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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of**  
**The Securities and Exchange Act of 1934**

Date of Report (Date of earliest event reported) **July 13, 2009**

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**IntelGenx Technologies Corp.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**000-31187**

(Commission File No.)

**87-0638336**

(IRS Employer ID)

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**6425 Abrams, Ville Saint Laurent, Quebec, H4S 1X9 Canada**

(Address of principal executive offices and Zip Code)

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**(514) 331-7440**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( *see* General Instruction A.2. below):

- £ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - £ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - £ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - £ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 1.01 Entry Into a Material Definitive Agreement**

On July 13, 2009, IntelGenx Technologies Corp. ("IntelGenx" or the "Company") completed an offering of 10,500,000 special warrants (the "Special Warrants") at CDN\$0.40 per unit for gross proceeds of approximately \$4.2 million ("the "Offering") pursuant to the terms of subscription agreements with its investors (the "Subscription Agreements"). Each Special Warrant entitles its holder to receive, upon exercise or deemed exercise thereof, one common share of the Company (an "Underlying Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one common share of the Company (a "Warrant Share") at an initial exercise price of US\$0.80 and expires on July 13, 2012. The exercise price of the Warrants is subject to adjustment for certain events, including without limitation, dividends, distributions or split of the Company's common stock, subsequent rights offerings by the Company, or in the event of the Company's consolidation, merger or reorganization.

The Special Warrants will be deemed exercised on behalf of, and without any required action or an additional consideration on the part of, the holder thereof on the earlier of: (a) the fifth business day following the later of (i) the date the Company receives a receipt for a short-form prospectus in the Provinces of Ontario, British Columbia, Alberta, Manitoba and Quebec, (ii) the date the Registration Statement (as defined below) is declared effective by the Securities and Exchange Commission; and (b) 5:00 p.m. (Toronto time) on November 14, 2009.

Pursuant to an Agency Agreement (the "Agency Agreement") entered into on July 13, 2009, the Company engaged Bolder Investment Partners Ltd., Union Securities Ltd. and Paradigm Capital Inc. (the "Agents") to act as placement agents for the Offering on a best efforts basis. The Company (a) paid the Agents cash compensation equal to 8% of the gross proceeds of the Offering, (b) issued to the Agents compensation options ("Compensation Options") entitling the Agents to purchase a number of common shares of the Company equal to 8% of the number of Special Warrants sold in the Offering (the "Compensation Option Shares"), and (c) issued to the Agents a number of common shares of the Company equal to 4% of the number of Special Warrants sold in the Offering (the "Broker Shares"). The Compensation Options expire July 13, 2012.

In connection with the Offering, the Company entered into a Registration Rights Agreement (the "Registration Rights Agreement") providing for the filing of a registration statement (the "Registration Statement") with the Securities and Exchange Commission registering the Underlying Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and the Broker Shares. The Company is obligated to file the Registration Statement no later than 30 days from the date of closing and to use its best efforts to cause the Registration Statement to be declared effective no later than 120 days after the date of closing.

The Special Warrants, the Underlying Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and the Broker Shares are subject to statutory resale restrictions under the Securities Act of 1933, as amended (the "Act").

The foregoing issuances were exempt from registration under Section 4(2) of the Act and/or Regulation S, promulgated pursuant to the Act. None of the purchasers are U.S. persons, no sales efforts were conducted in the U.S., and the Special Warrants, the Underlying Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and the Broker Shares contain, or will contain upon issuance, a legend restricting the sale of such securities in accordance with applicable exemptions from the registration requirements of the Act.

The foregoing summary of the Offering is qualified in its entirety by reference to the transaction documents which are filed as exhibits contemporaneously herewith.

### **Item 3.02 Unregistered Sales of Equity Securities**

The information under Item 1.02 of this Current Report on Form 8-K is incorporated by reference to this Item 3.02 to the extent required by Item 3.02.

### **Item 8.01 Other Events**

On July 14, 2009, the Company issued a press release announcing the Offering. The press release, which is filed as Exhibit 99.1 to this current Report on Form 8-K, is incorporated herein by reference.

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**Item 9.01 Financial Statements and Exhibits****(c) Exhibits**

| <b>Exhibit<br/>Number</b> | <b>Description</b>   |
|---------------------------|--|
| 10.1                      | Agency Agreement, dated as of July 13, 2009, by and among the Company, Bolder Investment Partners Ltd., Union Securities Ltd. and Paradigm Capital Inc.              |
| 10.2                      | Registration Rights Agreement, dated as of July 13, 2009, by and among the Company, Paradigm Capital Inc., Bolder Investment Partners Ltd. and Union Securities Ltd. |
| 10.3                      | Form of Subscription Agreement   |
| 10.4                      | Form of Special Warrant  |
| 10.5                      | Form of Warrant  |
| 10.6                      | Form of Compensation Option  |
| 99.1                      | Press Release, dated July 14, 2009   |

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**INTELGEX TECHNOLOGIES CORP.**

By: /s/ Horst Zerbe  
Horst Zerbe  
President and Chief Executive Officer

Date: July 14, 2009

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AGENCY AGREEMENT

July 13, 2009

IntelGenx Technologies Corp.  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

Attention: Horst G. Zerbe, President and Chief Executive Officer

Dear Sirs:

The undersigned, Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd. (collectively, the “**Agents**”), understand that IntelGenx Technologies Corp. (the “**Company**”) proposes to issue and sell, subject to requisite regulatory approval, up to 15,000,000 special warrants (individually a “**Special Warrant**” and, collectively, the “**Special Warrants**”) having the terms described herein, at a price of C\$0.40 per Special Warrant (the “**Issue Price**”) for aggregate gross proceeds to the Company of up to C\$6,000,000. The offering of Special Warrants is hereinafter referred to as the “**Offering**”. Each Special Warrant shall entitle the holder thereof to acquire for no additional consideration or further action on the part of the holder, and subject to adjustment in certain circumstances as set out in the Special Warrant Certificate (as hereinafter defined), one unit of the Company (a “**Unit**”) on the Automatic Exercise Date (as hereinafter defined), provided that in the event that the Clearance Date (as hereinafter defined) does not occur on or before the Clearance Deadline (as hereinafter defined), each Special Warrant shall entitle the holder thereof to acquire for no additional consideration or further action on the part of the holder, 1.1 Units (in lieu of 1 Unit). Each Unit shall comprise one share of common stock, par value US\$0.00001 of the Company (a “**Unit Share**”) and one share purchase warrant (each whole share purchase warrant being a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one share of common stock, par value US\$0.00001, of the Company (a “**Warrant Share**”) for a period of thirty-six (36) months following the date hereof at a price of US\$0.80.

Upon and subject to the terms and conditions set forth herein, the Agents hereby agree to act, and upon acceptance hereof the Company hereby appoints the Agents, as the Company's exclusive agents to offer for sale the Special Warrants on a “best efforts” agency basis, without underwriter liability, at the Issue Price, and the Agents agree to arrange for Purchasers in the Selling Jurisdictions (as hereinafter defined).

The Purchasers (as hereinafter defined), Agents and other holders (including subsequent transferees) of the Special Warrants and any holders of Registrable Securities (as hereinafter defined) will be entitled to the benefits of the registration rights agreement, to be dated as of the Closing Dates (the “**Registration Rights Agreement**”), among the Company and the Agents, in such form as agreed upon by the Company and the Agents and their respective counsel.

In consideration of the services to be rendered by the Agents in connection with the Offering, the Company shall pay to the Agents the Agent's Commission (as hereinafter defined) and in addition, issue to the Agents the Broker Shares and the Compensation Options as set out in section 16 hereto.

## DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

“ **Act** ” means the *Securities Act* (Ontario);

“ **Affiliates** ” means the affiliates of the Agents, as such term is defined in the Act;

“ **Agent's Commission** ” shall have the meaning ascribed to such term in section 16 hereto;

“ **Agents** ” shall have the meaning ascribed to such term on the face page of the Agreement;

“ **Agreement** ” means the agreement resulting from the acceptance by the Company of the offer made by the Agents hereby;

“ **AMF** ” means Autorité des Marchés Financiers;

“ **Automatic Exercise Date** ” means 4:59 p.m. (Toronto time) on the date that is the earlier of (a) the Clearance Date, and (b) the Expiry Time;

“ **Broker Shares** ” means that number of Common Shares issuable to the Agents hereunder, equal to 4% of the aggregate number of Special Warrants issued under the Offering;

“ **Business Day** ” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Toronto, Ontario or in the City of Montreal, Quebec or a statutory holiday in the United States;

“ **Canadian Accredited Investor** ” means an investor who is an “accredited investor” as defined in s.1.1 of National Instrument 45-106 – *Prospectus and Registration Exemptions* ;

“ **Clearance Date** ” means the date which is five Business Days following the later of (i) the date the Company receives a Receipt for the Prospectus from the last of the Commissions, and (ii) the date the Registration Statement is declared effective by the SEC;

“ **Clearance Deadline** ” means the date which is 120 days following July 13, 2009;

“ **Closing** ” means the one or more closings on the Closing Dates of the purchase and sale in respect of the Special Warrants as contemplated by this Agreement and the Subscription Agreements;

“ **Closing Dates** ” means July 13, 2009 and such other dates (from time to time) as agreed to by the Company and the Agents as may be necessary to complete the Offering;

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“ **Closing Time** ” means 10:00 a.m. (Toronto time) on the Closing Dates or such other time on the Closing Dates as the Company and the Agents may agree;

“ **Commissions** ” means, collectively, the provincial securities commission or other regulatory authority in each of the Qualifying Provinces;

“ **Common Shares** ” means the shares of common stock with a par value of US\$0.00001 in the capital of the Company;

“ **Company** ” means IntelGenx Technologies Corp. which, for the purposes of this Agreement, shall be deemed as having commenced its existence on the Reverse Merger Date, and includes any successor corporation to or of the Company;

“ **Company's Auditors** ” means RSM Richter LLP, or such other firm of chartered accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

“ **Compensation Option** ” shall have the meaning ascribed to such term in section 16 hereto;

“ **Compensation Option Certificate** ” means the certificate evidencing the Compensation Option and containing the terms thereof;

“ **Compensation Option Shares** ” means the Common Shares issuable upon exercise of the Compensation Options;

“ **Debt Instrument** ” means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;

“ **Disclosure Documents** ” means collectively, all documents filed by the Company on SEDAR since December 31, 2006 and the following filings with the SEC and all exhibits thereto: the Corporation's current report on Form 8-K filed on May 23, 2007, the Corporation's annual report on Form 10-K for the year ended December 31, 2008, and all subsequent documents filed by the Company with the SEC pursuant to Section 13(a), 13(c), 14(a) or 15(d) of the Exchange Act prior to the Closing Dates, including the quarterly reports filed on Form 10-Q for the quarter ended March 31, 2009, the current reports filed on Form 8-K since January 1, 2008 and the proxy statement dated August 11, 2008;

“ **EDGAR** ” means Electronic Data Gathering, Analysis and Retrieval;

“ **Environmental Laws** ” has the meaning ascribed in section 8(a)(xxxii);

“ **Exchange Act** ” means the United States Securities Exchange Act of 1934, as amended;

“ **Expiry Time** ” means 5:00 p.m. (Toronto time) on November 14, 2009;

“ **Financial Statements** ” has the meaning ascribed in section 8(a)(vi);

“ **including** ” means including without limitation;

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“ **Intellectual Property** ” means, collectively, all intellectual property rights which pertain to the business of the Company or the Material Subsidiaries of whatsoever nature, kind or description including:

- (a) all trade-marks, service marks, trade-mark and service mark registrations, trade mark and service mark applications, rights under registered user agreements, trade names and other trade-mark and service mark rights;
- (b) all copyrights and applications therefor, including all computer software and rights related thereto;
- (c) all patent rights;
- (d) all trade secrets and proprietary and confidential information;
- (e) all industrial designs and registrations thereof and applications therefor;
- (f) all renewals, modifications, developments and extensions of any of the items listed in clauses (a) through (e) above; and
- (g) all patterns, plans, designs, research data, other proprietary know-how, processes, drawings, technology, inventions, formulae, specifications, performance data, quality control information, unpatented blue prints, flow sheets, equipment and parts lists, instructions, manuals, records and procedures, and all licenses, agreements and other contracts and commitments relating to any of the foregoing;

“ **International Jurisdiction** ” means any jurisdiction other than and outside of Canada and the United States;

“ **Investment Company Act** ” means the United States Investment Company Act of 1940, as amended;

“ **Issue Price** ” shall have the meaning ascribed to such term on the face page of the Agreement;

“ **Leased Premises** ” means all premises which are material to the Company and which the Company or a Material Subsidiary occupies as tenant;

“ **Material Agreement** ” means any material note, indenture, mortgage or other form of indebtedness and any contract, commitment, agreement (written or oral), instrument, lease or other document, including licence agreements and agreements relating to intellectual property, to which the Company is a party and which is material to the Company;

“ **Material Subsidiaries** ” shall have the meaning ascribed thereto in section 8(a)(ii);

“ **misrepresentation** ”, “ **material fact** ”, “ **material change** ”, “ **subsidiary** ”, “ **affiliate** ”, “ **associate** ”, and “ **distribution** ” have the respective meanings ascribed thereto in the Act or the U.S. Securities Act, as applicable;

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“ **NI 45-106** ” means National Instrument 45-106 – Prospectus and Registration Exemptions, of the Canadian Securities Administrators.

“ **Offering** ” shall have the meaning ascribed to such term on the face page of the Agreement;

“ **Paradigm** ” means Paradigm Capital Inc.;

“ **person** ” means any individual (whether acting as an executor, trustee, administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

“ **Personnel** ” has the meaning ascribed in section 14 hereto;

“ **Preliminary Prospectus** ” means the preliminary short-form prospectus (or long-form prospectus, if applicable) of the Company (including any document incorporated by reference therein) qualifying the distribution in the Qualifying Provinces of the Unit Shares and Warrants issuable upon exercise of the Special Warrants;

“ **Prospectus** ” means the final short-form prospectus (or long-form prospectus, if applicable) qualifying the distribution in the Qualifying Provinces of the Unit Shares and Warrants issuable upon exercise of the Special Warrants;

“ **Purchasers** ” means the persons who, as purchasers, acquire Special Warrants by duly completing, executing and delivering Subscription Agreements and any other required documentation and permitted assignees or transferees of such persons from time to time;

“ **Qualifying Provinces** ” means the provinces of Canada in which Purchasers are resident and Quebec;

“ **Receipt** ” means a decision document issued by the AMF in its capacity as principal regulator in accordance with Multilateral Instrument 11-202 – *Passport System* and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* evidencing that a receipt has been issued or deemed to be issued by each of the Commissions;

“ **Registration Rights Agreement** ” shall have the meaning ascribed to such term on the face page of the Agreement;

“ **Registration Statement** ” means an S-1 registration statement of the Company to be filed with the SEC in order, to register, or register the resale of, the Registrable Securities, as applicable, as such Registration Statement is amended from time to time;

“ **Registrable Securities** ” means the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and the Broker Shares;

“ **Regulation D** ” means Regulation D under the U.S. Securities Act;

“ **Regulation S** ” means Regulation S under the U.S. Securities Act;

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“ **Reverse Merger Date** ” means April 28, 2006, being the effective date of the reverse merger transaction pursuant to a share exchange agreement among Big Flash Corporation, 6544631 Canada Inc. and IntelGenx Corp.;

“ **Rule 144** ” means Rule 144 under the U.S. Securities Act;

“ **Rule 144A** ” means Rule 144A under the U.S. Securities Act;

“ **SEC** ” means the United States Securities and Exchange Commission;

“ **Securities Laws** ” means, as applicable, the securities legislation and securities laws of the AMF and each Selling Jurisdiction and International Jurisdiction, and the regulations and rules made thereunder and all published policy statements, blanket orders, notices, directions and ruling issued or adopted by the Securities Regulators, collectively, and the rules of the TSXV;

“ **Securities Regulators** ” means, as applicable, the AMF and the securities commissions or other securities regulatory authorities of the Selling Jurisdictions and International Jurisdictions, including the SEC, or, as the context may require, any one or more of the Selling Jurisdictions, the International Jurisdictions and the SEC;

“ **SEDAR** ” means System for Electronic Data Analysis and Retrieval;

“ **Selling Jurisdictions** ” means the provinces of British Columbia, Alberta, Ontario and Manitoba and such other Canadian provinces (except Quebec) and International Jurisdictions as agreed upon by the Company and the Agents where Purchasers are resident;

“ **Special Warrant Certificates** ” means the certificates evidencing the Special Warrants and containing the terms thereof;

“ **Special Warrants** ” means the non-transferable special warrants of the Company offered by the Company pursuant to this agreement and having the terms provided for in the Special Warrant Certificates;

“ **Subscription Agreements** ” means the subscription agreements in the form agreed upon by the Agents and the Company pursuant to which Purchasers agree to subscribe for and purchase the Special Warrants herein contemplated and shall include, for greater certainty, all schedules thereto;

“ **Supplementary Material** ” means any documents supplemental to the Preliminary Prospectus or Prospectus or any amending or supplementary prospectus or other supplemental documents or any similar document required to be filed under applicable Securities Laws;

“ **Taxes** ” shall have the meaning ascribed thereto in section 8(a)(ix);

“ **Transaction Documents** ” means, collectively, this Agreement, the Subscription Agreements, the Registration Rights Agreement, the Special Warrant Certificates, the Warrant Certificates and the Compensation Option Certificates;

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“ **Transfer Agent** ” means StockTrans, Inc., 44 West Lancaster Ave, Ardmore, PA 19003, Tel:610-649-7300;

“ **TSXV** ” means the TSX Venture Exchange;

“ **Unit Shares** ” shall have the meaning ascribed to such term on the face page of this Agreement;

“ **United States** ” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

“ **U.S. Offering** ” shall have the meaning set forth in Section 6(a)(xix);

“ **U.S. Person** ” means a U.S. person as that term is defined in Regulation S under the U.S. Securities Act;

“ **U.S. Securities Act** ” means the United States Securities Act of 1933, as amended;

“ **Warrant Certificates** ” means the certificates evidencing the Warrants and containing the term thereof;

“ **Warrant Shares** ” shall have the meaning ascribed to such term on the face page of the Agreement; and

“ **Warrants** ” shall have the meaning ascribed to such term on the face page of the Agreement;

“ **C\$** ” as used herein means dollars of Canada; and

“ **US\$** ” as used herein means dollars of the United States.

