders thereof as the board of directors of the Corporation may in its sole discretion determine on payment of the "Redemption Consideration" for each Redeemable Common Share to be redeemed. The "Redemption Consideration" for each Redeemable Common Share shall consist of such number of common shares in the capital of 4523482 Canada Inc. equal to (a) the number of outstanding and issued common shares in the capital of 4523482 Canada Inc. at the time of the redemption divided by (b) the number of outstanding and issued Redeemable Common Shares at that time.

### 3. Preferred Shares:

- (a) **Issuable in Series.** The Preferred Shares shall be issuable in series and the board of directors of the Corporation shall have the right, from time to time, to fix the number of, and to determine the designation, rights, privileges, restrictions and conditions attaching to, the Preferred Shares of each series subject to the limitations, if any, set out in the Articles of the Corporation.
- (b) **Dividends.** The holders of any series of Preferred Shares shall be entitled to receive in priority to the holders of Common Shares and shares of any other class of the Corporation ranking subordinate to the Preferred Shares, as and when declared by the board of directors of the Corporation, dividends in the amounts specified or determinable in accordance with the rights, privileges, restrictions and conditions attaching to the series of which such Preferred Shares form part.
- (c) **Rights on Liquidation, Dissolution, or Winding-up.** Upon any liquidation, dissolution, or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs, before any amount shall be paid to or any assets distributed among the holders of Common Shares and shares of any other class of the Corporation ranking subordinate to the Preferred Shares, the holders of the Preferred Shares shall be entitled to receive with respect to the shares of each series thereof all amounts which may be provided in the Articles of the Corporation and the conditions attaching to the series of which such Preferred Shares form part, to be payable thereon in respect of return of capital, premium and accumulated dividends remaining unpaid, including all cumulative dividends, whether or not declared.
- (d) **Voting.** Subject to applicable law, the holders of the Preferred Shares shall not be entitled to receive any notice of or to attend or to vote at any meeting of shareholders of the Corporation; provided that at any meeting of shareholders at which, notwithstanding the foregoing, the holders of the Preferred Shares are required or entitled by law to vote separately as a class or series, each holder of the Preferred Shares of any series thereof shall be entitled to cast, in respect of each such Preferred Share held, one vote per each such Preferred Share.
- (e) **Certain Class Votes.** The holders of the Preferred Shares shall not be entitled to vote separately as a class, and the holders of any series of the Preferred Shares shall not be entitled to vote separately as a series, upon a proposal to amend the Articles of the

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Corporation in the case of an amendment of a kind referred to in paragraphs (a), (b) and (e) of subsection 176(1) of the Act.

## SCHEDULE "C"

### BY-LAW No. 2

A by-law relating generally to  
the transaction of the business  
and affairs of

GROUPE COLABOR INC. / COLABOR GROUP INC.

#### DIRECTORS

1. Number of directors. The number of directors will be determined from time to time by resolution of the directors, provided that such number is not contrary to the articles of the Corporation

#### DIRECTORS' MEETING

2. Calling of and notice of meetings. Meetings of the board of directors (the "Board") will be held on such day and at such time and place as the chairman of the Board, the President or any Vice-President who is a director of the Corporation or any two directors may determine. Notice of meetings of the Board will be given to each director not less than 48 hours before the time when the meeting is to be held. Each newly elected Board may, without notice, hold its first meeting for the purposes of organization and the appointment of officers immediately following the meeting of shareholders at which such Board was elected
3. Quorum. The quorum for transaction of business at any meeting of the Board or committee thereof will consist of a majority of the members thereof, or such other number of directors as the Board may from time to time determine. At any meeting of the Board, every question will be decided by a majority of the votes cast on the question and the chairman of the meeting will not be entitled to a second or casting vote.
4. Chairman. Subject to the provisions of any resolution of the directors, the chairman of the Board, or in his absence, the President, or in the absence of both of them, any officer who is a director, or in the absence also of any such officer, such director as the meeting will select, will act as chairman of the meeting.
5. Meetings by telephonic or electronic means. A meeting of the directors may be held by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

#### SHAREHOLDERS' MEETINGS

6. Notice of meetings. Notice of the time and place of a meeting of shareholders must be sent to each shareholder entitled to vote at the meeting, to each director and to the auditors of the Corporation not less than 21 days and no more than 60 days prior to the date fixed for such meeting, or within such other minimum and maximum delays as may from time to time be prescribed under the *Canada Business Corporations Act* (the "Act").
7. Quorum. At any meeting of shareholders, a quorum will be two persons present in person or by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting entitled to vote at the meeting and holding or representing by proxy not less than 10% of the votes entitled to be cast at the meeting.

