

NexgenRx Inc.
(the "Corporation")

Schedule of Series 1 Preferred Share Provisions

The Corporation is authorized to issue an unlimited number of Series 1 Preferred Shares. The rights, privileges, restrictions and conditions attaching to the Series 1 Preferred Shares are as follows:

1. **Ranking.**

- 1.1 The Series 1 Preferred Shares shall rank senior to the common shares of the Corporation (the "**Common Shares**") with respect to dividends and return of capital upon liquidation or dissolution.

2. **Voting.**

- 2.1 The holders of Series 1 Preferred Shares shall be entitled to receive notice of and attend any meeting of the shareholders of the Corporation, but shall not be entitled to vote at any meeting of the holders of Common Shares.

3. **Dividends.**

- 3.1 Holders of Series 1 Preferred Shares shall be entitled to receive a cumulative dividend on each Series 1 Preferred Share in preference to any dividends on shares of any other class or series of shares in the capital of the Corporation at a rate equal to eight percent (8%) of the applicable Original Issue Price (as defined below) of each Series 1 Preferred Share payable only if, as and when declared by the Corporation's board of directors (the foregoing is hereinafter referred to as the "**Preferred Dividend**").
- 3.2 Preferred Dividends shall be prorated where any Series 1 Preferred Share is not outstanding for an entire calendar year. The directors of the Corporation shall be entitled to declare or pay all or part of the Preferred Dividends in any calendar year. Any undeclared or unpaid Preferred Dividends shall accrue from year to year.
- 3.3 The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of shares in the capital of the Corporation unless the holders of the Series 1 Preferred Shares then outstanding simultaneously receive, a dividend on each outstanding Series 1 Preferred Share in an amount at least equal to the dividend amount (on a per share basis) declared or payable to holders of Common Shares (the foregoing is hereinafter referred to as a "**General Dividend**").
- 3.4 The "**Original Issue Price**" shall mean, with respect to the Series 1 Preferred Shares, the per share issuance price of the Series 1 Preferred Share (as determined by the board of directors of the Corporation at the time of issuance), subject to appropriate adjustment in the event of any share dividend, share split, combination or other similar recapitalization with respect to the Common Shares or the Series 1 Preferred Shares.

4. **Liquidation, Dissolution and Winding Up.**

- 4.1 Upon the occurrence of any liquidation, winding-up or dissolution or any other distribution of the assets of the Corporation among its shareholders for the purpose of

winding-up its affairs, voluntary or involuntary, which is not a "**Qualified Liquidation Event**" (as defined below) of the Corporation, the holders of Series 1 Preferred Shares shall be entitled to receive from the assets and property of the Corporation, in priority to all other classes of shares of the Corporation, an amount per Series 1 Preferred Share equal to the Original Issue Price, together with all accrued and unpaid Preferred Dividends (whether or not declared) and General Dividends (if declared) thereon (the "**Priority Amount**"), before any amount shall be paid or any property or assets of the Corporation are distributed to the holders of any other class of shares. After payment of the Priority Amount to the holders of each Series 1 Preferred Share, the holders of the Series 1 Preferred Shares shall thereafter be entitled to share ratably with the holders of the Common Shares in any further distribution of the property or assets of the Corporation (the "**Ratable Allocation**"). Upon delivery of the Priority Amount and the Ratable Allocation, if any, per Series 1 Preferred Share to the holders of Series 1 Preferred Shares in the foregoing circumstances, such Series 1 Preferred Shares shall be deemed to be cancelled.

- 4.2 If there are insufficient amounts to pay to the holders of Series 1 Preferred Shares the full Priority Amount to which they are entitled on the distribution of the assets of the Corporation in accordance with Section 4.1, all such holders shall share in the distribution on a *pro rata* basis in proportion to the aggregate amount due to each of them.
- 4.3 For the purposes of these Articles, a "**Qualified Liquidation Event**" shall include:
- (A) the closing of a transaction in which an arm's length third party to the Corporation (and its shareholders) has made a *bona fide* offer to acquire 100% of the Corporation's issued and outstanding shares, and such offer has been approved or accepted by the Corporation and its shareholders;
 - (B) the closing of a transaction in which an arm's length third party to the Corporation (and its shareholders) has made a *bona fide* offer to acquire all or substantially all of the Corporation's assets, and such offer has been approved by the Corporation and its shareholders; or
 - (C) the merger, amalgamation, reorganization or other business combination of the Corporation with or into another entity pursuant to which the shareholders of the Corporation will receive cash, publicly traded securities issued by another party to such merger, or both.
- 4.4 In the event of any Qualified Liquidation Event, each holder of Series 1 Preferred Shares then outstanding shall be entitled to be paid the following amounts (per Series 1 Preferred Share held) upon closing: (a) an amount as is equal to the Priority Amount; and (b) an amount as is equal to the consideration payable to the holders of Common Shares calculated on a per share basis (including the total number of Common Shares and Series 1 Preferred Shares), less the Original Issue Price (the foregoing amounts are collectively referred to as the "**Preferred Share Liquidation Amount**"). In calculating the Preferred Share Liquidation Amount, the consideration payable shall be comprised of the cash or the fair market value of the property, rights or securities that is available to be paid or to be distributed to the holders of Common Shares by the Corporation or the acquiring person, firm or other entity. If not otherwise established under the Qualified Liquidation Event, the fair market value of such property, rights or securities shall be determined in good faith by the board of directors of the Corporation.