## **TERMS AND CONDITIONS**

**1. (a) Sale on Exempt Basis.** The Agents will offer for sale and sell the Special Warrants in the Selling Jurisdictions to persons who are not U.S. Persons on a “private placement” basis in those jurisdictions where they may lawfully be offered for sale or sold and only at the Issue Price. The Agents will offer the Special Warrants to persons who it reasonably believes, after customary inquiry, are Canadian Accredited Investors, or are purchasing under the \$150,000 minimum amount exemption in NI 45-106, in transactions which comply with the exemptions from prospectus requirements, or to those investors in the International Jurisdictions which do not require the filing of a prospectus or offering memorandum with respect to those Special Warrants under the laws of the applicable International Jurisdiction.

**(b) Filings.** The Company undertakes to file or cause to be filed all forms or undertakings required to be filed by the Company in the Selling Jurisdictions and International Jurisdictions in connection with the purchase and sale of the Special Warrants so that the distribution of the Special Warrants may lawfully occur without the necessity of filing a prospectus, a registration statement (other than the Registration Statement) or an offering memorandum in Canada or the International Jurisdictions (but on terms that will permit the Special Warrants acquired by the Purchasers in the Selling Jurisdictions and International Jurisdictions to be sold by such Purchasers at any time in the Selling Jurisdictions and International Jurisdictions subject to the terms of this Agreement and applicable Securities Laws, including, but not limited to, compliance with applicable hold periods), and the Agents undertake to cause Purchasers of Special Warrants to complete any forms required by the Securities Laws. All fees payable in connection with such filings shall be at the expense of the Company.

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(c) **No Offering Memorandum.** Neither the Company nor the Agents shall (i) provide to prospective purchasers of the Special Warrants any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Special Warrants, including but not limited to, causing the sale of the Special Warrants to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display, or conduct any seminar or meeting relating to the offer and sale of the Special Warrants whose attendees have been invited by general solicitation or advertising.

## **2. Description of the Special Warrants.**

(a) The Special Warrants will be issued pursuant to the provisions of the Special Warrant Certificates and shall be in such form and contain such items as approved by the Agents, the Company and their respective counsel. The material attributes and characteristics of the Special Warrants shall be substantially as described herein and shall be issued as set forth in the Special Warrant Certificates. In the event of a conflict between the terms and conditions of the Special Warrants in this Agreement and the Special Warrant Certificates, the provisions of the Special Warrant Certificates shall govern.

(b) Each Special Warrant shall be exercisable at any time and from time to time, without payment of any additional consideration and subject to adjustment in certain circumstances, into one Unit prior to the Automatic Exercise Date. In the event that the holder of the Special Warrants has not exercised the Special Warrants prior to the Automatic Exercise Date, such Special Warrants shall be deemed to be exercised on the Automatic Exercise Date without any further action on the part of the holder.

(c) In the event that the Clearance Date has not occurred by the Clearance Deadline, each Special Warrant will thereafter entitle the holder to receive, without payment of any further consideration, 1.1 Units (in lieu of 1 Unit).

(d) The Special Warrants shall be issued by the Company in the names of the Purchasers or their nominees as directed by the Purchasers in the Subscription Agreements, or as may be directed by the Agents.

(e) The Special Warrant Certificates shall, among other things, include provisions for the appropriate adjustment in the class, number and price of the Unit Shares and Warrants issued, upon exercise of the Special Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation of the Company.

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### **3. Prospectus**

**(a)** The Company covenants and agrees to use its commercially reasonable efforts to, as soon as practicable following the date hereof and, in any event, within 30 days following the date hereof: (i) file a Preliminary Prospectus and obtain a Receipt in each of the Qualifying Provinces; (ii) resolve all comments received or deficiencies raised by the Commissions in respect of the Preliminary Prospectus as expeditiously as possible; and (iii) file the Prospectus and obtain a final Receipt in each of the Qualifying Provinces as soon as possible after such regulatory comments and deficiencies have been resolved and in no event later than 4:59 p.m. (Toronto time) on the Clearance Deadline.

**(b)** The form and substance of the Preliminary Prospectus, the Prospectus and any Supplementary Material shall be satisfactory to the Company and its counsel and the Agents and their counsel, acting reasonably.

**(c)** The Company shall permit the Agents and their counsel to participate in the preparation of the Preliminary Prospectus, the Prospectus and any Supplementary Material, to discuss the Company's business with its corporate officials and auditors and to conduct such full and comprehensive review and investigation of the Company's business, affairs, capital and operations as the Agents and their counsel reasonably consider to be necessary to establish a due diligence defence under Securities Laws to an action for misrepresentation or damages and to enable the Agents to responsibly execute the Agents' certificate in the Preliminary Prospectus and Prospectus and any Supplementary Material. The Company also covenants to use its commercially reasonable efforts to secure the cooperation of the Company's professional advisors (including its legal advisors and auditors) to participate in any due diligence conference calls required by the Agents, and the Company consents to the use and the disclosure of information obtained during the course of the due diligence investigation (including during the due diligence conference call) where such disclosure is required by law or required by the Agents to maintain a defence to any regulatory or other civil action.

**(d)** The Prospectus shall contain a contractual right of rescission granted by the Company to the Purchasers for misrepresentations concerning the Company in the Prospectus.

**(e)** Provided the Agents and their counsel, acting reasonably, are satisfied that the Preliminary Prospectus and the Prospectus contain full, true and plain disclosure of all material facts relating to the Company and the Special Warrants and the Unit Shares and Warrants issuable thereunder and provided the Company has delivered to the Agents the documents described in this Section to be delivered on the date of the Prospectus, the Agents shall duly execute the Agents' certificate in the Prospectus.

**(f)** The Company shall deliver to the Agents, within two Business Days after, as applicable, the issuance of the final Receipt and the execution of any Supplementary Material, without charge to the Agents, as many commercial copies of the Preliminary Prospectus, Prospectus and any Supplementary Material, as applicable, as the Agents may reasonably request for the purposes of delivering such documents to the Purchasers and for the purposes contemplated by Securities Laws, and such delivery shall constitute: (A) the consent of the Company for the Agents and other appropriately registered investment dealers to use such documents in connection with the distribution to the Purchasers or the distribution to the public, as the case may be, of the Unit Shares and Warrants underlying the Special Warrants, subject to the provisions of Securities Laws; and (B) a representation and warranty by the Company to the Agents that all information and statements (except information and statements relating solely to the Agents or a selling agent) contained in the Prospectus and any Supplementary Material, as applicable, are true and correct in all material respects at the time of delivery thereof and contain no misrepresentations (as defined in the Act) and constitute full, true and plain disclosure of all material facts relating to the Company and the Special Warrants and the Unit Shares and Warrants issuable thereunder, as required by Securities Laws.

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(g) On the date of the Prospectus, the Company shall deliver the following documents to the Agents and their counsel, each of which shall be in a form and substance satisfactory to the Agents and their counsel:

- (i) a comfort letter dated the date of the Prospectus from the auditors of the Company, addressed to the Agents and to the board of directors of the Company, in form and substance reasonably satisfactory to the Agents, relating to the verification of the financial information and accounting data and other numerical data of a financial nature contained in the Prospectus and matters involving changes or developments since the respective dates as of which specified financial information is given in the Prospectus to a date not more than two business days prior to the date of such letter; and
- (ii) any other certificates, comfort letters or opinions in connection with any matter related to the Prospectus which are reasonably requested by the Agents or their counsel.

(h) The Company recognizes that it is fundamental to the Purchasers that the distribution of the Unit Shares and Warrants issuable upon exercise of the Special Warrants be qualified in the Qualifying Provinces under the Prospectus so that the Unit Shares, Warrants and Warrant Shares will be tradable in the Qualifying Provinces without the necessity of the holder thereof filing a prospectus or relying on an exemption from prospectus requirements under applicable Securities Laws or subject to any statutory or resale restrictions in such Qualifying Provinces under applicable Securities Laws. The Company acknowledges that it is for this reason that the Company has agreed to use its commercially reasonable efforts to ensure that the Prospectus is to be filed with the Commissions in Canada within the time periods contemplated by this Agreement.

#### **4. Registration Statement Matters**

(a) The Company covenants and agrees to use its commercially reasonable efforts to, as soon as practicable following the date hereof and, in any event, within 30 days following the date hereof: (i) prepare and file with the SEC the Registration Statement on Form S-3 (or, if Form S-3 is not then available to the Company, on such other appropriate form of registration statement as is then available) to effect a registration covering the resale of the Registrable Securities in an amount at least equal to the aggregate of the Registrable Securities; (ii) settle any comments of the SEC as soon as possible thereafter; and (iii) file and have declared effective a final Registration Statement. The Registration Statement also shall cover, to the extent allowable under the U.S. Securities Act and the rules promulgated thereunder (including Rule 416), such indeterminate number of additional shares of common stock of the Company resulting from stock splits, stock dividends or similar transactions with respect to the Registrable Securities. The Company shall use its commercially reasonable efforts to have the final Registration Statement declared effective by the SEC as soon as practicable and, in any event, no later than 4:59 p.m. (Toronto time) on the Clearance Deadline, provided that if the Clearance Date has not occurred prior to the Clearance Deadline, the Company shall continue to use its commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable following the Clearance Deadline;

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**(b)** Prior to the filing of the Registration Statement (and each amendment or supplement thereto) the Company will allow the Agents to review and comment on the Registration Statement (and each amendment or supplement thereto), and will allow the Agents to conduct all due diligence which they may reasonably require to conduct in order to fulfil their obligations as Agents;

**(c)** All the information and statements to be contained in the Registration Statement (and each amendment or supplement thereto), will, at the respective dates of filing thereof, disclose all material facts relating to the Company and the Registrable Securities and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (provided that this representation is not intended to extend to information and statements included in reliance upon and in conformity with information furnished to the Company by or on behalf of the Agent specifically for use therein);

**(d)** Neither the Registration Statement nor any amendment or supplement thereto will contain a misrepresentation (provided that this representation is not intended to extend to information and statements included in reliance upon and in conformity with information furnished to the Company by or on behalf of the Agents specifically for use therein);

**(e)** The Registration Statement (and each amendment or supplement thereto), will comply in all material respects with the applicable requirements of the securities laws of the United States;

**(f)** The Company recognizes that it is fundamental to the Purchasers that the resale of the Registrable Securities be registered in the United States under the Registration Statement so that the Registrable Securities will be tradable in the United States without the necessity of the holder thereof filing a prospectus or effecting the trade in a manner which falls within one of the various private placement exemptions or exemptions from registration under applicable securities legislation or subject to any statutory or regulatory hold periods or trade restrictions in the United States (provided such trade is not by an “affiliate” as defined in Rule 144). The Company acknowledges that it is for this reason that the Company has agreed to use its commercially reasonable efforts to ensure that the Registration Statement is to be filed with the SEC in the United States within the time periods contemplated by this Agreement.

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## 5. Delivery of Registration Statement

The filing of the Registration Statement (or any amendment or supplement thereto) with the SEC shall constitute the representation and warranty of the Company to the Agent that, at the time of such delivery or filing, as the case may be:

- (i) such documents contain disclosure of all material facts relating to the Company and the Common Shares and Registrable Securities, and no material facts have been omitted therefrom which are necessary to make the statements therein not misleading in light of the circumstances in which they are made;
- (ii) such documents contain no misrepresentations; and
- (iii) such documents comply in all material respects with the Securities Laws in the United States;

provided, however, that the foregoing representations and warranties will not apply with respect to information and statements contained in the Registration Statement or misrepresentations with respect thereto or omissions therefrom which relate solely to the Agents or information provided by the Agents.

**6. (a) Covenants.** The Company hereby covenants to the Agents and to the Purchasers and their permitted assigns, and acknowledges that each of them is relying on such covenants, that the Company shall:

- (i) allow the Agents and their representatives the opportunity to conduct all due diligence which the Agents may require to be conducted prior to and until the later of: (i) the Closing Time, (ii) the date of the Prospectus, and (iii) the date of the Registration Statement in order to fulfil their obligations as Agents under Securities Laws;
  - (ii) make application with the AMF for exemptive relief from the French translation requirements in respect of the Preliminary Prospectus and the Prospectus and all documents incorporated by reference therein, and if such exemption is not available, shall have the Preliminary Prospectus and the Prospectus and all documents incorporated by reference therein translated as required and a translation opinion obtained and provided to the Agents in respect thereof;
  - (iii) duly execute and deliver the Transaction Documents (as applicable) at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company;
  - (iv) use its commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Dates, each of the conditions set out in Section 10;
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- (v) ensure that all legal requirements have been fulfilled to permit the creation, issuance, offering and sale of the Special Warrants and ensure that their attributes correspond in all material respects to the description thereof set forth in this Agreement, the Special Warrant Certificates and the Subscription Agreements;
  - (vi) ensure that the Unit Shares and Warrants shall be duly and validly created, authorized and reserved for issuance upon the due exercise of the Special Warrants and upon such due exercise shall have the respective attributes corresponding in all material respects to the description thereof set forth in this Agreement, the Subscription Agreements and the Warrant Certificates (as applicable) and the Unit Shares upon issuance shall be duly and validly issued as fully paid and non-assessable securities in the capital of the Company free of any pre-emptive rights upon the payment therefor;
  - (vii) ensure that at all times prior to the expiry of the Warrants, a sufficient number of Warrant Shares are allotted and reserved for issuance and upon the exercise of the Warrants, shall be duly and validly issued as fully paid and non-assessable securities of the Company;
  - (viii) ensure that the Broker Shares shall, upon issuance, be duly and validly issued as fully paid and non-assessable securities in the capital of the Company;
  - (ix) ensure that the Compensation Options shall be duly and validly created, authorized and issued and shall have the attributes corresponding in all material respects to the description thereof in this Agreement and the Compensation Option Certificate;
  - (x) ensure that at all times prior to the expiry of the Compensation Option, a sufficient number of Compensation Option Shares are allotted and reserved for issuance upon the due exercise of the Compensation Option and upon such due exercise, shall be duly issued as fully paid and non-assessable securities in the capital of the Company;
  - (xi) use its commercially reasonable efforts to arrange for the Clearance Date to occur promptly following the date hereof and in any event prior to the Clearance Deadline, provided that if the Clearance Date has not occurred by the Clearance Deadline, the Company shall continue to use its commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable following the Clearance Deadline;
  - (xii) obtain all necessary regulatory consents from the TSXV to effect the Offering on such terms as are mutually acceptable to the Agents and the Company, including but not limited to obtaining the conditional approval to effect the listing of the Unit Shares, Warrant Shares, Compensation Option Shares and Broker Shares on the TSXV prior to the Closing Dates;
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- (xiii) not, for a period of 18 months following the Closing Dates, take any action which would be reasonably expected to result in the delisting or suspension of its Common Shares on the TSXV or from any other securities exchange, market or trading or quotation facility on which its Common Shares become listed or quoted (including the Toronto Stock Exchange) and the Company shall comply, in all material respects, with the rules and regulations thereof;
  - (xiv) execute and file with the Securities Regulators all forms, notices and certificates required to be filed pursuant to the Securities Laws in the time required by the applicable Securities Laws, including, not later than 15 days after each Closing Date, file a notice on Form D under the U.S. Securities Act; to otherwise comply with the requirements of Rule 503 under the U.S. Securities Act; and to furnish promptly to the Agents evidence of each such required timely filing (including a copy thereof);
  - (xv) not, for a period of 18 months from the last of the Closing Dates affect or become a party to any “inversion” transaction or any other transaction that would have the effect of, or result in: (i) the Company or any successor or resulting entity of the Company continuing into, or becoming organized under, the laws of Canada or any Canadian province or territory, or (ii) the Company becoming a subsidiary owned, either directly or indirectly, by any entity incorporated or otherwise existing pursuant to the laws of Canada or any Canadian province or territory, without the written consent of Paradigm;
  - (xvi) not to be or become, at any time prior to the expiration of two years after the Closing Time, an open-end investment company, unit investment trust, closed-end investment company or face-amount certificate company that is or is required to be registered under Section 8 of the Investment Company Act;
  - (xvii) comply with the U.S. Securities Act so as to permit the completion of the distribution of the Special Warrants as contemplated hereby and in the Transaction Documents.;
  - (xviii) not register any transfer of the securities issued pursuant to the terms of this Agreement unless such transfer is made (i) in accordance with the provisions of Regulation S under the U.S. Securities Act, (ii) pursuant to registration under the U.S. Securities Act, or (iii) pursuant to an available exemption from the registration requirements of the U.S. Securities Act; and
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- (xix) except for the sale of common shares and common share purchase warrants being offered to certain existing securityholders of the Company in the United States concurrently with the transactions contemplated by this Agreement (the “ **U.S. Offering** ”) not issue, offer, sell, contract to sell, announce the intention or otherwise dispose of any Common Shares or financial instruments convertible or exercisable into Common Shares, until the date which is 90 days following the Clearance Date, without the prior written consent of Paradigm, on behalf of the Agents, such consent not to be unreasonably withheld, except in conjunction with: (A) securities issued pursuant to the Offering and the exercise of the Special Warrants, Warrants and the Compensation Options; (B) the grant or exercise of stock options and other similar issuances pursuant to the existing share incentive plan of the Company and other existing share compensation arrangements; (C) outstanding convertible securities at the Closing Dates; (D) the acquisition by the Company of any intellectual property rights or licenses, interests or other assets; (E) pursuant to project finance requirements; and (F) any obligations to issue securities existing at the date hereof, which have been disclosed to the Agents or referred to in the Company’s filings on SEDAR and EDGAR;
- (xx) use its commercially reasonable efforts to cause its directors and executive officers and their respective associates to execute and deliver “lock-up” agreements in favour of the Agents in which they covenant and agree not to, directly or indirectly, offer, sell, contract to sell, lend, swap or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to do any of the foregoing, any Common Shares or other securities of the Company held by them, directly or indirectly, for a period of 90 days following the Clearance Date unless: (i) they first obtain the prior written consent of Paradigm, such consent not to be unreasonably withheld, or (ii) there occurs a take-over bid or similar transaction involving a change of control of the Company;
- (xxi) grant to Paradigm, the right of first refusal (but not the obligation), to participate in any further brokered offerings (whether private or public, or whether conducted in Canada or worldwide) of equity or other securities of the Company convertible into, or exercisable or exchangeable for, Common Shares or other equity securities of the Company (a “ **Subsequent Financing** ”) with a minimum participation of 60% of the syndicate for a period of 12 months following the last of the Closing Dates. In the event the Company receives a specific offer in connection with a Subsequent Financing during such 12 month period following the last of the Closing Dates, the Company hereby covenants to immediately advise Paradigm of the terms and conditions of the Subsequent Financing. The rights of Paradigm referred to in this section 6(a)(xxi) must be exercised within three Business Days of receipt by Paradigm of written notification from the Company of a Subsequent Offering. If Paradigm does not exercise such rights to participate on the same terms and conditions as contemplated in the Subsequent Financing, the Company may retain a third party to provide such services, but not on more favourable terms than those which were offered to Paradigm. Any more favourable terms must first be offered to Paradigm before being offered to a third party. Further, if the Company engages Paradigm pursuant to the provisions described in this section 6 (a)(xxiii), or if Paradigm is required to execute any documents relating to an offering, the Company and Paradigm, as the case may be, shall enter into one or more agreements with respect to such events in a form satisfactory to the parties, acting reasonably.
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(b) The Agents hereby covenant and agree to conduct their activities in connection with the sale of the Special Warrants in compliance with all applicable laws, including but not limited to Regulation S and to obtain from each Purchaser a completed and executed Subscription Agreement (including all certifications, forms and other documentation contemplated thereby or as may be required by applicable Securities Regulators) in a form acceptable to the Company and the Agents relating to the Offering.