8. Casting vote. In case of an equality of votes at any meeting of shareholders, the chairman of the meeting will not be entitled to a second or casting vote.
9. Chairman. The chairman of the Board, or in his absence, the lead director, if any, or in his absence, the President, if he is a director, or in his absence, any officer who is a director, or in his absence, any Vice President who is a shareholder, will preside as chairman at any meeting of the shareholders. If all the foregoing are absent, the persons present and entitled to vote at said meeting will choose one of their number to act as chairman of the meeting.
10. Meetings by telephonic or electronic means. The board may determine the manner in which meetings will be held. A meeting of the shareholders may be held by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. To the extent permitted by the Act, the directors may provide for the depositing and tabulation of proxies by means of telephone, electronic or other communication facility and a person entitled to vote at a meeting of shareholders may vote by means of telephone, electronic or other communication facility the Corporation has made available for that purpose.
11. Place of meeting. Meetings of shareholders may be held at any place within Canada that the directors determine.
12. Postponement or cancellation of meetings. A meeting of shareholders may be postponed or cancelled by the Board at any time prior to the date of the meeting.
13. Suspension/Adjournment of meeting. The chairman of any meeting of shareholders may, without the consent of such meeting, temporarily suspend the meeting, or otherwise adjourn the meeting to a new place and time, if, in the opinion of the chairman of the meeting, it is appropriate in the circumstances to do so.
14. Procedures at meetings. The Board may determine the procedures to be followed at any meeting of shareholders including, without limitation, the rules of order. Subject to the foregoing, the chairman of a meeting of shareholders may determine the procedures of the meeting in all respects.
15. Decisions of the chairman. Unless the chairman of a meeting of shareholders agrees otherwise, the chairman's decision on all matters or things, including any questions regarding the validity of a form of proxy or other instrument appointing a proxy, will be conclusive and binding upon the meeting of shareholders.

#### SHARE CERTIFICATES

16. Share certificates. Subject to the Act, the shares of the Corporation shall be represented by certificate or shall be electronically issued without a certificate. Subject to the Act, no transfer of a share issued by the Corporation will be registered unless or until the share certificate representing the share to be transferred has been presented for registration or, if no share certificate has been issued by the Corporation in respect of such share, unless or until either: i) a duly executed transfer in respect thereof has been presented for registration, or ii) the transfer of ownership is conducted electronically in accordance with the provisions of a direct registration system operated by a clearing agency approved by applicable regulatory authorities.

#### BANKING ARRANGEMENTS, EXECUTION OF INSTRUMENTS, ETC.

17. Banking arrangements. The banking business of the Corporation, or any part thereof, will be transacted with such banks, trust companies or other financial institutions as the Board may designate, appoint or authorize from time to time and all such banking business, or any part thereof, will be transacted on the Corporation's behalf by one or more officers or other persons as the Board may designate, direct or authorize from time to time.



18. Execution of instruments. Any document requiring the signature of the Corporation may be signed by either the Executive Chairman of the Board, the Chairman of the Board or the President alone or by any of them with a Vice President of the Corporation and any document so signed shall bind the Corporation without the necessity of any other authorization or formality. In addition, the Board may from time to time determine the officers or other persons by whom any particular document or instrument or class of documents or instruments of the Corporation will be executed and the manner of execution thereof, including the use of facsimile or other electronic reproduction of any or all signatures and the use of the corporate seal or facsimile or other electronic reproduction thereof.

#### INDEMNIFICATION

19. Indemnification. The Corporation shall, in accordance with the provisions of the Act and to the full extent provided therein, indemnify a director or officer of the Corporation, a former director or officer of the Corporation or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity. The Corporation may extend the benefits of the foregoing indemnification to other persons, provided such persons are designated by way of a resolution of the Board.

#### MISCELLANEOUS

20. Invalidity of any provisions of this by-law. The invalidity or unenforceability of any provision of this by-law will not affect the validity or enforceability of the remaining provisions of this by-law.

21. Omissions and errors. The accidental omission to give any notice to any shareholder, director, officer or auditor or the non-receipt of any notice by any shareholder, director, officer or auditor or any error in any notice not affecting its substance will not invalidate any action taken at any meeting to which the notice related or otherwise founded on the notice.

#### INTERPRETATION

22. Interpretation. In this by-law and all other by-laws of the Corporation words importing the singular number only include the plural and vice versa; words importing any gender include all genders; words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities; "*Canada Business Corporations Act*" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as from time to time amended, re-enacted or replaced; terms that are not otherwise defined in this by-law have the meanings attributed to them in the *Canada Business Corporations Act*; and "meeting of shareholders" means an annual meeting of shareholders or a special meeting of shareholders.

## APPENDIX 2

### SUMMARY OF AMALGAMATION INFORMATION

Name of the amalgamated corporation: ConjuChem Biotechnologies Inc.

Province or territory in Canada where the registered office is to be situated: Québec

Classes and any maximum number of shares that the corporation is authorized to issue: An unlimited number of common shares See Schedule "A" to the Plan of Arrangement

Restrictions, if any, on share transfers: None

Minimum and maximum number of directors: Minimum: 3 Maximum: 10

Restrictions, if any, on business the corporation may carry on: None

Other provisions, if any: The directors shall have the right to appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed shall not exceed one-third ( $\frac{1}{3}$ ) of the number of directors elected at the previous annual meeting of shareholders.