- 4.5 Upon delivery of the Preferred Share Liquidation Amount per Series 1 Preferred Share to the holders of Series 1 Preferred Shares, such Series 1 Preferred Shares shall be deemed to be cancelled.
- 4.6 The Corporation shall not have the power to effect a Qualified Liquidation Event unless the agreement or plan of arrangement for such transaction provides that the consideration payable to the shareholders of the Corporation shall be allocated among the holders of shares in the capital of the Corporation in accordance with this Article 4.

5. **Adjustments.**

5.1 If, at any time after the date that the Series 1 Preferred Shares are authorized for issuance, the Corporation shall:

- (A) subdivide, redivide or change its outstanding Common Shares into a greater number of shares;
- (B) reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares; or
- (C) issue Common Shares (or securities convertible or exchangeable into Common Shares) to the holders of any of its outstanding Common Shares by way of a stock dividend (other than an issue of Common Shares to holders of Common Shares who exercise an option to receive stock dividends in lieu of cash dividends);

then the number of Series 1 Preferred Shares shall be amended accordingly and the Original Issue Price shall, in the case of the events referred to in (A) and (C), be decreased in the same proportion to the increase in the number of outstanding Common Shares and Series 1 Preferred Shares resulting from such subdivision, redivision or change or such dividend (including, in the case where securities convertible or exchangeable into Common Shares, are issued, the number of Common Shares that would have been outstanding had such securities been converted or exchanged into Common Shares on such date of issuance thereof), or, in the case of (B), shall be increased in the same proportion to the decrease in the number of outstanding Common Shares and Series 1 Preferred Shares resulting from such combination or consolidation.

5.2 The adjustments contemplated in Section 5.1 shall be made successively whenever any event referred to in Section 5.1 shall occur.

6. **Creation of Additional Shares.**

6.1 No class of shares may be created ranking as to capital or dividends in priority to or on parity with the Series 1 Preferred Shares without the consent or approval of the holders of the Series 1 Preferred Shares in the manner hereinafter specified and in accordance with any requirements of applicable law.

7. **Amendments.**

7.1 The rights, privileges, restrictions and conditions attached to the Series 1 Preferred Shares may be amended, modified, suspended, altered or repealed but only if consented to, or approved by, the holders of the Series 1 Preferred Shares in the manner hereinafter specified and in accordance with any requirements of applicable law.

8. **Approval by Holders of Series 1 Preferred Shares.**

8.1 For the purpose of Sections 6 and 7, any consent or approval given by the holders of Series 1 Preferred Shares shall be deemed to have been sufficiently given if it shall have been given in writing by all of the holders of the outstanding Series 1 Preferred Shares or by a resolution passed at a meeting of holders of Series 1 Preferred Shares duly called and held upon not less than 21 days' notice in writing to the holders, at which the holders of at least 50% of the outstanding Series 1 Preferred Shares are present or are represented by proxy and carried by the affirmative vote of not less than two-thirds of the votes cast at such meeting. On every ballot cast at every meeting of the holders of the Series 1 Preferred Shares, every holder of a Series 1 Preferred Share shall be entitled to one (1) vote in respect of each Series 1 Preferred Share held. Subject to the foregoing, the formalities to be observed in respect of the giving or waiving of notice of any such meeting or adjourned meeting and the conduct thereof shall be those from time to time prescribed in the by-laws of the Corporation.

9. **Withholdings and Taxes.**

9.1 Notwithstanding any other provision of these share provisions, the Corporation may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required.

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la *Loi sur les sociétés par actions*.
7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2020/06/25

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

NEXGENRX INC.

(Print name of corporation from Article 1 on page 1)
(Veuillez écrire le nom de la société de l'article un à la page une).

By/ RONALD C. LOUCKS
Par :

(Signature)
(Signature)

DIRECTOR, PRESIDENT & CEO
(Description of Office)
(Fonction)