**7. Material Changes During Offering.** The Company will promptly notify the Agents in writing from the date hereof until the Clearance Date:

(a) if the Company becomes aware of any material fact not previously disclosed, any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened and other than a change of fact relating solely to the Agents) or any event or development involving a prospective material change or change in a material fact in any or all of the business of the Company and its subsidiaries, taken as a whole, or any other change which is of such a nature as to result in, or could result in, the Disclosure Documents, the Preliminary Prospectus, Prospectus or the Registration Statement (and any amendment or supplement thereto) containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or which could render any of the foregoing not in compliance with any Securities Laws;

(b) with full particulars of any such actual, anticipated, contemplated, threatened or prospective change of which it becomes aware referred to in the first preceding paragraph and the Company will, to the reasonable satisfaction of the Agents, issue or file, as applicable, promptly and, in any event, within all applicable time limitation periods with the Securities Regulators, in the case of a material change, a new or amended Preliminary Prospectus, Prospectus and/or Registration Statement, as the case may be, or press release, material change report or Current Report on Form 8-K as may be required under Securities Laws and shall comply with all other applicable filing and other requirements under the Securities Laws including, without limitation, any requirements necessary to register with the SEC or qualify the issuance and distribution of the Unit Shares, Warrants, Warrant Shares, Compensation Options, Compensation Option Shares and Broker Shares, as the case may be;

(c) will in good faith discuss with the Agents as promptly as possible any circumstance or event which is of such a nature that there is or ought to be consideration given as to whether there may be a material change or change in a material fact described in paragraphs (a) and (b) above;

(d) if during the period of distribution of the Special Warrants or during the time that the Preliminary Prospectus, Prospectus and/or Registration Statement, as the case may be, is outstanding, there shall be any change in Securities Laws or other applicable securities laws which in the opinion of counsel to the Company or counsel to the Agents requires the filing of an amendment to the Preliminary Prospectus, Prospectus and/or Registration Statement, as the case may be.

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8. (a) **Representations and Warranties of the Company.** The Company represents and warrants to the Agents and to the Purchasers, and acknowledges that each of them is relying upon such representations and warranties, that:

- (i) the Company and the Material Subsidiaries (as hereinafter defined) have been duly incorporated and are in good standing under the laws of their respective jurisdictions, and are current and up-to-date with all filings required to be made by them in such jurisdiction, have all requisite corporate power and authority and are duly qualified and possess all certificates, authorizations, permits and licences issued by the appropriate provincial, municipal, federal regulatory agencies or bodies necessary (and has not received or is aware of any modification or revocation to such licences, authorizations, certificates or permits) to carry on its business as now conducted and to own its properties and assets and the Company and the Material Subsidiaries have all requisite corporate power and authority to carry out their respective obligations under the Transaction Documents, as applicable;
- (ii) other than as set out in the Disclosure Documents, the Company has no subsidiaries other than as listed below (the “**Material Subsidiaries**”) and the Company beneficially owns, directly or indirectly, the percentage indicated below of the issued and outstanding shares in the capital of the Material Subsidiaries free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Company of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Material Subsidiaries or any other security convertible into or exchangeable for any such shares:

| Name                               | Jurisdiction of Incorporation or Continuance | Beneficial Equity/Voting Ownership |
|------------------------------------|--|------------------------------------|
| IntelGenx Corp.                    | Canada                                       | 100%                               |
| 6544631 Canada Inc. <sup>(1)</sup> | Canada                                       | 100%                               |

Note:

- (1) Provided an aggregate of 10,771,000 special shares of 6544631 Canada Inc., which are exchangeable for common shares of the Company are held by Horst Zerbe, Ingrid Zerbe and Joel Cohen.

- (iii) all consents, approvals, permits, authorizations or filings as may be required for the execution and delivery of the Transaction Documents, the issuance and sale of the Special Warrants, the creation and issuance of the Unit Shares and Warrants upon the exercise of the Special Warrants, the creation and issuance of the Compensation Options and the issuance of the Compensation Option Shares upon the exercise thereof and the issuance of the Broker Shares are all in compliance with this Agreement, and the consummation of the transactions contemplated in this Agreement, have been made or obtained, as applicable, except for the filing of the notification on Form D with the SEC required to be made within 15 days of Closing;
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- (iv) each of the execution and delivery of the Transaction Documents, the performance by the Company of its obligations hereunder or thereunder, the issuance and sale of the Special Warrants, the creation and issuance of the Unit Shares and Warrants upon the exercise of the Special Warrants, the creation and issuance of the Compensation Options and the issuance of the Compensation Option Shares upon the exercise thereof and the issuance of the Broker Shares, and the consummation of the transactions contemplated in this Agreement, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (A) any statute, rule or regulation applicable to the Company including, without limitation, Securities Laws or other applicable securities laws; (B) the constating documents, articles or resolutions of the Company which are in effect at the date hereof; (C) any Debt Instruments, Material Agreement, mortgage, note, indenture, contract, agreement, instrument, lease or other document to which the Company is a party or by which it is bound; or (D) any judgment, decree order, statute, rule, law or regulation binding the Company or the property or assets of the Company;
  - (v) the Disclosure Documents, when they were or are filed with the applicable Commissions and with the SEC, conformed or will conform in all material respects to the applicable requirements of applicable Securities Laws, the Exchange Act and the applicable rules and regulations of the SEC thereunder and when read together did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading;
  - (vi) the audited financial statements of the Company as at and for the year ended December 31, 2008 and unaudited interim financial statements as at and for the three month period ended March 31, 2009 (collectively, the “**Financial Statements**”) have been prepared in accordance with generally accepted accounting principles in the United States, as applicable, and present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise) of the Company as at such dates and results of operations of the Company for the periods then ended and there has been no material change in accounting policies or practices of the Company or the Material Subsidiaries since December 31, 2008. All disclosures in the Disclosure Documents regarding “non-GAAP financial measures” (as such term is defined by the rules and regulations of the SEC) comply in all material respects to U.S. securities laws, to the extent applicable;
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- (vii) there has been no adverse material change to the Company or the Material Subsidiaries (actual, proposed or prospective, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or shareholders' equity of the Company or the Material Subsidiaries since December 31, 2008, which has not been generally disclosed to the public and, in all material respects, the business of the Company and the Material Subsidiaries have been carried on in the usual and ordinary course consistent with past practice since December 31, 2008;
  - (viii) there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Company or its Material Subsidiaries with unconsolidated entities or other persons;
  - (ix) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, " **Taxes** ") due and payable or required to be collected or withheld and remitted, by the Company and the Material Subsidiaries have been paid, collected or withheld and remitted, as applicable. All tax returns, declarations, remittances and filings required to be filed by the Company and the Material Subsidiaries have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of the Company, no examination of any tax return of the Company or the Material Subsidiaries is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable, by the Company and the Material Subsidiaries. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Company and the Material Subsidiaries;
  - (x) the Company's Auditors who audited the Financial Statements of the Company and the Material Subsidiaries for the year ended December 31, 2008 and the year ended December 31, 2007 and who provided their audit report thereon are independent public accountants as required under applicable securities laws in Canada, the U.S. Securities Act and the Exchange Act;
  - (xi) there has never been a "reportable event" (within the meaning of National Instrument 51-102) with the present or former auditors of the Company;
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- (xii) except as set forth in Schedule 8(a)(xii) there is not, in its articles of incorporation, by-laws or in any Debt Instrument, Material Agreement, agreement, mortgage, note, debenture, indenture or other instrument or document to which the Company or the Material Subsidiaries is a party, any restriction upon or impediment to, the declaration or payment of dividends by the directors of the Company or the payment of dividends by the Company to the holders of its Common Shares;
  - (xiii) except as set out in the Disclosure Documents, neither the Company nor any of its subsidiaries are a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company or the Material Subsidiaries to compete in any line of business, transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of the Company and the Material Subsidiaries taken as a whole;
  - (xiv) each of the Company and the Material Subsidiaries owns, or has obtained valid and enforceable licenses for, or other rights to use, the Intellectual Property as are sufficient to conduct its business, respectively. The Company has no knowledge that it will be unable to obtain any rights or licences to use all Intellectual Property necessary for the conduct of its business, including the commercialization of the Company's products and potential products. Except as set out in the Disclosure Documents respecting security held by the debentureholders set out therein, the Company has no knowledge of third parties who have rights to any Intellectual Property, except for the ownership rights of the owners of the Intellectual Property which is licensed to the Company. To the knowledge of the Company: (i) there is no infringement by third parties of any Intellectual Property; (ii) there is no pending or threatened action, suit, proceeding or claim by others challenging the Company's, or the Material Subsidiaries' right in or to any Intellectual Property, and the Company is unaware of any facts which form a reasonable basis for any such claim; (iii) there is no pending or threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any Intellectual Property, and the Company is unaware of any finding of unenforceability or invalidity of the Intellectual Property; (iv) there is no pending or threatened action, suit, proceeding or claim by others that the Company or the Material Subsidiaries infringes or otherwise violates (or would infringe or otherwise violate upon commercialization of the Company's or the Material Subsidiaries' product or product candidates) any patent, trademark, copyright, trade secret or other Intellectual Property or proprietary rights of others; (v) there is no patent or patent application of which the Company is aware that contains claims that interfere with the issued or pending claims of any of the Intellectual Property; and (vi) there is no prior art of which the Company is aware that necessarily renders any patent application owned by the Company or the Material Subsidiaries unpatentable that has not been disclosed to the Canadian or United States Patent and Trademark Office;
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- (xv) each of the current and former employees of the Company and the Material Subsidiaries, including for greater certainty each of the officers of the Company and the Material Subsidiaries having access to Intellectual Property, has entered into a proprietary rights agreement with their respective employer, being the Company or the Material Subsidiaries assigning to such employer any intellectual property rights in any developments, works, inventions or improvements produced or designed by such person during the term of and in the course of employment with the Company or the Material Subsidiaries as the case may be; which contains confidentiality, non-competition and non-disclosure covenants;
  - (xvi) the Company and the Material Subsidiaries have conducted and are conducting their business in compliance in all material respects with all applicable laws and regulations of each jurisdiction in which it holds assets or carries on business (including, without limitation, all applicable federal, provincial, municipal, local licensing or environmental anti-pollution laws, regulations and other lawful requirements of any Canadian, United States or foreign governmental or regulatory body including production and research and development permits and licenses) and has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits;
  - (xvii) the Company has continuously operated its business in compliance with all applicable laws regarding privacy. The Company has operated its business in accordance with its privacy policies as in effect from time to time. All information that the Company has obtained, including the provision information to third parties pursuant to a relationship or agreement with the Company, have been obtained and generated and transferred, respectively, in compliance with all applicable laws regarding privacy and the privacy policies of the Company except where such non-compliance does not and will not have a material adverse effect on the business of the Company;
  - (xviii) the Company and the Material Subsidiaries are not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would materially affect the business of the Company or the Material Subsidiaries or the business or legal environment under which the Company or the Material Subsidiaries operate;
  - (xix) each of the Transaction Documents has been duly authorized, executed and delivered by the Company and constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms;
  - (xx) at the Closing Time, all necessary corporate action will have been taken by the Company to: (a) authorize the issuance of the Special Warrants; (b) allot, reserve and authorize the issuance of the Unit Shares as fully paid and non-assessable securities in the capital of the Company upon exercise of the Special Warrants; (c) validly create, allot and authorize the issuance of the Warrants upon exercise of the Special Warrants; (d) validly allot, reserve and authorize the issuance of the Warrant Shares upon the payment therefor as fully paid and non-assessable securities in the capital of the Company upon the exercise of the Warrants; (f) validly create, allot and authorize the issuance of the Compensation Option; (g) validly allot, reserve and authorize the issuance of the Compensation Option Shares as fully paid non-assessable securities in the capital of the Company upon the exercise of the Compensation Option; and (h) validly allot and authorize the issuance of the Broker Shares as fully paid non-assessable securities in the capital of the Company;
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- (xxi) as of the close of business on July 10, 2009, the authorized capital of the Company consists of 100,000,000 Common Shares and 20,000,000 shares of preferred stock of which 20,881,074 Common Shares are issued and outstanding as fully paid and non-assessable and no shares of preferred stock have been issued;
  - (xxii) other than as set out in Schedule A to this Agreement and in addition to securities issued in connection with the U.S. Offering, no holder of outstanding securities of the Company will be entitled to any pre-emptive or any similar rights to subscribe for any of the Common Shares or other securities of the Company and no rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any shares in the capital of the Company are outstanding. Other than the holders of the Special Warrants and purchasers in the U.S. Offering, there are no persons with registration rights or other similar rights to have any securities registered pursuant to the Registration Statement or otherwise registered by the Company under the U.S. Securities Act;
  - (xxiii) the currently issued and outstanding Common Shares are listed on the TSXV and no order ceasing or suspending trading in any securities of the Company or the trading of any of the Company's issued securities is currently outstanding and no proceedings for such purpose are, to the knowledge of the Company, pending or threatened;
  - (xxiv) the Company is as at the date hereof, a "reporting issuer" in the Provinces of Ontario, British Columbia and Alberta and is a reporting company in the United States;
  - (xxv) all information which has been prepared by the Company relating to the Company and the Material Subsidiaries and their respective business, property and liabilities and either publicly disclosed or provided to the Agents, including all financial, marketing, sales and operational information provided to the Agents did not and will not contain a misrepresentation or an untrue statement of a material fact;
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- (xxvi) the Company and the Material Subsidiaries are not party to any agreement, nor is the Company or the Material Subsidiaries aware of any agreement, which in any manner affects the voting control of any of the securities of the Company or the Material Subsidiaries;
  - (xxvii) other than the notification filing on Form D required to be filed with the SEC 15 days after the Closing Dates, all filings required to be made by the Company and the Material Subsidiaries pursuant to the Securities Laws and general corporate law applicable to them have been made and such filings were true and accurate as at the respective dates thereof and the Company has not filed any confidential material change reports;
  - (xxviii) the Company and the Material Subsidiaries are in compliance with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity and wages; and there is not currently any labour disruption or conflict involving the Company or the Material Subsidiaries;
  - (xxix) other than disclosed in the Disclosure Documents, the Company and the Material Subsidiaries do not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at “arm’s length” (as such term is defined in the *Income Tax Act* (Canada)) with it;
  - (xxx) the assets of the Company and the Material Subsidiaries and their respective business and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage is in full force and effect, and the Company and the Material Subsidiaries have not breached the terms of any policies in respect thereof or failed to promptly give any notice or present any material claim thereunder;
  - (xxxi) other than the Agents and their representatives, there are no persons acting or purporting to act that are entitled to any brokerage or finder’s fee payable by the Company in connection with the transactions contemplated by this Agreement;
  - (xxxii) the Company and the Material Subsidiaries are in compliance in all respects with each license and permit held by it, if and where applicable, and is not in violation of, or in default under, the applicable statutes, ordinances, rules, regulations, orders or decrees (including, without limitation, “ **Environmental Laws** ” as defined below) of any Canadian governmental entities, regulatory agencies or bodies having, asserting or claiming jurisdiction over it or over any part of its operations or assets;
  - (xxxiii) the Company and the Material Subsidiaries (i) are in compliance with any and all applicable federal, provincial, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (“ **Environmental Laws** ”) in each jurisdiction in which they hold assets or conduct business; (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its business; and (iii) are in compliance with all terms and conditions of any such permit, license or approval except where non-compliance did not and will not result in a material adverse effect on the business of the Company and the Material Subsidiaries;
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- (xxxiv) there are no known environmental audits, evaluations, assessments, studies or tests relating to the Company or any of the Material Subsidiaries except for ongoing assessments conducted by or on behalf of the Company in the ordinary course;
  - (xxxv) there have been no past unresolved, and there are no pending or threatened claims, complaints, notices or requests for information received by the Company or the Material Subsidiaries with respect to any alleged violation of any Environmental Law; and no conditions exist at, on or under any property now or previously owned, operated or leased by the Company or the Material Subsidiaries which, with the passage of time, or the giving of notice or both, would give rise to liability under any Environmental Law that, individually or in the aggregate, has or may reasonably be expected to have, a material adverse effect with respect to the Company or the Material Subsidiaries;
  - (xxxvi) except as set out in the Disclosure Documents , the Company and/or the Material Subsidiaries are not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument or other indebtedness;
  - (xxxvii) other than the Company, there is no person that is or will be entitled to demand the proceeds of this Offering under the terms of any Debt Instrument, Material Agreement, mortgage, note, indenture, contract, instrument, lease agreement (written or unwritten) or otherwise;
  - (xxxviii) the Company and the Material Subsidiaries are not, nor to the knowledge of the Company, any other person is not in default in the observance or performance of any term, covenant or obligation to be performed by it under any Debt Instrument, or Material Agreement, to which the Company is a party and no event has occurred which with notice or lapse of time or both would constitute such a default and all such contracts, agreements and arrangements are in good standing;
  - (xxxix) the minute books and records of the Company and the Material Subsidiaries which have been made available to the Agents and their counsel in connection with its due diligence investigation of the Company and the Material Subsidiaries for the periods from its inception date to the date of examination thereof, are all of the minute books and material records of the Company and the Material Subsidiaries and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of the Company and the Material Subsidiaries to the date of review of such corporate records and minute books. There have been no other material meetings, resolutions or proceedings of the shareholders, boards of directors or any committees of the boards of directors of the Company and the Material Subsidiaries to the date of review of such corporate records and minute books not reflected in such minute books and other records or provided to the Agent and its counsel;
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- (xl) with respect to each of the Leased Premises, the Company and/or the Material Subsidiaries occupy the Leased Premises, have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Company and the Material Subsidiaries occupy the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the completion of the transactions described herein by the Company and the Material Subsidiaries, will not afford any of the parties to such leases or any other person the right to terminate such lease or the Company's or the Material Subsidiaries' right to occupy and use the Leased Premises or, result in any additional or more onerous obligations under such leases;
- (xli) except as set out in the Disclosure Documents, the Company or the Material Subsidiaries are the absolute legal and beneficial owner of, and have good and marketable title to, all of the material property or assets thereof, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those described in the Disclosure Documents, and no other property rights are necessary for the conduct of the business of the Company or the Material Subsidiaries as currently conducted or contemplated to be conducted, the Company and the Material Subsidiaries know of no claim or basis for any claim that might or could adversely affect the right thereof to use, transfer or otherwise exploit such property rights and except as disclosed in the Disclosure Documents, the Company and the Material Subsidiaries have no responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property rights thereof;
- (xlii) except to the extent that it did not or will not have a material adverse effect on the business of the Company or the Material Subsidiaries, any and all of the agreements and other documents and instruments pursuant to which the Company and the Material Subsidiaries hold their property and assets (including any interest in, or right to earn an interest in, any property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof, the Company and the Material Subsidiaries are not in default of any of the material provisions of any such agreements, documents or instruments nor has any such default been alleged, and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, and there has been no default under any lease, licence or claim pursuant to which the Company or the Material Subsidiaries derives an interest in such property or assets and all taxes required to be paid with respect to such properties and assets to the date hereof have been paid. The interests of the Company or the Material Subsidiaries in, or rights of the Company or the Material Subsidiaries to earn an interest in, any property of the Company or the Material Subsidiaries are not subject to any right of first refusal or purchase or acquisition rights other than as described in the Disclosure Documents;
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- (xlili) there are no actions, suits, proceedings or inquiries pending or, to the knowledge of the Company or the Material Subsidiaries, threatened against or affecting the Company or the Material Subsidiaries or their property or assets at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality;
  - (xliv) there are no judgments against the Company or the Material Subsidiaries which are unsatisfied, nor are there any consent decrees or injunctions to which the Company or the Material Subsidiaries are subject;
  - (xlv) the Transfer Agent, has been duly appointed as transfer agent and registrar in respect of the Common Shares;
  - (xlvi) no proceedings have been taken, instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation of the Company or the Material Subsidiaries;
  - (xlvii) prior to the date hereof, neither the Company nor any of its affiliates has taken any action which is designed to or which has constituted or which might have been expected to cause or result in stabilization or manipulation of the price of any security of the Company in connection with the offering of the Special Warrants;
  - (xlviii) the Company is subject to Section 13 or 15(d) of the Exchange Act;
  - (xlix) the Company is not, and after giving effect to the offering and sale of the Special Warrants, will not be an “investment company”, or an entity “controlled” by an “investment company”, as such terms are defined in the Investment Company Act;
  - (l) assuming compliance with the terms of the Subscription Agreement, and this Agreement, neither the Company nor any person acting on its behalf has offered or sold the Special Warrants (or any securities issuable on conversion thereof) by means of any general solicitation or general advertising within the meaning of Rule 502(c) under the U.S. Securities Act or, with respect to Special Warrants (or any such securities) sold outside the United States to non-U.S. persons (as defined in Rule 902 under the U.S. Securities Act), by means of any directed selling efforts within the meaning of Rule 902 under the U.S. Securities Act and the Company, any affiliate of the Company and any person acting on its or their behalf has complied with and will implement the offering restriction requirements of Rule 902 under the U.S. Securities Act;
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- (i) the Preliminary Prospectus, Prospectus and/or Registration Statement and any amendments or supplements thereto will not, and the Disclosure Documents did not and will not, as of their respective dates, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Agents; and
- (ii) the Company and the Material Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that the information required to be disclosed by the Company under applicable securities laws, is (i) recorded, processed, summarized and reported within the time periods specified therein and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Since December 31, 2008, there has been no changes in the Company's internal controls over financial reporting that have materially affected or are reasonably likely to materially affect the Company's internal controls over financial reporting.

