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 **Ministry of
Government Services** **Ministère des
Services gouvernementaux**
Ontario
CERTIFICATE **CERTIFICAT**
This is to certify that these **articles are effective on** Ceci certifie que les présents **statuts entrent en vigueur le**

FEBRUARY 27 FÉVRIER, 2017

 **Director / Directeur** 17
Business Corporations Act / Loi sur les sociétés par actions

Form 3
Business
Corporations
Act

Formule 3
Loi sur les
sociétés par
actions

**ARTICLES OF AMENDMENT
STATUTS DE MODIFICATION**

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale actuelle de la société (écrire en LETTRES MAJUSCULES SEULEMENT) :

A	Q	U	A	R	I	U	S		S	U	R	G	I	C	A	L		T	E	C	H	N	O	L	O	G	I	E	S
	I	N	C	.																									

2. The name of the corporation is changed to (if applicable) : (Set out in BLOCK CAPITAL LETTERS)
Nouvelle dénomination sociale de la société (s'il y a lieu) (écrire en LETTRES MAJUSCULES SEULEMENT) :

3. Date of incorporation/amalgamation:
Date de la constitution ou de la fusion :

1986/12/12

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

4. Complete only if there is a change in the number of directors or the minimum / maximum number of directors.
Il faut remplir cette partie seulement si le nombre d'administrateurs ou si le nombre minimal ou maximal d'administrateurs a changé.

Number of directors is/are: minimum and maximum number of directors is/are:
Nombre d'administrateurs : nombres minimum et maximum d'administrateurs :

Number minimum and maximum
Nombre minimum et maximum

or

5. The articles of the corporation are amended as follows:
Les statuts de la société sont modifiés de la façon suivante :

The Directors of the Corporation have resolved to designate and issue a series of special shares designated as Series "A" Special Shares with the rights, privileges terms and conditions as follows:

5. (continued)

1. The Series "A" Special Shares are limited to a maximum outstanding number of 1,532,901 as initially issued, and that number may not be increased, and are non-voting except at a meeting of holders of the Series "A" Special Shares.
2. The stated capital amount attributed to each Series "A" Special Share at the time of issue shall be ONE DOLLAR (\$1.00).
3. The Series "A" Special Shares are non transferable, except with the written consent of a majority of the Directors of the Corporation, and then only in the case of a transfer to either (i) an Escrow Agent in the event that any relevant securities regulatory authority or stock exchange on which the common shares of the Corporation are listed requires that they be transferred to and held in escrow, or (ii) the Estate of the original registered holder of the Series "A" Special Shares following the death of the original registered holder.
4. The Series "A" Special Shares may be converted into Common Shares of the Corporation, as constituted as at the date of original issue and subject to the provisions referred to below, upon achievement of financial performance EBITDA Milestones "Milestone(s)") by the Corporation for the five consecutive financial years commencing March 1, 2017, as certified by the Corporation's independent Auditors, and as set out in the undernoted Table.

MILESTONES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EBITDA	\$284,365	\$3,440,632	\$7,128,544	\$11,291,880	\$15,300,840

5. (a) If a Milestone is achieved, then 306,580 Series "A" Special Shares, in respect of Years 1, 2, 3 and 4, and 306,581 Series "A" Special Shares in respect of Year 5, will be converted, for no further consideration, into an equal number of common shares issued from the treasury of the Corporation. In the event that a Milestone in any year is not reached in that specific year, then the Series "A" Special Shares that would have been converted on achievement of the Milestone for that year will be held for a further period of one year, so that if at the end of the next financial year the Milestone for that year and the immediately preceding year has been reached on a cumulative basis, then both instalments of Series "A" Special Shares will be converted into an equal number of common shares, but if the total EBITDA for both years, on a cumulative basis, has not been achieved, then the instalment relating to the former financial year will be redeemed by the Company and the instalment relating to the latter year may be carried forward to the next financial year on the same basis, **provided** that no amount may be carried forward beyond the end of the fifth financial year.
- (b) Achievement of Milestones to the full extent is essential in order to entitle the holder of Series "A" Special Shares to convert to common shares. Any excess of EBITDA achieved at each Milestone Date shall be carried forward into the next applicable financial year.

5. (continued)

- (c) Any Series "A" Special Shares that fall due for redemption pursuant to failure to achieve Milestone as set out herein shall be redeemed by the Corporation at the price of \$0.0001, and shall be returned to Treasury and cancelled without any further or other compensation.
- 6. In the event of any subdivision, redivision or change of the common shares of the Corporation into a greater number of common shares at any time while any Series "A" Special Share is outstanding the Corporation shall thereafter deliver at the time of conversion pursuant to the terms of the Series "A" Special Shares in lieu of the number of common shares such greater number of common shares as would result from said subdivision, redivision or change had the conversion taken place before such subdivision, redivision or change.
- 7. In the event of any consolidation of the common shares of the Corporation into a less number of common shares at any time while any Series "A" Special Share is outstanding, the Corporation shall thereafter deliver, and holder of the Special "A" Shares shall accept, at the time of delivery pursuant to the terms of the Series "A" Special Shares in lieu of the number of common shares in respect of which the right to convert to common shares, such lesser number of common shares of the Corporation as would result from such consolidation had the right of conversion arisen before such consolidation.
- 8. In the event of any reclassification of the common shares of the Corporation, resulting from, but not being limited to, the payment of a stock dividend other than dividends in the ordinary course, capital reorganization, or amalgamation of the Corporation with another corporation, at any time while any Series "A" Special Shares are outstanding, the Corporation shall thereafter deliver at the time the right of conversion arises pursuant to the terms of the Series "A" Special Shares, the number of common shares of the Corporation or of the appropriate class or classes resulting from such reclassification as the holder of Series "A" Special Shares would have been entitled to receive in respect of the number of common shares in respect of which the right of conversion has then arisen, had the right of conversion arisen before such reclassification.

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

2012/02/27

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

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

AQUARIUS SURGICAL TECHNOLOGIES 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/
Par :

(Signature)
(Signature)



Director

(Description of Office)
(Fonction)