**(b) Representations, Warranties and Covenants of the Agents.** The Agents hereby represent, warrant and covenant to the Company, and acknowledge that the Company is relying upon such representations and warranties, that:

- (i) in respect of the offer and sale of the Special Warrants, the Agents will comply with all Securities Laws of the jurisdictions in which it offers Special Warrants;
  - (ii) the Agents will not solicit or procure subscriptions for Special Warrants so as to require the registration thereof or the filing of a prospectus with respect thereto under the laws of any jurisdictions;
  - (iii) the Agents will obtain from each Purchaser a duly completed and executed Subscription Agreement in which the Purchaser certifies (unless the Purchaser is purchasing pursuant to the \$150,000 minimum exemption in NI 45-106) that it is either: (A) a Canadian Accredited Investor; or (ii) otherwise subject to and in compliance with the securities laws and other applicable laws of the International Jurisdiction in which the Purchaser is purchasing the Special Warrants;
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- (iv) the Agents and its representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Special Warrants in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conducted any seminar or meeting concerning the offer or sale of the Special Warrants whose attendees have been invited by any general solicitation or general advertising;
- (v) each of the Agents is not a U.S. Person as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act;
- (vi) the Agents have offered the Special Warrants only to persons it reasonably believed were not U.S. Persons as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act at the time of such offer and continues to so reasonably believe as of the date hereof;
- (vii) each of the Agents (and any selling group member who receives Compensation Options or Broker Shares) is an “accredited investor” as such term is defined in National Instrument 45-106 - *Prospectus and Registration Exemptions* (“**NI 45-106**”) and is acquiring the Compensation Options and Broker Shares as principal; and
- (viii) Neither the Agents nor any selling group member has been created or used solely to purchase or hold securities as an “accredited investor” as such term is defined in NI 45-106.

**9. Closing Deliveries.** The purchase and sale of the Special Warrants shall be completed at the Closing Time at the offices of the Company's counsel, Borden Ladner Gervais LLP, Toronto, Ontario, or at such other place as the Agents and the Company may agree upon in writing. At or prior to the Closing Time, the Company shall duly and validly deliver to the Agents certificates in definitive form representing the Special Warrants in the names of such Purchasers or as indicated on their respective Subscription Agreements, against payment to the Company of the aggregate Issue Price therefor, in lawful money of Canada. The Agents may discharge its payment obligations under this section 9 by wire transfer from the Agents to the Company equal to the aggregate Issue Price for the Special Warrants less the Agent's Commission, including fees and expenses, as set out in sections 12 and 16 hereto.

**10. Closing Conditions.** Each Purchaser's obligation to purchase the Special Warrants at the Closing Time shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

- (a) the Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, or such other officers of the Company as the Agents may agree, certifying, without personal liability for and on behalf of the Company, to the best of their knowledge, information and belief, that:
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- (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority;
  - (ii) the Company has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and
  - (iii) there has been no material adverse change in the condition, financial or otherwise, or in the earnings or business affairs of the Company and the Material Subsidiaries, whether or not arising in the ordinary course of business and the representations, warranties and covenants of the Company contained in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;
- (b) the Agent shall have received at the Closing Time certificates dated the Closing Dates, signed by appropriate officers of the Company addressed to the Agent and their counsel, with respect to the articles and by-laws of the Company, all resolutions of the Company's board of directors relating to this Agreement and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers, the articles and by-laws of the Company and such other matters as the Agent may reasonably request;
  - (c) the Agent shall have received at the Closing Time, evidence of all requisite approvals, consents and acceptances of the appropriate regulatory authorities required to be made or obtained by the Company, including the conditional approval of the TSXV, in order to complete the Offering and effect the listing of the Unit Shares, Warrant Shares, Compensation Option Shares and Broker Shares;
  - (d) each of the Transaction Documents, as applicable, shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Agents and their counsel, acting reasonably;
  - (e) the Agents shall have received favourable legal opinions addressed to the Agents, and the Purchasers, in form and substance satisfactory to the Agents' counsel acting reasonably, dated as of the date hereof, from Borden Ladner Gervais LLP and Hodgson Russ, LLP counsel for the Company and where appropriate, counsel in the other Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Company;
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- (f) the Agents shall have received good standing certificates or similar certificates with respect to the jurisdictions in which the Company and the Material Subsidiaries are incorporated;
- (g) the Agents shall, in their sole discretion, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Company;
- (h) the Agents shall have received duly executed “lock-up” agreements pursuant to section 6(a)(xx) hereof;
- (i) the Company will cause its Transfer Agent to deliver a certificate as to the number of issued and outstanding Common Shares; and
- (j) the Agents shall have received a favourable legal opinion addressed to the Agent, the Purchasers and the Agents’ counsel, as to (i) the incorporation and subsistence of the Material Subsidiaries; (ii) the corporate power and authority of the Material Subsidiaries to carry on its business as presently carried on and to own its assets and property; and (iii) as to the registered ownership of the issued and outstanding shares of the Material Subsidiaries.

## 11. Rights of Termination

(a) **Due Diligence Out.** In the event that the due diligence investigations performed by the Agents and/or their representatives reveals any material information or fact not publicly disclosed which might, in the Agents’ sole opinion, acting reasonably, adversely affect the market price of the securities of the Company, quality of the investment or marketability of the Offering, the Agents shall be entitled, at their sole option and in accordance with subparagraph 11(h) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Special Warrants) by notice to that effect given to the Company any time prior to the Closing Time.

(b) **Litigation.** If any inquiry, action, suit, investigation or proceeding, whether formal or informal, (including matters of regulatory transgression or unlawful conduct and including any inquiry or investigation by any Securities Regulator) is commenced, announced or threatened in relation to the Company or any of the officers or directors of the Company or any of its principal security holders, the Agents shall be entitled, at their sole option and in accordance with subparagraph 11(h) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Special Warrants) by notice to that effect given to the Company any time prior to the Closing Time.

(c) **Disaster Out.** In the event that prior to the Closing Time, there should develop, occur or come into effect any action, state, or condition, including, without limitation, terrorism, accident, a new or change in any governmental law or regulation, or other condition or major financial occurrence of national or international consequence, which, in the sole opinion of the Agents materially adversely affects, or may adversely affect, the financial markets generally or the business, operations, affairs or profitability of the Company, or the trading, market price or value of the securities of the Company, the Agents shall be entitled at their sole option, in accordance with subparagraph 11(h) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Special Warrants) by written notice to that effect given to the Company prior to the Closing Time.

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**(d) Change in Material Fact.** In the event that prior to the Closing Time, the Agents or the Agents' representatives, through their due diligence investigations, or otherwise discover or there should occur a material change or a change in any material fact or new material fact shall arise, which, in the sole opinion of the Agents has or could be expected to have a significant adverse effect on the market price or value of the securities of the Company, the Agents shall be entitled, at their sole option, in accordance with subparagraph 11(h), to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Special Warrants) by written notice to that effect given to the Company prior to the Closing Time.

**(e) Non-Compliance with Conditions.** The Company agrees that all terms, conditions and covenants in this Agreement shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by the Company and that it will use its commercially reasonable efforts to cause such conditions to be complied with, and any breach or failure by the Company to comply with any of such conditions or in the event that any representation or warranty given by the Company becomes false and is not rectified as at the Closing Time, shall entitle the Agents, at their sole option in accordance with subparagraph 11(h), to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Special Warrants) by notice to that effect given to the Company at or prior to the Closing Time. The Agents may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agents only if the same is in writing and signed by it.

**(f) Cease Trade Order.** In the event that a cease trade order exists with respect to the securities of the Company, the Agents shall be entitled, at their sole option, in accordance with subparagraph 11(h) of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Special Warrants) by written notice to that effect given to the Company prior to the Closing Time.

**(g) Profitably Marketed.** In the event that prior to the Closing Time, the state of the Canadian, U.S. or international financial markets is such that, in the sole opinion of the Agents, the Special Warrants cannot be profitably marketed, the Agents shall be entitled at their sole option, in accordance with subparagraph 11(h) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Special Warrants) by written notice to that effect given to the Company prior to the Closing Time.

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**(h) Exercise of Termination Rights.** The rights of termination contained in subparagraphs 11(a), (b), (c), (d), (e), (f) and (g) may be exercised by the Agents and are in addition to any other rights or remedies the Agents may have in respect of any default, act or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination by the Agents, there shall be no further liability on the part of the Agents to the Company or on the part of the Company to the Agents except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions prior to such termination under sections 12 and 14.

**12. Expenses.** Whether or not the sale of the Special Warrants shall be completed, the Company will pay all reasonable expenses and fees actually incurred in connection with the Offering, including, all reasonable expenses of or incidental to the issue, sale or distribution of the Special Warrants; the reasonable fees and expenses of the Company's counsel, accountants and technical experts; all reasonable costs incurred in connection with the preparation of documents relating to the Offering, the Preliminary Prospectus, the Prospectus and the Registration Statement (including printing and delivery costs associated therewith); all costs associated with listing the securities of the Company on the TSXV; and all reasonable expenses and fees incurred by the Agents, which shall include the reasonable fees and disbursements of the Agent's counsel (to a maximum of \$90,000 excluding taxes and disbursements). All reasonable fees and expenses incurred by the Agents or on their behalf including the fees of the Agents' counsel shall be payable by the Company immediately upon the earlier of (i) Closing and (ii) in the event that the Offering does not proceed, receiving an invoice therefor.

**13. Survival of Representations and Warranties.** All terms, warranties, representations, covenants and agreements of the Company herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the purchase and sale of the Special Warrants and continue in full force and effect for the benefit of the Agents and Purchasers for a period of 2 years following the date hereof and shall not be limited or prejudiced by any investigation made by or on behalf of the Agents in connection with the purchase and sale of the Special Warrants.

**14. (a) Indemnity.** The Company hereby agrees to indemnify and hold the Agents and/or any of their affiliates, directors, officers, employees, agents, advisors, shareholders and each other person, if any, controlling the Agents or any of their affiliates (hereinafter referred to as the " **Personnel** ") harmless from and against any and all expenses, losses, claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims), and the reasonable fees and expenses of its counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agents or any of their Personnel, to which the Agents and/or their Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions relate to, are caused by, result from, arise out of or are based, directly or indirectly, upon the performance of services rendered to the Company by the Agent and their Personnel hereunder or otherwise in connection with the matters referred to in this Agreement, including any loss, claim, damage and expense arising out of any untrue statement of a material fact contained in the Prospectus and/or Registration Statement or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

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- (i) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the negligence, wilful misconduct or fraud of the Agents or their Personnel in the course of their performance under this Agreement; or
- (ii) the loss or expense was caused solely as a result of information or statements provided in writing by the Agents to the Company for use in the Prospectus and/or Registration Statement.

The Company also agrees that the Agents and their Personnel shall not have any liability (either direct or indirect, in contract or tort or otherwise) to the Company or any person asserting claims on the Company's behalf or in right for or in connection with this Agreement, except to the extent that any expenses, losses, claims, actions, costs, damages or liabilities incurred by the Company are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the negligence or wilful misconduct of the Agents and/or their Personnel.

If for any reason (other than the occurrence of any of the events itemized in (i) and (ii) above), the foregoing indemnification is unavailable to the Agents or their Personnel or insufficient to hold them harmless, then the Company shall contribute to the amount paid or payable by the Agents as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and the Agents on the other hand but also the relative fault of the Company and the Agents, as well as any relevant equitable considerations; provided that the Company shall, in any event, contribute to the amount paid or payable by the Agents or any Personnel as a result of such expense, loss, claim, damage or liability, in excess of such amount over the amount of the fees received by the Agents hereunder pursuant to this Agreement.

The Company agrees that in case any legal proceeding shall be brought against the Company and/or the Agents or any Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, and shall investigate the Company and/or the Agents or any Personnel and the Agents or any Personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Company by the Agents and or any Personnel, the Agents and any Personnel shall have the right to employ their own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agents for time spent by its Personnel at their normal per diem rates in connection therewith) and out-of-pocket expenses incurred by its Personnel in connection therewith shall be paid by the Company as they occur.

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Promptly after receipt of notice of the commencement of any legal proceeding against the Agents or any of its Personnel or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Agents will notify the Company in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Company, will keep the Company advised of the progress thereof and will discuss with the Company all significant actions proposed. The omission to so notify the Company shall not relieve the Company of any liability which the Company may have to the Agents except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such action, suit, proceeding, claim or investigation or results in any material increase in the liability which the Company would otherwise have under this indemnity had the Agents not so delayed in giving or failed to give the notice required hereunder.

The Company shall be entitled, and shall have 30 days after receipt of notice, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence thereof, provided such defence is conducted by experienced and competent counsel. Upon the Company notifying the Agents in writing of its election to assume the defence and retaining counsel, the Company shall not be liable to the Agents or any Personnel for any legal expenses subsequently incurred by them in connection with such defence. If such defence is assumed by the Company, the Company throughout the course thereof will provide copies of all relevant documentation to the Agents, will keep the Agents advised of the progress thereof and will discuss with the Agents all significant actions proposed.

Notwithstanding the foregoing paragraph, the Agents or any Personnel shall have the right, at the Company's expense, to employ counsel of the Agents' choice, in respect of the defence of any action, suit, proceeding, claim or investigation if: (i) the employment of such counsel has been authorized by the Company; or (ii) the Company has not assumed the defence and employed counsel therefor within 30 days after receiving notice of such action, suit, proceeding, claim or investigation; or (iii) counsel retained by the Company or the Agents have advised the indemnified party that representation of both parties by the same counsel would be inappropriate for any reason, including without limitation because there may be legal defences available to the Agents which are different from or in addition to those available to the Company (in which event and to that extent, the Company shall not have the right to assume or direct the defence on the Agents' behalf) or that there is a conflict of interest between the Company and the Agents or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events, the Company shall not have the right to assume or direct the defence on the Agents' or any of the Personnel's behalf).

No admission of liability and no settlement of any action, suit, proceeding, claim or investigation shall be made without the consent of the Agents or Personnel affected, such consent not to be unreasonably withheld. No admission of liability shall be made and the Company shall not be liable for any settlement of any action, suit, proceeding, claim or investigation made without its consent, such consent not to be unreasonably withheld.

The indemnity and contribution obligations of the Company shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Agents and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Company, the Agents and any of the Personnel of the Agents. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given hereunder.

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**(b) Right of Indemnity in Favour of Others.** With respect to any party who may be indemnified by section 14(a) above and is not a party to this Agreement, the Agents shall obtain and hold the rights and benefits of this section 14 in trust for and on behalf of such indemnified party.

**15. Advertisements.** The Company acknowledges that the Agents shall have the right, subject to clauses 1(a) and (c) of this Agreement, at its own expense, to place such advertisement or advertisements relating to the sale of the Special Warrants contemplated herein as the Agents may consider desirable or appropriate and as may be permitted by applicable law. The Company and the Agents each agree not to make or publish any advertisement in any media whatsoever relating to, or otherwise publicise, the transaction provided for herein so as to result in any exemption from the prospectus and registration requirements of Securities Laws in any of the Selling Jurisdictions or any other jurisdiction in which the Special Warrants shall be offered or sold being unavailable in respect of the sale of the Special Warrants to prospective purchasers.

**16. Commission.** In consideration of the services to be rendered by the Agents in connection with the Offering, the Company shall pay to the Agents a cash commission equal to 8.0% of the aggregate gross proceeds of the Offering (the “**Agent’s Commission**”) and the Agents’ expenses as set forth in section 12. The Company will also issue to the Agents: (i), that number of compensation options (collectively, the “**Compensation Options**”) that is equal to 8.0% of the aggregate number of Special Warrants sold pursuant to the Offering, each Compensation Option entitling the holder thereof to acquire one share of common stock in the capital of the Company (the “**Compensation Option Shares**”) at a price of US\$0.80 per share for a period of 36 months following the date hereof; and (ii) that number of shares of common stock in the capital of the Company (the “**Broker Shares**”) that is equal to 4.0% of the aggregate number of Special Warrants sold pursuant to the Offering. The Commission will be paid, and the Compensation Options and Broker Shares will be issued, to the Agents on the Closing Dates.

**17. Notices.** Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “**notice**”) shall be in writing addressed as follows:

(a) in the case of the Company, to:

IntelGenx Technologies Corp.  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

Attention: Horst G. Zerbe  
Fax: (514) 331-0346

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with a copy to:

Borden Ladner Gervais LLP  
Scotia Plaza  
40 King Street West  
Toronto, Ontario,  
M5H 3Y4

Attention: Manoj Pundit  
Fax: (416) 682-2842

in the case of the Agents (on behalf of the Agents) at:

Paradigm Capital Inc.  
95 Wellington Street West  
Suite 2101  
Toronto, Ontario M5J 2N7

Attention: Tony Pullen  
Fax: (416) 361-0679

with a copy to:

Cassels Brock & Blackwell LLP  
2100 Scotia Plaza  
40 King Street West  
Toronto, Ontario M5H 3C2

Attention: Jay Goldman  
Fax: (416) 644-9337

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by facsimile transmission to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent by facsimile transmission shall be deemed to be given and received on the first Business Day following the day on which it is sent.

**18. Time of the Essence.** Time shall, in all respects, be of the essence hereof.

**19. Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

**20. Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

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**21. Entire Agreement; No Advisory or Fiduciary Relationship.**

(a) This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings. This Agreement may be amended or modified in any respect by written instrument only. All schedules attached to this Agreement are deemed to be part hereof and are hereby incorporated by reference.

(b) The Company acknowledges and agrees that (i) the offer of Special Warrants pursuant to this Agreement, including the determination of the offering price of the Special Warrants and any related commissions, is an “arm's length” commercial transaction between the Company and the Agents, (ii) in connection with the Offering contemplated hereby and the process leading to such transaction the Agents are and have been acting solely as principals and are not the agents or fiduciaries of the Company, or its shareholders, creditors, employees or any other party, (iii) the Agents have not assumed or will assume an advisory or fiduciary responsibility in favour of the Company with respect to the Offering contemplated hereby and the process leading thereto (irrespective of whether the Agents have advised or are currently advising the Company on other matters) and the Agents have no obligation to the Company with respect to the Offering contemplated hereby except the obligations expressly set forth herein, (iv) the Agents and their affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (v) the Agents have not provided any legal, accounting, regulatory or tax advice with respect to the Offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

**22. Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

**23. Governing Law; Attornment to Ontario.** This Agreement shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein. Any and all disputes arising under this Agency Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of Ontario and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such province.

**24. Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Agents and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein, or in the Subscription Agreements, this Agreement shall not be assignable by any party without the written consent of the others.

**25. Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

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**26. Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

**27. Language.** The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement .*

**28. Counterparts and Facsimile.** This Agreement may be executed in any number of counterparts and by facsimile, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

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If the Company is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this letter where indicated below and delivering the same to the Agent.

Yours very truly,

**PARADIGM CAPITAL INC.**

Per: /s/ Tony Pullen  
Authorized Signing Officer

**BOLDER INVESTMENT PARTNERS, LTD.**

Per: /s/ Paul Woodward  
Authorized Signing Officer

**UNION SECURITIES LTD.**

Per: /s/ Jovan Stupar  
Authorized Signing Officer

The foregoing is hereby accepted on the terms and conditions therein set forth.

**DATED** as of July 13, 2009.

**INTELGENX TECHNOLOGIES CORP.**

Per: /s/ Horst Zerbe  
Authorized Signing Officer

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**SCHEDULE A**

**OUTSTANDING CONVERTIBLE SECURITIES**

Set aside for issuance as of July 10, 2009

|   | <b>Number of<br/>Securities</b> |   | <b>Exercise Price</b> | <b>Expiry Date</b>    |
|---|---------------------------------|---|-----------------------|-----------------------|
| Warrants (March 2008)                           | 4,001,000                       | @ | U.S.\$1.02            | May 2011              |
| Warrants Debenture Financing (May 2007)         | 2,142,857                       | @ | U.S.\$ 0.80           | May 2012              |
| Convertible Debentures (May 2007)               | 1,757,487                       |   |                       | September 22,<br>2009 |
| Stock Options (less conversions)                | 1,851,429                       |   |                       |                       |
| Agent Warrants, Carter Securities (May 2007)    | 214,286                         | @ | U.S.0.80              | May 22, 2011          |
| Agent Options, Paradigm (March 2008)            | 320,080 <sup>(1)</sup>          | @ | U.S. \$0.70           | March 27, 2010        |
| <b>Total unconverted/unexercised securities</b> | <b>10,607,219</b>               |   |                       |                       |

(1) The Agent Options are each exercisable for one common share and one common share purchase warrant. Each warrant is exercisable for one common share at an exercise price of U.S.\$1.02 until March 27, 2010.

**SCHEDULE 8(a)(xii)**

The Company's currently outstanding 8% Senior Secured Convertible Debentures due September 22, 2009 (the "**Debentures**"), prohibit the payment of dividends in cash or distributions on any equity securities of the Company as long as any portion of the Debenture remains outstanding, unless the holders of at least 67% in principal amount of the then outstanding Debentures shall have otherwise given prior written consent.

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**INTELGEX TECHNOLOGIES CORP.  
REGISTRATION RIGHTS AGREEMENT**

This Registration Rights Agreement (this “**Agreement**”) is made and entered into as of the 13<sup>th</sup> day of July, 2009 between IntelGenx Technologies Corp., a Delaware corporation (the “**Company**”), and Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd. (collectively, the “**Agents**”).

**RECITALS**

**WHEREAS** the Company proposes to issue to the Subscribers (as defined herein) special warrants (the “**Special Warrants**”), each Special Warrant entitling the Subscribers to acquire one unit of the Company. Each unit is comprised of one share of common stock of the Company (the “**Unit Shares**”) and one common share purchase warrant (the “**Warrants**”) entitling the Subscribers to subscribe for one share of common stock of the Company (the “**Warrant Shares**”) pursuant to subscription agreements as described in the Agency Agreement dated July 13, 2009 between the Company and the Agents (the “**Agency Agreement**”);

**AND WHEREAS** the Company proposes to issue to the Agents (i) compensation options (the “**Compensation Options**”) entitling the Agents to acquire shares of common stock of the Company (the “**Compensation Option Shares**”), and (ii) shares of common stock of the Company (the “**Broker Shares**”), pursuant to the Agency Agreement;

**AND WHEREAS**, pursuant to the Agency Agreement, the Company has agreed to effect the registration of the Unit Shares, Warrants, Warrant Shares, Compensation Options, Compensation Option Shares and Broker Shares on the terms and subject to the conditions set forth therein and herein;

**NOW THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, the parties hereby agree as follows:

**1. REGISTRATION RIGHTS.**

**1.1 Certain Definitions.** As used in this Agreement, the following terms shall have the meanings set forth below:

- (a) “**Closing**” shall mean the closing of the initial sale of the Special Warrants and the issuance of the Compensation Options and Broker Shares;
- (b) “**Commission**” shall mean the United States Securities and Exchange Commission or any other federal agency at the time administering the Securities Act;
- (c) “**Common Shares**” shall mean shares of common stock of the Company;

- (d) “ **Exchange Act** ” shall mean the United States *Securities Exchange Act of 1934* , as amended;
  - (e) “ **Holder** ” shall mean any holder of Registrable Securities and any holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 1.8 hereof;
  - (f) “ **Registrable Securities** ” shall mean (i) the Unit Shares, (ii) the Warrants, (iii) the Warrant Shares, (iv) the Compensation Options, (v) the Compensation Option Shares, (vi) the Broker Shares, and (vii) any shares of common stock of the Company issued as a dividend or other distribution with respect to or in exchange for or in replacement of the securities referenced in (i) to (vi) above, provided, however, that Registrable Securities shall not include (a) any Common Shares sold to the public either pursuant to a registered public offering or Rule 144, or (b) any Common Shares held by a Holder that may immediately be sold under Rule 144(k);
  - (g) The terms “ **register** ,” “ **registered** ” and “ **registration** ” shall refer to a registration effected by preparing and filing the Registration Statement, and the declaration or ordering of the effectiveness of such registration statement;
  - (h) “ **Registration Expenses** ” shall mean all expenses incurred in effecting any registration pursuant to this Agreement, including, without limitation, all registration, qualification and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company, blue sky fees and expenses, fees and disbursements of counsel for the Holders (which shall not exceed US\$5,000) and expenses of any regular or special audits incident to or required by any such registration, but shall not include Selling Expenses, and the compensation of regular employees of the Company, which shall be paid in any event by the Company;
  - (i) “ **Registration Statement** ” shall mean the registration statement filed by the Company pursuant to the Securities Act relating to the resale of the Registrable Securities by the Holders, and all amendments and supplements to such Registration Statement, including pre- and post-effective amendments;
  - (j) “ **Rule 144** ” shall mean Rule 144 as promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar successor rule that may be promulgated by the Commission;
  - (k) “ **Securities Act** ” shall mean the United States *Securities Act of 1933* , as amended;
  - (l) “ **Selling Expenses** ” shall mean all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities; and
  - (m) “ **Subscribers** ” shall mean the persons acquiring Registrable Securities in connection with subscription agreements in the form agreed upon by the Agents and the Company.
-

## 1.2 Registration

- (a) The Company covenants to prepare and file with the Commission, as promptly as practicable following the Closing and in any event within 30 days after the Closing, a Registration Statement for an offering to be made on a continuous shelf basis following the date of effectiveness covering the resale of the Registrable Securities by the Holders. The Registration Statement shall be on Form S-3, if available, under the Securities Act or another appropriate form selected by the Company permitting registration of the resale of the Registrable Securities by the Holders from time to time. The Company shall use its best efforts to cause the Registration Statement to become effective pursuant to the Securities Act within 120 days after the Closing.
- (b) The Registration Statement shall not be deemed to have become effective under the Securities Act unless it has been filed and has been declared effective under the Securities Act by the Commission and remains effective pursuant to the Securities Act with respect to the disposition of all Registrable Securities on a continuous shelf basis until all such Registrable Securities are sold or cease to be Registrable Securities.

**1.3 Expenses of Registration.** The Company shall pay all Registration Expenses whether or not such registration shall become effective.

**1.4 Registration Procedures.** In the case of the registration effected by the Company pursuant to this Agreement, the Company will keep each Holder advised in writing as to the initiation of such registration and as to the completion thereof. At its expense, the Company will use its best efforts to:

- (a) keep such registration effective until all such Registrable Securities are sold or cease to be Registrable Securities;
  - (b) prepare and file with the Commission such amendments and supplements to such Registration Statement and any prospectus used in connection with such registration statement as may be necessary to keep such Registration Statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such Registration Statement;
  - (c) notify each seller of Registrable Securities covered by such Registration Statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which a prospectus, if applicable, included in such registration statement, as then in effect, (i) no longer meets the requirements of Section 10(a)(3) of the Securities Act, or (ii) includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing, and that offers and sales of Registrable Securities in reliance on any such prospectus included in the Registration Statement must cease. Within five (5) business days of such notice, the Company shall prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus used shall meet the requirements of Section 10(a)(3) of the Securities Act, or not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing;
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- (d) cause all such Registrable Securities registered pursuant hereunder to be listed or quoted on each securities exchange or quotation service on which similar securities issued by the Company are then, or subsequently, listed;
  - (e) use its best efforts to obtain all other approvals, consents, exemptions or authorizations from such governmental agencies or authorities as may be necessary to enable the Holders to consummate the disposition of the Registrable Securities;
  - (f) provide a transfer agent and registrar for all Registrable Securities registered pursuant to the Registration Statement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;
  - (g) otherwise comply with all applicable rules and regulations of the Commission;
  - (h) subject to compliance with the requirements of the Securities Act, cooperate with the Holders to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities sold pursuant to the Registration Statement, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with instructions of the Holders that are provided to the Company;
  - (i) in connection with any underwritten offering pursuant to a Registration Statement, the Company will enter into an underwriting agreement with an underwriter selected and retained by the Agents, and reasonably acceptable to the Company in its discretion, in form reasonably necessary to effect the offer and sale of such securities, provided such underwriting agreement contains reasonable and customary terms and provisions;
  - (j) furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters or, if such securities are not being sold through underwriters, on the date that the Registration Statement becomes effective, (i) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in a underwritten public offering, (ii) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by the Company's independent registered public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and if permitted by applicable accounting standards, to the Holders participating in such registration, and (iii) other documents and certificates as are customary for offerings of this type;
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- (k) use its best efforts to register and qualify the Registrable Securities under such other securities or blue sky laws of such jurisdictions as each Holder shall request, and do any and all other acts and things which may be necessary or advisable to enable such Holder to consummate the public sale or other disposition in such jurisdictions of the securities owned by such Holder; and
- (l) take such other actions as shall be reasonably requested by the Agents to facilitate the registration and sale of the Registrable Securities.

## **1.5 Indemnification.**

- (a) The Company will indemnify each Holder, each of its officers, directors and partners, legal counsel, and accountants and each person controlling such Holder within the meaning of Section 15 of the Securities Act, with respect to which registration has been effected pursuant to this Agreement, and each underwriter, if any, and each person who controls within the meaning of Section 15 of the Securities Act any such underwriter, against all expenses, claims, losses, damages, and liabilities (or actions, proceedings or settlements in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in the Registration Statement, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or any rule or regulation thereunder applicable to the Company and relating to action required of the Company in connection with any such registration, and will reimburse each such Holder, each of its officers, directors, partners, legal counsel, and accountants and each person controlling such Holder, each such underwriter, and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder or underwriter. It is agreed that the indemnity agreement contained in this Section 1.5 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld).
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- (b) Each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration is being effected, indemnify the Company, each of its directors, officers, partners, legal counsel, and accountants and each underwriter, if any, of the Company's securities covered by such a registration statement, each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, each other such Holder, and each of their officers, directors, and partners, and each person controlling such Holder, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in the Registration Statement or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and such other Holders, directors, officers, partners, legal counsel, and accountants, persons, underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in the Registration Statement in reliance upon and in conformity with written information furnished to the Company by such Holder provided, however, that the obligations of such Holder hereunder shall not apply to amounts paid in settlement of any such claims, losses, damages or liabilities (or actions in respect thereof) if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld); and provided that in no event shall any indemnity under this Section 1.5 exceed the gross proceeds from the offering received by such Holder.
- (c) Each party entitled to indemnification under this Section 1.5 (the “ **Indemnified Party** ”) shall give notice to the party required to provide indemnification (the “ **Indemnifying Party** ”) promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of such claim or any litigation resulting therefrom, provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party's expense, and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 1.5, to the extent such failure is not materially prejudicial to such defence. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.
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- (d) If the indemnification provided for in this Section 1.5 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to therein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.
- (e) The Indemnifying Party agrees to reimburse any Indemnified Party monthly upon receipt of invoice(s) therefor, for the time spent by the Indemnified Party's personnel where they are required to testify, attend or otherwise respond to any claim at their normal per diem rates.
- (f) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

**1.6 Information by Holder.** Each Holder shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Agreement.

**1.7 Rule 144 Reporting.** With a view to making available the benefits of certain rules and regulations of the Commission that may permit the sale of the Registrable Securities to the public without registration, the Company agrees to:

- (a) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time it is subject to such reporting requirements; and
  - (b) so long as a Holder owns any Registrable Securities, furnish to the Holder forthwith upon written request a written statement by the Company as to its compliance with the reporting requirements of the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as a Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any such securities without registration.
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**1.8 Transfer or Assignment of Registration Rights.** The registration rights granted to a Holder by the Company under this Agreement may be transferred or assigned by a Holder provided that the Company is given written notice at the time of or within a reasonable time after said transfer or assignment, stating the name and address of the transferee or assignee and identifying the Registrable Securities being transferred or assigned. Such transferees (other than transferees that acquire the Registrable Securities in a registered public offering or pursuant to a sale under Rule 144) shall automatically be entitled to receive the benefits of and be conclusively deemed to have agreed to be bound by the terms and provisions of this Agreement as if it were a party hereto, and shall be deemed to be Holders under this Agreement.

**1.9 Delay of Registration.** No Holder shall have any right to take any action to restrain, enjoin or otherwise delay any registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

**1.10 Time is of Essence.** The Company agrees that time is of the essence of each of the covenants contained herein and that, in the event of a dispute hereunder, this Agreement is to be interpreted and construed in a manner that will enable the Holders to sell their Registrable Securities as quickly as possible. Any delay on the part of the Company not expressly permitted under this Agreement, whether material or not, shall be deemed a material breach of this Agreement.

**1.11 Remedies Upon Default or Delay.** The Company acknowledges the breach of any part of this Agreement may cause irreparable harm to a Holder and that monetary damages alone may be inadequate. The Company therefore agrees that the Holder shall be entitled to injunctive relief or such other applicable remedy as a court of competent jurisdiction may provide. Nothing contained herein will be construed to limit a Holder's right to any remedies at law, including recovery of damages for breach of any part of this Agreement.

## **2. COVENANTS OF THE COMPANY.**

The Company hereby covenants and agrees, so long as any Holder owns any Registrable Securities, as follows:

**2.1 Maintain Listing.** The Company covenants that, once it has registered the Registrable Securities under the Securities Act, it shall maintain the listing or quotation of such securities on each stock exchange or quotation on which such securities are, or subsequently become, listed.

## **3. MISCELLANEOUS.**

**3.1 Governing Law.** This Agreement shall be governed by and be construed in accordance with the laws of the State of Delaware and the laws of the United States applicable therein.

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**3.2 Third Party Beneficiaries.** Each Holder (other than the Agents) shall be a beneficiary of this Agreement and entitled to all of the rights and benefits of this Agreement as if such Holder was a party and signatory to this Agreement and shall, for all purposes, be deemed a Holder under this Agreement. If the Company shall so request, each Holder (other than the Agents) shall agree in writing to be subject to all of the terms hereof.

**3.3 Successors and Assigns.** Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

**3.4 Entire Agreement; Amendment; Waiver.** This Agreement (including the Exhibit hereto) constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof. Neither this Agreement nor any term hereof may be amended, waived, discharged or terminated, except by a written instrument signed by the Company and the holders of at least 50% of the Registrable Securities (including, in all instances, the Agents) and any such amendment, waiver, discharge or termination shall be binding on all the Holders, but in no event shall the obligation of any Holder hereunder be materially increased, except upon the written consent of such Holder. This Agreement may be amended to add additional stockholders as parties hereto with the consent of the Company and the Agents.

**3.5 Notices, etc.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by first-class mail, postage prepaid, sent by facsimile or delivered personally by hand or nationally recognized courier addressed (a) if to a Holder, as indicated on the list of Holders attached hereto as Exhibit "A", or at such other address or facsimile number as such holder or permitted assignee shall have furnished to the Company in writing, or (b) if to the Company, at such address or facsimile number as the Company shall have furnished to each Holder in writing. All such notices and other written communications shall be effective on the date of mailing, confirmed facsimile transfer or delivery.

**3.6 Delays or Omissions.** No delay or omission to exercise any right, power or remedy accruing to any Holder, upon any breach or default of the Company under this Agreement shall impair any such right, power or remedy of such Holder nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default therefore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Holder of any breach or default under this Agreement or any waiver on the part of any Holder of any provisions or conditions of this Agreement must be made in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Holder, shall be cumulative and not alternative.

**3.7 Rights; Severability.** Unless otherwise expressly provided herein, a Holder's rights hereunder are several rights, not rights jointly held with any of the other Holders. In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

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**3.8 Information Confidential.** Each Holder acknowledges that the information received by them pursuant hereto may be confidential and for its use only, and it will not use such confidential information in violation of the Exchange Act or reproduce, disclose or disseminate such information to any other person (other than its employees or agents having a need to know the contents of such information, and its attorneys), except in connection with the exercise of rights under this Agreement, unless the Company has made such information available to the public generally or such Holder is required to disclose such information by a governmental body.

**3.9 Titles and Subtitles.** The titles of the paragraphs and subparagraphs of this Agreement are for convenience of reference only and are not to be considered in construing or interpreting this Agreement.

**3.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

*[The remainder of this page is intentionally left blank.]*

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IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement effective as of the day and year first above written.

**INTELGENX TECHNOLOGIES CORP.**

Per: /s/ Horst Zerbe  
Authorized Signing Officer

**PARADIGM CAPITAL INC.**

Per: /s/ Tony Pullen  
Authorized Signing Officer

**BOLDER INVESTMENT PARTNERS, LTD.**

Per: /s/ Paul Woodward  
Authorized Signing Officer

**UNION SECURITIES LTD.**

Per: /s/ Jovan Stupar  
Authorized Signing Officer

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**EXHIBIT "A"**

**LIST OF HOLDERS**

(see attached)

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**SUBSCRIPTION AGREEMENT – SPECIAL WARRANTS**

**AMONG**

**INTELGENX TECHNOLOGIES CORP.**

**AND**

**SYNDICATE OF AGENTS REPRESENTED BY**

**PARADIGM CAPITAL INC.**

**AND**

**THE UNDERSIGNED SUBSCRIBER**

*Private Placement of up to 11,250,000 special warrants at \$0.40 per special warrant. Each special warrant will entitle the holder to acquire, for no further consideration and subject to adjustment as set out herein, one unit of IntelGenx Technologies Corp. Each unit will consist of one common share and one common share purchase warrant. Each common share purchase warrant will entitle the holder to purchase one common share of IntelGenx Technologies Corp. for 36 months following the closing of the offering at an exercise price of US\$0.80.*



**INSTRUCTIONS**

**All Subscribers:**

1. Complete and sign pages 1 and 2 of the Subscription Agreement.
2. If you are a non-individual subscriber, complete and sign the **TSX-V Form 4C – Corporate Placee Registration Form – Appendix II, unless you have filed a Form 4C with the TSX-V within the last year and it remains current .**
3. If you are resident in Canada, complete and sign the **Accredited Investor Certificate – Appendix III .**
4. If you are resident in an International Jurisdiction (other than Canada or the United States), complete and sign the **International Investor Certificate – Appendix IV .**
5. **To subscribe complete, as applicable, and forward (i) this Subscription Agreement; (ii) all applicable Appendixes; and (iii) the subscription proceeds, to one of:**

Paradigm Capital Inc.  
95 Wellington Street West,  
Suite 2101  
P.O. Box 55  
Toronto, ON M5J 2N7  
  
Attention: Tony Pullen  
Fax: (416) 361-0679

Bolder Investment Partners, Ltd.  
800 – 1450 Creekside Drive  
Vancouver, BC V6J 5B3  
  
Attention: Martin Burian  
Fax : (604) 714-2326

Union Securities Ltd.  
Suite 115, 240 – 4<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 4H4  
  
Attention: Jovan Stupar  
Fax: (403) 237-5546

**SUBSCRIPTION AGREEMENT FOR SPECIAL WARRANTS**

To: **IntelGenx Technologies Corp.** (the “ **Issuer** ”), 6425 Abrams, Ville St.-Laurent, Quebec, H4S 1X9

And To: **Paradigm Capital Inc.** (“ **Paradigm** ”), 95 Wellington Street West, Suite 2101, Toronto, Ontario M5J 2N7

**Bolder Investment Partners, Ltd .** (“ **Bolder** ”), 800-1450 Creekside Drive, Vancouver, British Columbia, V6J 5B3

**Union Securities Ltd .** (“ **Union** ”), Suite 115, 240-4<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 4H4

(Paradigm, Bolder and Union, collectively, the “ **Agents** ”)

The undersigned (the “ **Subscriber** ”) hereby acknowledges that the Issuer is proceeding with a private placement of up to 11,250,000 special warrants (the “ **Special Warrants** ”) at a price of \$0.40 per Special Warrant and tenders to the Issuer and the Agents this irrevocable subscription offer which, upon acceptance by the Issuer at its discretion, will constitute an agreement of the Subscriber to subscribe for, take up, purchase and pay for and, on the part of the Issuer, to issue and sell to the Subscriber the number of Special Warrants set out below on the terms and subject to the conditions set out in this Agreement. Each Special Warrant will entitle the holder to acquire, for no further consideration and subject to adjustment as set out herein, one unit of the Issuer (a “ **Unit** ”) on the terms and conditions set out herein. Each Unit will consist of one common share in the capital of the Issuer (a “ **Common Share** ”) and one Common Share purchase warrant (a “ **Warrant** ”). Each Warrant will entitle the holder to purchase one Common Share (a “ **Warrant Share** ”) for 36 months following the closing of the offering at an exercise price of US\$0.80. In the event that the Clearance Date (as defined herein) has not occurred on or prior to the Clearance Deadline (as defined herein), each Special Warrant shall thereafter be exercisable into 1.1 Units (instead of one Unit). The Subscriber agrees to be bound by the terms and conditions set forth in this Agreement including without limitation the representations, warranties and covenants set forth in the applicable Appendices attached thereto. The Subscriber further agrees, without limitation, that the Issuer and the Agents may rely upon the Subscriber’s representations, warranties and covenants contained in such documents.

|   |          |
|---|----------|
| Number of Special Warrants:                         | _____    |
| Total Purchase Price at \$0.40 per Special Warrant: | \$ _____ |

DATED this \_\_\_\_ day of \_\_\_\_, 2009

\_\_\_\_\_  
(Name of Subscriber – please print)

\_\_\_\_\_  
(Subscriber’s Residential or Head Office Address)

by: \_\_\_\_\_  
(Official Capacity or Title – please print)

\_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
(Telephone Number)

(Please print name of individual whose signature appears above if different than the name of the Subscriber printed above.)

\_\_\_\_\_  
(Facsimile Number)

\_\_\_\_\_  
(E-mail Address)

**Please complete if purchasing as an agent for a disclosed principal and not deemed to be purchasing as a principal under the applicable securities legislation**

\_\_\_\_\_  
Name of disclosed principal

\_\_\_\_\_  
Address of disclosed principal

\_\_\_\_\_  
Telephone number of disclosed principal



**Registration Instructions (if other than in name of Subscriber):**

\_\_\_\_\_  
Name  
\_\_\_\_\_  
Account reference, if applicable  
\_\_\_\_\_  
Address  
\_\_\_\_\_

**Delivery Instructions (if other than the address above):**

\_\_\_\_\_  
Account reference, if applicable  
\_\_\_\_\_  
Contact Name  
\_\_\_\_\_  
Address  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone Number  
\_\_\_\_\_  
Facsimile Number

**Present Ownership of Securities**

The Subscriber either [**check appropriate box**] :

£ owns directly or indirectly, or exercises control or direction over, no Common Shares of the Issuer or securities convertible into Common Shares; or

£ owns directly or indirectly, or exercises control or direction over, \_\_\_\_\_ Common Shares of the Issuer and convertible securities entitling the Subscriber to acquire an additional \_\_\_\_\_ Common Shares.

**Insider Status**

The Subscriber either [**check appropriate box**] :

£ is an “Insider” of the Issuer as defined in the *Securities Act* (Ontario); or

£ is not an Insider of the Issuer.

**Member of “Pro Group”**

The Subscriber either [**check appropriate box**] :

£ is a Member of the “Pro Group” as defined in Policy 1.1 of the TSX-V; or

£ is not a member of the Pro Group.

**NOTE: The information collected herein will be used by the Issuer in determining whether the Subscriber meets the requirements for the applicable prospectus exemptions, for making certain filings with the TSX-V and other applicable regulatory authorities and for meeting its requirements under securities legislation with respect to the mailing of continuous disclosure materials of the Issuer to the Subscriber. By signing this subscription agreement, the Subscriber and any disclosed principal for whom the Subscriber is acting hereby consents to the collection and use of all of the Subscriber’s or the disclosed principal’s personal information contained herein by the Issuer for the above referenced purposes.**



This subscription is accepted by IntelGenx Technologies Corp. this \_\_\_\_ day of \_\_\_\_\_, 2009.

**INTELGENX TECHNOLOGIES CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

## 1. INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:

- (a) “ **1933 Act** ” means the United States Securities Act of 1933, as amended;
- (b) “ **Accredited Investor** ” has the same meaning ascribed to that term in National Instrument 45-106;
- (c) “ **Agency Agreement** ” means the agency agreement to be entered into at Closing between the Issuer and the Agents;
- (d) “ **Agents** ” means, collectively, Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd.;
- (e) “ **Aggregate Special Warrants** ” means the aggregate number of Special Warrants sold pursuant to the Private Placement;
- (f) “ **Aggregate Subscription Price** ” means the aggregate dollar amount of the subscription under this Agreement as set out on the face page hereof;
- (g) “ **Agreement** ” means this subscription agreement to be entered into between the Issuer and the Subscriber for the purchase of Special Warrants and includes all schedules and appendices attached hereto, in each case as they may be amended or supplemented from time to time;
- (h) “ **AMF** ” means Autorité des Marchés Financiers;
- (i) “ **Automatic Exercise Date** ” means 5:00 p.m. (Toronto time) on the date that is the earlier of (a) the Clearance Date, and (b) the Clearance Deadline;
- (j) “ **Business Day** ” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Toronto, Ontario are not open for business;
- (k) “ **Clearance Date** ” means the date which is five Business Days following the later of (i) the date the Issuer receives a Decision Document for the Prospectus from the last of the Commissions, and (ii) the date the Registration Statement is declared effective by the SEC;
- (l) “ **Clearance Deadline** ” means the date which is 120 days following the Closing Date;
- (m) “ **Closing** ” means the closing of the Private Placement, on the Closing Date, pursuant to which the Special Warrants are issued to the Subscribers in accordance with the terms and conditions of this Agreement;
- (n) “ **Closing Date** ” means June 30, 2009 or such other earlier or later date as the Issuer and the Agents may agree;
- (o) “ **Commissions** ” means, collectively, the provincial securities commission or other regulatory authority in each of the Jurisdictions;
- (p) “ **Common Shares** ” means common shares in the authorized capital of the Issuer;
- (q) “ **Compensation Options** ” has the meaning ascribed to that term in Section 5.1(x);
- (r) “ **Decision Document** ” means a decision document issued by the AMF in its capacity as principal regulator in accordance with Multilateral Instrument 11-202 – *Passport System* and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* evidencing that a receipt has been issued by each of the Commissions (other than the Ontario Securities Commission) and a receipt has been issued by the Ontario Securities Commission;

- (s) “ **Disclosed Principal** ” has the meaning ascribed in subsection 5.1(c)(ii);
- (t) “ **Disclosure Record** ” means the financial statements, management discussion and analysis, certifications, circulars, reports, forms, press releases and other documents filed by the Issuer on the System for Electronic Data Analysis and Retrieval (SEDAR) since December 31, 2006;
- (u) “ **Exemptions** ” means the exemptions from the prospectus requirements outlined at sections 2.3 and 2.10 of National Instrument 45-106;
- (v) “ **Insider** ” has the meaning ascribed in s.1(1) of the Ontario Act;
- (w) “ **International Jurisdiction** ” means a jurisdiction other than and outside Canada and the United States;
- (x) “ **Issue Price** ” means \$0.40 per Special Warrant;
- (y) “ **Jurisdictions** ” means the provinces of British Columbia, Alberta, Ontario and Quebec and such other Canadian provinces as agreed upon by the Company and the Agents where Subscribers are resident;
- (z) “ **National Instrument 45-102** ” means National Instrument 45-102 – *Resale of Securities* published by the Canadian Securities Administrators;
- (aa) “ **National Instrument 45-106** ” means National Instrument 45-106 – *Prospectus and Registration Exemptions* published by the Canadian Securities Administrators;
- (bb) “ **Ontario Act** ” means the *Securities Act* (Ontario), the regulations and rules made thereunder and all published policy statements, blanket orders, notices, directions and rulings issued or adopted by the Ontario Securities Commission, all as amended;
- (cc) “ **Parties** ” or “ **Party** ” means the Subscriber, the Issuer or both, as the context requires;
- (dd) “ **Personal Information** ” has the meaning ascribed in section 11.5;
- (ee) “ **Private Placement** ” means the issue and sale of the Special Warrants;
- (ff) “ **Prospectus** ” means the final short-form prospectus (or long-form prospectus, if applicable) qualifying the distribution of the Common Shares and Warrants issuable upon exercise of the Special Warrants;
- (gg) “ **Registration Statement** ” means a S-1 registration statement filed with the SEC in accordance with the 1933 Act qualifying the Common Share and Warrants issuable upon exercise of the Special Warrants, the Compensation Options and the Warrant Shares issuable thereunder;
- (hh) “ **Regulation S** ” means Regulation S promulgated under the 1933 Act;
- (ii) “ **Regulatory Authorities** ” means the Commissions and the TSX-V and the securities regulatory authorities in an International Jurisdiction;
- (jj) “ **Rule 144** ” means Rule 144 promulgated under the 1933 Act;
- (kk) “ **Rule 144A** ” means Rule 144A promulgated under the 1933 Act;

- (ll) “**SEC**” means the United States Securities and Exchange Commission;
- (mm) “**Securities Laws**” means, as applicable, the securities legislation and securities laws of each Jurisdiction and the regulations and rules made thereunder and all published policy statements, blanket orders, notices, directions and ruling issued or adopted by the Commissions, collectively, and the rules of the TSX-V;
- (nn) “**Special Warrants**” means the special warrants to be issued and sold by the Issuer in accordance with the terms of this Agreement;
- (oo) “**Subscriber**” means the subscriber for the Special Warrants as set out on the face page of this Agreement and includes, as applicable, each Disclosed Principal for whom it is acting;
- (pp) “**Subscription Proceeds**” means the gross proceeds from the sale of Special Warrants under the Private Placement;
- (qq) “**Term Sheet**” means the term sheet attached hereto as Appendix I;
- (rr) “**TSX-V**” means TSX Venture Exchange;
- (ss) “**Unit**” means one Common Share and one Warrant;
- (tt) “**United States**” means the United States of America, its territories or possessions, any State of the United States and the District of Columbia;
- (uu) “**U.S. Person**” has the meaning given to the term “U.S. person” in Rule 902(k) of Regulation S. Without limiting the foregoing, but for greater clarity in this Agreement, a U.S. Person includes, subject to the exclusions set forth in Regulation S, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any estate or trust of which any executor, administrator or trustee is a U.S. Person, (iv) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States and (v) any partnership or corporation organized or incorporated under the laws of any non-U.S. jurisdiction which is formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by U.S. accredited investors who are not natural persons, estates or trusts;
- (vv) “**Warrant**” means a Common Share purchase warrant entitling the holder thereof to purchase one Common Share for 36 months following Closing at an exercise price of US\$0.80; and
- (ww) “**Warrant Share**” means a Common Share issuable upon exercise of the Warrant.

1.2 Time is of the essence of this Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (Ontario).

1.3 This Agreement is to be read with all changes in gender or number as required by the context.

1.4 The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement.

1.5 Unless otherwise indicated, all dollar amounts referred to in this Agreement, including the symbol “\$”, are in lawful currency of Canada.

1.6 This Agreement, any amendment, addendum or supplement hereto, and all other documents relating hereto shall be governed by and construed in accordance with the internal laws of the Province of Ontario, and the federal laws of Canada applicable therein, governing contracts made and to be performed wholly therein, and without reference to its principles governing the choice or conflict of laws. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Ontario with respect to any dispute related to or arising from this Agreement.

## **2. SUBSCRIPTION**

2.1 Subject to section 7 of this Agreement, the Subscriber hereby confirms its irrevocable subscription for the Special Warrants from the Issuer, on and subject to the terms and conditions set out in this Agreement, for the Aggregate Subscription Price which is payable as described herein. The Subscriber acknowledges (on its own behalf and, including if applicable, on behalf of each Disclosed Principal) that upon acceptance by the Issuer of this Agreement, this Agreement will constitute a binding obligation of the Subscriber (including if applicable, each Disclosed Principal) subject to the terms and conditions contained herein.

2.2 The Issuer may, in its absolute discretion, accept or reject the Subscriber's subscription for Special Warrants as set forth in this Agreement, in whole or in part, and the Issuer reserves the right to allot to the Subscriber less than the amount of Special Warrants subscribed for under this Agreement. If this subscription is rejected in whole, any cheques or other forms of payment delivered to the Agents representing the Aggregate Subscription Price will be promptly returned to the Subscriber without interest or deduction. If this subscription is accepted only in part, a cheque representing any refund of the Aggregate Subscription Price for that portion of the subscription for the Special Warrants which is not accepted, will be promptly delivered to the Subscriber without interest or deduction. The Subscriber acknowledges and agrees that the acceptance of this Agreement will be conditional upon, among other things, the sale of the Special Warrants to the Subscriber being exempt from any prospectus and offering memorandum requirements of applicable Securities Laws and the equivalent provisions of securities laws of any other applicable jurisdiction and, to the extent possible, the Subscriber agrees to furnish the Issuer with all information that is reasonably necessary to confirm same.

2.3 Subscription proceeds paid by the Subscriber to the Agents will be held in trust pending the Closing, and if the Closing does not occur on or before July 31, 2009 or such later date as agreed to by the Issuer and the Agents, the subscription proceeds will be returned to the Subscriber without interest or deduction.

## **3. SPECIAL WARRANTS**

3.1 Each Special Warrant will automatically be exercisable, without further consideration and subject to adjustment as set out below for one Unit on the Automatic Exercise Date. Each Unit will consist of one Common Share and one Warrant; each Warrant will entitle the holder thereof to purchase one Warrant Share at an exercise price of US\$0.80 for 36 months following the Closing Date. In the event that the Clearance Date has not occurred on or prior to the Clearance Deadline each unexercised Special Warrant will thereafter be automatically exercised without further consideration for 1.1 Units (instead of one Unit) on the Automatic Exercise Date.

3.2 The Special Warrants shall be created and issued pursuant to a special warrant indenture to be entered into on the Closing Date between the Issuer and a warrant agent. The specific attributes of the Special Warrants shall be set forth in the special warrant indenture.

3.3 The Issuer will use its best efforts to, on or prior to the date which is 30 days following the Closing Date, (i) obtain the Decision Document for the Prospectus in each of the Jurisdictions, and (ii) file the Registration Statement with the SEC.

3.4 In addition to the aforementioned covenants, the Issuer shall use commercially reasonable efforts to file with the Commissions: (i) a preliminary prospectus in respect of the distribution of the Units issuable on the exercise of the Special Warrants on the Business Day following the Closing Date, (ii) the Prospectus seven days thereafter, and in each case promptly thereafter obtain a Decision Document, and (iii) use commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable following the Closing Date .

#### **4. POWER OF ATTORNEY**

4.1 The Subscriber irrevocably authorizes Paradigm in its discretion, to act as the Subscriber's representative at Closing, and hereby appoints Paradigm, with full power of substitution, as its true and lawful attorney with the full power and authority to act for and in the name of the Subscriber, to execute and deliver such documents, instruments or agreements and do all acts necessary to effect the following:

- (a) if delivered, to receive certificates representing the Special Warrants, to execute in the Subscriber's name and on its behalf all closing receipts and required documents, if any, to complete and correct any manifest errors or omissions in any form or document provided by the Subscriber, including this Agreement and the appendices and schedules hereto, in connection with the subscription for the Special Warrants and to exercise any rights of termination contained in the Agency Agreement;
- (b) to negotiate and settle any documents related to the Private Placement including any opinions, certificates or other documents addressed to the Subscriber;
- (c) to extend or shorten any time periods and to modify or waive, in whole or in part, any representations, warranties, covenants or conditions for the Subscriber's benefit contained in this Agreement and the Agency Agreement or any ancillary or related document, provided that such extensions, modifications, or waivers do not materially affect the Subscriber's obligations or rights under this Agreement;
- (d) to make payment for the Special Warrants purchased hereby on behalf of the Subscriber or any Disclosed Principal;
- (e) to terminate this Agreement if any condition precedent is not satisfied, in such manner and on such terms and conditions as Paradigm in its sole discretion may determine and Paradigm shall have no liability to any Subscriber whatsoever in connection with any decision to waive any of such conditions or to extend the time for satisfaction of such conditions or any decision to exercise or not exercise or extend the right to terminate the Agency Agreement; and
- (f) without limiting the generality of the foregoing, to negotiate, settle, execute, deliver and amend the Agency Agreement.

4.2 The power of attorney is irrevocable, is coupled with an interest, and has been given for valuable consideration, the receipt and adequacy of which is acknowledged. The power of attorney and other rights and privileges granted under this Section 4 will survive any legal or mental incapacity, dissolution, bankruptcy or death of the Subscriber. The power of attorney extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of the Subscriber. Any person dealing with Paradigm may conclusively presume and rely upon the fact that any document, instrument or agreement executed by Paradigm pursuant to this power of attorney is authorized and binding on the Subscriber, without further inquiry. The Subscriber agrees to be bound by any representations or actions made or taken by Paradigm pursuant to this power of attorney, and waives any and all defences that may be available to contest, negate or disaffirm any action of Paradigm taken in good faith under this power of attorney.

#### **5. REPRESENTATIONS, WARRANTIES, COVENANTS AND ACKNOWLEDGEMENTS OF THE SUBSCRIBER**

5.1 The Subscriber (on its own behalf and, including if applicable, on behalf of each Disclosed Principal) acknowledges, represents, warrants and covenants to and with the Issuer and the Agents that, as at the date given above and at the Closing Date:

- (a) no prospectus has been filed by the Issuer with any of the Commissions in connection with the issuance of the Special Warrants, such issuance is exempted from the prospectus requirements of applicable Securities Laws and that as a result:
- (i) the Subscriber is restricted from using most of the civil remedies available under applicable Securities Laws including statutory rights of rescission and certain statutory remedies against an issuer, underwriters, auditors and officers otherwise available to investors who acquire securities offered by a prospectus;
  - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable Securities Laws and under applicable securities laws of the United States; and
  - (iii) the Issuer is relieved from certain obligations that would otherwise apply under applicable Securities Laws;
- (b) the Subscriber certifies that it and, if applicable, each Disclosed Principal is resident and located in the jurisdiction set out under “Subscriber’s Residential or Head Office Address” on the first page of this Agreement, which address is the residence or principal place of business of the Subscriber, or Disclosed Principal, as the case may be, and such address was not obtained or used solely for the purpose of acquiring the Subscriber’s Special Warrants;
- (c) the Subscriber is either:
- (i) purchasing the Subscriber’s Special Warrants as principal for its own account and not for the benefit of any other person or is deemed under applicable Securities Laws to be purchasing the Subscriber’s Special Warrants as principal,; or
  - (ii) purchasing the Subscriber’s Special Warrants as agent for beneficial principal(s) (each a “ **Disclosed Principal** ”), all of whom are disclosed on page 1 of this Agreement, and is not deemed under applicable Securities Laws to be purchasing the Subscriber’s Special Warrants as principal, and it is duly authorized to enter into this Agreement and to execute and deliver all documentation in connection with the purchase on behalf of each such Disclosed Principal, who is purchasing as principal for its own account and not for the benefit of any other person and the Subscriber in its capacity as agent is acting in compliance with all applicable securities and other laws; or
  - (iii) purchasing (if a resident of a Jurisdiction) for a principal or principals which is or are undisclosed or identified by account number only and is:
    - (A) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and in Ontario, is purchasing a security that is not a security of an investment fund; or
    - (B) a trust corporation registered under the *Trust and Loan Companies Act* (Canada), or under comparable legislation in any other jurisdiction, and is purchasing the Subscriber’s Special Warrants as trustee or agent for one or more accounts that are fully managed by such trust corporation, which account or accounts are acquiring the Subscriber’s Special Warrants as principal;
- (d) if the Subscriber or the Disclosed Principal is resident in Canada, the Subscriber or, if the Subscriber is purchasing on behalf of a Disclosed Principal, that Disclosed Principal:

- (i) is an Accredited Investor, by virtue of the fact that the Subscriber or such Disclosed Principal, as the case may be, falls within one or more of the sub-paragraphs of the definition of Accredited Investor set out in Appendix III (the Subscriber having checked the sub-paragraph(s) applicable to the Subscriber or such Disclosed Principal, as the case may be) and neither the Subscriber nor such Disclosed Principal has been created or is being used primarily to permit the purchase of the Special Warrants without a prospectus; or
  - (ii) is purchasing sufficient Special Warrants so that the aggregate acquisition cost of the Subscriber's Special Warrants is not less than \$150,000 and the Subscriber or such Disclosed Principal, as the case may be, is not a corporation, syndicate, partnership or other form of incorporated or non-incorporated entity or organization created solely to permit the purchase of the Subscriber's Special Warrants without a prospectus by a group of individuals whose individual share of the aggregate acquisition cost of the Subscriber's Special Warrants is less than \$150,000;
- (e) (i) The Subscriber, is not a U.S. Person and hereby represents and warrants to, and covenants with, the Issuer and the Agents, and acknowledges that the Issuer and the Agents are relying on such representations and warranties in connection with the transactions contemplated herein, as follows:
- (A) the Subscriber is not a U.S. Person nor subscribing for the Special Warrants for the account or benefit of a U.S. Person or a person in the United States or for resale in the United States and the Subscriber confirms that the Special Warrants have not been offered to the Subscriber in the United States and that this Subscription Agreement has not been executed or delivered in the United States.;
  - (B) the offer to purchase the Subscriber's Special Warrants was not made to the Subscriber or Disclosed Principal, if any, in the United States;
  - (C) at the time the Subscriber's subscription for Special Warrants was executed and delivered to the Issuer, the Subscriber (or the Subscriber's authorized signatory, if it is not a natural person) was outside the United States; and
  - (D) the current structure of this transaction and all transactions and activities contemplated hereunder is not a scheme to avoid the registration requirements of the 1933 Act;
- (ii) if the Subscriber is resident in an International Jurisdiction, the subscription for Special Warrants by the Subscriber hereunder is being made pursuant to exemptions under and in accordance with, and does not contravene any of the, applicable securities legislation in the such jurisdiction in which the Subscriber resides and the Subscriber has completed and delivered the International Investor Certificate attached as Appendix IV hereto;
  - (iii) the Subscriber and each Disclosed Principal, as the case may be, acknowledges that no Regulatory Authority or governmental agency regulatory body or similar authority has reviewed or passed upon the merits of an investment in the Special Warrants or the Common Shares and that any representation to the contrary is a criminal offence and, if made, may not be relied upon; and
  - (iv) the Subscriber will not offer, sell or otherwise transfer any of the Special Warrants, Warrants or the Common Shares issuable on exercise of the Special Warrants or Warrants, as the case may be, in the United States except pursuant to registration under the 1933 Act and the securities laws of all applicable states or available exemptions or exceptions therefrom;

- (f) no person has made to the Subscriber or any Disclosed Principal, if applicable, any written or oral representations:
  - (i) that any person will resell or repurchase any of the Special Warrants;
  - (ii) that any person will refund the purchase price of any of the Special Warrants;
  - (iii) as to the future price or value of any of the Special Warrants, or securities issuable on exercise of the Special Warrants or the Warrants, as the case may be; or
  - (iv) that any of the Issuer's securities will be listed and posted for trading on a stock exchange or that application has been made to list and post any of the Issuer's securities for trading on a stock exchange, other than the Common Shares on the TSX-V;
- (g) the Subscriber or, the Disclosed Principal, as the case may be, will not become a "control person" (as defined in the Ontario Act) by virtue of the purchase of the Subscriber's Special Warrants (assuming the exercise thereof into Common Shares), and does not intend to act in concert with any other person to form a control group of the Issuer;
- (h) this subscription has not been solicited in any other manner contrary to applicable Securities Laws and the Subscriber acknowledges that the Subscriber will not receive an offering memorandum or other disclosure document in respect of the Issuer or the Special Warrants;
- (i) neither the Subscriber nor any Disclosed Principal, if applicable, has knowledge of a "material fact" or "material change" (as those terms are defined in the Ontario Act) in the affairs of the Issuer that has not been generally disclosed to the public;
- (j) the Subscriber's decision to tender this offer and purchase the Subscriber's Special Warrants has not been made as a result of any verbal or written representation as to fact or otherwise made by or on behalf of the Issuer, the Agents or any other person and is based entirely upon this Agreement and currently available public information concerning the Issuer;
- (k) the Agents and/or their directors, officers, employees, agents and representatives assume no responsibility or liability of any nature whatsoever for the accuracy or adequacy of any publicly available information concerning the Issuer, or as to whether or not all information concerning the Issuer required to be disclosed by it has been generally disclosed;
- (l) the Agents have not, in connection with the Private Placement, engaged in or conducted any independent investigation with respect to the Issuer, or any information made, or required to be made, publicly available by the Issuer;
- (m) the Issuer will have the right to accept this subscription offer in whole or in part and the acceptance of this subscription offer will be conditional upon the sale of the Subscriber's Special Warrants to the Subscriber or the Disclosed Principal, as the case may be, being exempt from the prospectus and registration requirements under applicable Securities Laws;
- (n) the Subscriber has the legal capacity and competence to enter into and execute this Agreement and to take all actions required pursuant hereto and, if an individual is of full age of majority in the jurisdiction in which the Subscriber is resident, if the Subscriber is a corporation it is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation, and if the Subscriber is not an individual, the Subscriber has all necessary authority and approvals by its directors, shareholders, partners, trustees or others to authorize the execution and delivery of this Agreement on behalf of the Subscriber;

- (o) the entering into of this Agreement and the completion of the transactions contemplated hereby will not result in the material default of violation of any of the terms and provisions of any law applicable to, or the constating documents, by-laws or resolutions of, the Subscriber or any Disclosed Principal, if applicable, or of any agreement, written or oral, to which the Subscriber or the Disclosed Principal, if applicable, may be a party or by which it is or may be bound;
- (p) the Subscriber has obtained all necessary consents and authorities to enable it to agree to subscribe for the Special Warrants and to perform its obligations under this Agreement and the Subscriber has otherwise observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in any territory in connection with its acceptance and the Subscriber has not taken any action which will or may result in the Issuer or the Agents acting in breach of any regulatory or legal requirements of any territory in connection with the Private Placement or the Subscriber's subscription;
- (q) this Agreement, along with Appendix II (if applicable) and one of either Appendix III or IV, as applicable, has been duly executed and delivered by the Subscriber and constitutes a legal, valid and binding obligation of the Subscriber enforceable against the Subscriber and, if applicable, the Disclosed Principal;
- (r) the Subscriber has been advised to consult its own legal advisors with respect to tax matters and the applicable hold periods imposed in respect of the Special Warrants by applicable securities legislation and regulatory policies and confirms that no representations by the Issuer or the Agents have been made, respecting tax matters or the hold periods applicable to the Special Warrants;
- (s) the Subscriber and, if applicable, each Disclosed Principal is aware of the risks and other characteristics of the Special Warrants, including the risk that the Subscriber may lose its entire investment, and of the fact that the Subscriber and, if applicable, each Disclosed Principal may not be able to resell the Special Warrants purchased by it except in accordance with the applicable securities legislation and regulatory policies and that the Special Warrants may be subject to resale restrictions and may bear a legend to this effect;
- (t) the Subscriber understands that the Special Warrants, the Common Shares and Warrants issuable on exercise of the Special Warrants and the Warrant Shares are "restricted securities" within the meaning of Rule 144 and agrees that if it decides to offer, sell, pledge or otherwise transfer any such security they may be offered, sold, pledged or otherwise transferred only: (A) to the Issuer; (B) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act; (C) within the United States in accordance with (i) Rule 144A to a person who the seller reasonably believes is a Qualified Institutional Buyer that is purchasing for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the offer, sale, or transfer is being made in reliance on Rule 144A, if available, or (ii) the exemption from registration under the 1933 Act provided by Rule 144 thereunder, if applicable; (D) in a transaction that does not require registration under the 1933 Act or any applicable United States Securities Laws and regulations governing the offer and sale of securities; or (E) pursuant to an effective registration statement under the 1933 Act, provided that with respect to sales or transfers under clauses (C)(ii) or (D), only if the holder has furnished to the Issuer an opinion of counsel, reasonably satisfactory to the Issuer, prior to such sale or transfer and in each case in accordance with any United States Securities Laws or securities laws of any other applicable jurisdiction;
- (u) the certificates representing the Special Warrants, the Common Shares and Warrants issuable on exercise of the Special Warrants or the Warrant Shares issuable upon exercise of the Warrants, as the case may be, if issued prior to the Clearance Date for the Prospectus or if issued prior to the day which is four months and one day following the Closing Date will bear the following legends as required by National Instrument 45-102 and the TSX-V substantially in the following form and with the necessary information inserted:

**“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER [INSERT DISTRIBUTION DATE].”**

**“WITHOUT PRIOR WRITTEN APPROVAL OF THE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [INSERT DATE].”**

In addition to the legends above, until such time as the Special Warrants, the Common Shares, the Warrants underlying the Special Warrants and the Warrant Shares are either (i) no longer “restricted securities” within the meaning of Rule 144 or, (ii) a Registration Statement is declared effective by the SEC, the certificates representing the Special Warrants, the Common Shares, the Warrants underlying the Special Warrants and the Warrant Shares, as well as all certificates issued in exchange for or in substitution of the foregoing securities, until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable United States Securities Laws, shall bear the following legend:

**“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF INTELGENX TECHNOLOGIES CORP. (THE “COMPANY”) THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT, (C) WITHIN THE UNITED STATES IN COMPLIANCE WITH (i) THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144A UNDER THE U.S. SECURITIES ACT, IF AVAILABLE OR (ii) THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF APPLICABLE, AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C)(II) AND (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT.**

- (v) if required by applicable securities legislation, policy or order or by any securities commission, stock exchange or other regulatory authority, the Subscriber and, if applicable, each Disclosed Principal will execute, deliver, file and otherwise assist the Issuer in filing, such reports, undertakings and other documents with respect to the issue of the Special Warrants as may be required;
- (w) the funds which will be advanced by the Subscriber to the Issuer hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “PCMLTFA”) and the Subscriber acknowledges that the Issuer may in the future be required by law to disclose the Subscriber’s name and other information relating to this Agreement and the Subscriber’s subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of the Subscriber’s knowledge (a) none of the subscription funds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States of America or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) the Subscriber shall promptly notify the Issuer if the Subscriber discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith;

- (x) the Subscriber acknowledges that upon completion of the Private Placement, the Agents will receive a commission in cash from the Issuer equal to 8% of the gross proceeds from the sale of Special Warrants sold under the Private Placement to all subscribers, as well as, that number of Common Shares equal to 4% of the Aggregate Special Warrants and that number of Common Share purchase options as is equal to 8% of the Aggregate Special Warrants (“ **Compensation Options** ”). Each Compensation Option will entitle the holder thereof to acquire one Common Share of the Issuer at an exercise price equal to US\$0.80 for a period of 36 months from the Closing Date;
- (y) the Subscriber is not entitled to be paid any commission in relation to its participation in the Private Placement;
- (z) other than the Agents, there is no person acting or purporting to act in connection with the transactions contemplated herein who is entitled to any brokerage or finder’s fee;
- (aa) the Subscriber and, if applicable, each Disclosed Principal has not purchased the Special Warrants as a result of any form of General Solicitation or General Advertising, including advertisements, articles, notices or other communication published in any newspaper, magazine or similar media or on the internet or broadcast over radio, television or internet or any seminar or meeting whose attendees have been invited by General Solicitation or General Advertising;
- (bb) the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, any prospectus, any sales or advertising literature, or any other document describing or purporting to describe the business and affairs of the Issuer which has been prepared for delivery to, and review by, prospective purchasers in order to assist in making an investment decision in respect of the Special Warrants (other than the Disclosure Record);
- (cc) the Subscriber or, if applicable, each Disclosed Principal has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment and is able to bear the economic risk of the loss of its entire investment in the Special Warrants;
- (dd) the Subscriber or, if applicable, each Disclosed Principal, if a corporation or other non-individual entity, has previously filed within the preceding year with the TSX-V a duly completed Form 4C, Corporate Placee Registration Form, and represents and warrants that there has been no change to any of the information in the Corporate Placee Registration Form previously filed with the TSX-V up to the date of this Agreement, or will deliver a completed Form 4C, Corporate Placee Registration Form in the form attached hereto as Appendix II to the Issuer in accordance with 9.2(d) of this Agreement;
- (ee) it understands and agrees that the financial statements of the Issuer have been prepared in accordance with United States generally accepted accounting principles, which differ in some respects from Canada generally accepted accounting principles, and thus may not be comparable to financial statements of Canadian companies;
- (ff) the Subscriber agrees that the Issuer and the Agents may be required by law or otherwise to disclose to regulatory authorities the identity of the Subscriber and if applicable the beneficial purchaser for whom the Subscriber may be acting; and
- (gg) the Subscriber agrees that the above representations, warranties, covenants and acknowledgements in this Agreement and the attached Appendices are and will be true and correct both as of the execution of this Agreement and as of the Closing.

5.2 The foregoing representations, warranties, covenants and acknowledgements are made by the Subscriber with the intent that they be relied upon by the Issuer and the Agents and their respective counsel in determining its eligibility as a purchaser of Special Warrants. The Subscriber undertakes to notify the Issuer and the Agents immediately of any change in any representation, warranty or other information relating to the Subscriber set forth herein which takes place prior to the Closing.

5.3 The Issuer will obtain and hold the right and benefit of this section 5 in trust for and behalf of the Agents.

## **6. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER**

6.1 The Issuer represents and warrants to the Subscriber that, as of the date hereof and at the Closing Date, the representations and warranties of the Issuer set forth herein and in the Agency Agreement are and, at Closing will be, true and correct.

6.2 By its acceptance of this offer, the Issuer confirms that the Subscriber will have the benefit of all of the representations, warranties, covenants and conditions provided to, or for the benefit of, the Agents under the Agency Agreement as if such representations, warranties, covenants and conditions were made directly to the Subscriber under this Agreement and the Issuer acknowledges that the Subscriber has relied on the representations, warranties and covenants contained in the Agency Agreement.

6.3 The Issuer shall indemnify, defend and hold the Subscriber (which term shall, for the purposes of this section, include the Subscriber or its shareholders, managers, partners, directors, officers, members, employees, direct or indirect investors, agents and affiliates and assignees and the stockholders, partners, directors, members, managers, officers, employees, direct or indirect investors and agents of such affiliates and assignees) harmless against any and all liabilities, loss, cost or damage, together with all reasonable costs and expenses related thereto (including reasonable legal and accounting fees and expenses), arising from, relating to, or connected with the untruth, inaccuracy or breach of any statement, representation, warranty or covenant of the Issuer contained herein or in the Agency Agreement.

## **7. WITHDRAWAL OF SUBSCRIPTION**

7.1 The Subscriber reserves the right to withdraw this subscription and to terminate its obligations hereunder at any time before the Closing only if the Agents terminate their obligations with respect to the Private Placement under the Agency Agreement and hereby appoints each Agent as its agent for the purpose of notifying the Issuer of the withdrawal or termination of this subscription.

## **8. CONTRACTUAL RIGHT OF RESCISSION**

8.1 By its acceptance of this Agreement, the Issuer hereby grants to the Subscriber a contractual right of action for rescission set forth below in Section 8.2 and the Subscriber agrees to assign and explicitly extend the benefit of such right (but without liability to any Subscriber who is not a dealer) to any permitted assignee or transferee of the Special Warrants. Subject to the foregoing, the Subscriber (and, if applicable, others for whom it is contracting hereunder) hereby waives and releases the Issuer, and the Agents from, to the fullest extent permitted by law, all rights of withdrawal to which the Subscriber might otherwise be entitled under applicable Securities Laws including, without limitation, any rights pursuant to subsection 71(2) of the Ontario Act and the analogous provision of the Securities Laws of the other provinces of Canada.

8.2 The Issuer has agreed that in the event that a holder of a Special Warrant who acquires Common Shares and Warrants upon the exercise of such Special Warrant, as provided for in the Prospectus is or becomes entitled under the Securities Laws to the remedy of rescission by reason of the Prospectus or any amendment thereto containing a misrepresentation, such holder shall be entitled to rescission of both the holder's exercise of its Special Warrants and the private placement transaction pursuant to which the Special Warrants were initially acquired and shall be entitled in connection with such rescission to a full refund from the Issuer of the amount of the Aggregate Subscription Price paid on the acquisition of the Special Warrants to the Issuer. In the event such holder is a permitted assignee of the interest of the original Subscriber, such assignee shall be entitled to exercise such rights of rescission and refund as if such permitted assignee was such original Subscriber. The provisions of this section are a direct contractual right extended by the Issuer (but specifically not by any of the Agents or the directors, officers or other agent of the Issuer) to holders of Special Warrants, assignees (in respect of whom such rights are hereby granted to, and received by, the Agents in trust for assignees) of such holders and holders of Common Shares and Warrants acquired by such holders on exercise of Special Warrants and are in addition to any other right or remedy available to a holder of Special Warrants under section 130 of the Ontario Act or otherwise at law. The foregoing contractual rights of action for rescission shall be subject to the defences described under section 130 of the Ontario Act which is incorporated herein by reference, *mutatis mutandis*, and any other defence or defences available to the Issuer under applicable laws, rules and instruments. No action shall be commenced to enforce the foregoing rights of action for rescission more than 180 days after payment is made for the Special Warrants.

## 9. CLOSING

9.1 Delivery of the Special Warrants and payment of the Aggregate Subscription Price will be completed at Closing at the offices of Borden Ladner Gervais LLP, counsel to the Issuer, 40 King Street West, Suite 4400, Scotia Plaza, Toronto, Ontario on the Closing Date or at such other place as the Issuer and Paradigm may agree. If, prior to the Closing Time, the terms and conditions contained in this Agreement and the Agency Agreement have been complied with to the satisfaction of the Agents, or waived by the Agents, the Agents shall deliver to the Issuer all completed Agreements, including this Agreement, and payment of the Aggregate Subscription Price for all of the Special Warrants sold pursuant to the Agency Agreement against delivery by the Issuer of certificates representing the Special Warrants and such other documentation as may be required pursuant to this Agreement and the Agency Agreement.

9.2 The obligations of the parties hereunder are subject to all required regulatory approvals being obtained. This Private Placement is conditional upon, among other things, the Issuer obtaining conditional approval of the TSX-V.

The Subscriber acknowledges and agrees that the obligations of the Issuer hereunder are conditional on the accuracy of the representations and warranties of the Subscriber contained in this Agreement as of the date of this Agreement, and as of the Closing Date as if made at and as of the Closing Date, and the fulfillment of the following additional conditions as soon as possible and in any event not later than the Closing Date:

- (a) the Issuer having accepted this Agreement;
- (b) payment by the Subscriber of the Aggregate Subscription Price by certified cheque, money order, bank draft or other acceptable means in Canadian dollars payable to the Agent through which the Subscriber has agreed to purchase the Special Warrants;
- (c) the Subscriber having properly completed, signed and delivered this Agreement (with the applicable Appendices), to one of the following, as applicable:

**Paradigm Capital Inc.**

95 Wellington Street West, Suite 2101  
Toronto, ON M5J 2N7

Attention: Tony Pullen  
Fax: (416) 361-0679  
Email: tpullen@paradigmcap.com

**Bolder Investment Partners, Ltd.**

800 – 1450 Creekside Drive  
Vancouver, BC V6J 5B3

Attention: Martin Burian  
Fax: Vice-President, Corporate Finance

**Union Securities Ltd.**

Suite 115, 240 – 4<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 4H4

Attention: Jovan Stupar  
Fax: Managing Director, Investment Banking

- (d) the Subscriber having properly completed, signed and delivered, as applicable, Appendix I, II, III, and/or IV and any further documentation as required under applicable Securities Laws or any stock exchange or other regulatory authority and the Subscriber covenants and agrees to do so upon request by the Issuer; and
- (e) the conditions of closing contained in the Agency Agreement being satisfied or waived by the relevant party.

**10. RESALE RESTRICTIONS**

10.1 The Subscriber understands and acknowledges that the Special Warrants, the Common Shares and Warrants issuable on exercise of the Special Warrants and the Warrant Shares issuable on exercise of the Warrants, as the case may be, will be subject to certain resale restrictions under applicable Securities Laws, the 1933 Act and applicable state securities laws and the TSX-V's policies prior to the Clearance Date, the terms of which may be endorsed on the certificates representing such Special Warrants, Common Shares, Warrants and Warrant Share as a printed legend, and the Subscriber agrees to comply with such resale restrictions. The Subscriber also acknowledges that it has been advised to consult its own independent legal advisor with respect to the applicable resale restrictions and the Subscriber or, if applicable, the Disclosed Principal is solely responsible (and neither the Issuer nor the Agents are responsible) for complying with such restrictions and the Issuer is not responsible for ensuring compliance by the Subscriber or, if applicable, the Disclosed Principal with the applicable resale restrictions.

**11. USE OF PERSONAL INFORMATION**

11.1 The Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Principal) acknowledges and consents to the fact the Issuer and the Agents are collecting the Subscriber's (and any Disclosed Principal) personal information for the purpose of completing the Subscriber's subscription. The Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Principal) acknowledges and consents to the Issuer and the Agents retaining the personal information for as long as permitted or required by applicable law or business practices. The Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Principal) further acknowledges and consents to the fact the Issuer or the Agents may be required by applicable securities laws, stock exchange rules, and Investment Industry Regulatory Organization of Canada rules to provide regulatory authorities any personal information provided by the Subscriber respecting itself (and any Disclosed Principal). The Subscriber represents and warrants that it has the authority to provide the consents and acknowledgements set out in this section on behalf of all Disclosed Principals.

11.2 The Subscriber and each Disclosed Principal, if applicable, hereby acknowledges and consents to: (i) the disclosure by the Subscriber and the Issuer of Personal Information (defined in section 11.5) concerning the Subscriber to the TSX-V and its affiliates, authorized agent, subsidiaries and divisions; and (ii) the collection, use and disclosure of Personal Information by the TSX-V for the following purposes (or as otherwise identified by the TSX-V, from time to time):

- (a) to conduct background checks;
- (b) to verify the Personal Information that has been provided about the Subscriber;
- (c) to consider the suitability of the Subscriber as a holder of securities of the Issuer;
- (d) to consider the eligibility of the Issuer to continue to list on the TSX-V;

- (e) to provide disclosure to market participants as to the security holdings of the Issuer's shareholders, and their involvement with any other reporting issuers, issuers subject to a cease trade order or bankruptcy, and information respecting penalties, sanctions or personal bankruptcies, and possible conflicts of interest with the Issuer;
- (f) to detect and prevent fraud;
- (g) to conduct enforcement proceedings; and
- (h) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSX-V, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

11.3 The Subscriber also acknowledges that: (i) the TSX-V also collects additional Personal Information from other sources, including securities regulatory authorities in Canada or elsewhere, investigative law enforcement or self-regulatory organizations to ensure that the purposes set forth above can be accomplished; (ii) the Personal Information the TSX-V collects may also be disclosed to the agencies and organizations referred to above or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; (iii) the Personal Information may be disclosed on the TSX-V's website or through printed materials published by or pursuant to the direction of the TSX-V; and (iv) the TSX-V may from time to time use third parties to process information and provide other administrative services, and may share the information with such providers.

11.4 If the Subscriber is resident in or otherwise subject to the securities laws applicable in Ontario, the information provided by the Subscriber on the face page of this Agreement identifying the name, address and telephone number of the Subscriber, the number of Special Warrants being purchased hereunder and the total purchase price as well as the Closing Date and the exemption that the Subscriber is relying on in purchasing the Special Warrants will be disclosed to the Ontario Securities Commission, and such information is being indirectly collected by the Ontario Securities Commission under the authority granted to it under securities legislation. This information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario. Each Subscriber (for certainty including each Disclosed Principal) hereby authorizes the indirect collection of such information to the Ontario Securities Commission. In the event the Subscriber has any questions with respect to the indirect collection of such information by the Ontario Securities Commission, the public official who can answer questions about the Ontario Securities Commission's indirect collection of Personal Information is the Administrative Assistant to the Director of Corporate Finance, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, Telephone 416-593-8086.

11.5 Herein, "**Personal Information**" means any information about the Subscriber provided by the Subscriber in this Agreement and as required to be disclosed to the Commissions or the TSX-V, whether pursuant to a form or a request made by a Commission or the TSX-V, including the Corporate Placee Registration Form attached hereto.

## **12. SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

12.1 The representations, warranties and covenants of the Issuer contained in this Subscription Agreement shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Subscriber with respect thereto, shall continue in full force and effect for the benefit of the Subscriber and the Agents for a period of two years following the Closing Date.

12.2 The representations, warranties and covenants of the Subscriber contained in this Agreement or any certificate or document delivered pursuant to or in connection with this Agreement shall survive the Closing and, notwithstanding such Closing, any subsequent disposition by the Subscriber of any of the Special Warrants, Common Shares, Warrants or Warrant Shares, or any investigation made by or on behalf of the Issuer or the Agents with respect thereto, shall continue in full force and effect for the benefit of the Issuer and the Agents for a period of two years following the Closing Date.

### 13. MISCELLANEOUS

#### 13.1

Each of the Parties hereto upon the request of each of the other Parties hereto, whether before or after the Closing Time, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.

#### 13.2

Any notice, direction or other instrument required or permitted to be given to any Party hereto shall be in writing and shall be sufficiently given if delivered personally, or transmitted by facsimile tested prior to transmission to such party, as follows:

- (a) in the case of the Issuer, to:

**IntelGenx Technologies Corp.**

6425 Abrams  
Ville St. Laurent, Quebec  
H4S 1X9

Attention: Horst G. Zerbe  
Fax: (514) 331-0436

with a courtesy copy to:

**Borden Ladner Gervais LLP**

Scotia Plaza  
40 King Street West  
Toronto, Ontario  
M5H 3Y4

Attention: Manoj Pundit  
Fax: (416) 682-2842

- (b) in the case of the Subscriber, at the address specified on the face page hereof, with a copy to Paradigm (on behalf of the Agents) at:

**Paradigm Capital Inc.**

95 Wellington Street West, Suite 2101  
Toronto, ON  
M5J 2N7

Attention: Tony Pullen  
Fax: (416) 361-0679

Any such notice, direction or other instrument, if delivered personally, shall be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following such day and if transmitted by fax, shall be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following the day of such transmission.

Any party hereto may change its address for service from time to time by notice given to each of the other parties hereto in accordance with the foregoing provisions.

13.3 Time shall be of the essence of this Agreement and every part hereof.

13.4 All costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions herein contemplated shall be paid and borne by the party incurring such costs and expenses.

13.5 This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein. Any and all disputes arising under this Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of Ontario and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such province.

13.6 This Agreement, which includes any interest granted or right arising under this Agreement, may not be assigned or transferred except with the prior written consent of the other party hereto.

13.7 Except as expressly provided in this Agreement and in the agreements, instruments and other documents contemplated or provided for herein, this Agreement contains the entire agreement between the Parties with respect to the Special Warrants and there are no other terms, conditions, representations or warranties whether expressed, implied, oral or written, by statute, by common law, by the Issuer, by the Agents, or by anyone else.

13.8 Subject to section 4, the parties may amend this Agreement only in writing.

13.9 This Agreement enures to the benefit of and is binding upon the Parties and, as the case may be, their respective heirs, executors, administrators, permitted assigns and successors.

13.10 A Party will give all notices or other written communications to the other Party concerning this Agreement by hand or by registered mail addressed to such other Party's respective address which is noted on the cover page of this Agreement.

13.11 The Parties hereby agree and confirm that they have requested that this Agreement, as well as all notices and other documents contemplated hereby, be drawn up in the English language only. Les parties aux présentes reconnaissent et confirment qu'elles ont convenu que la présente convention ainsi que tous les avis et documents, qui s'y rattachent soient rédigés en anglais.

13.12 This Agreement may be executed in counterparts, each of which when delivered will be deemed to be an original and all of which together will constitute one and the same document and the Issuer or the Agents will be entitled to rely on delivery by facsimile machine or other electronic means of an executed copy of this subscription, and acceptance by the Issuer of such facsimile or other electronic copy will be equally effective to create a valid and binding agreement between the Subscriber and the Issuer as if the Issuer had accepted the subscription originally executed by the Subscriber.

## APPENDIX I

### TERM SHEET

#### IntelGenx Technologies Corp. PRIVATE PLACEMENT OF SPECIAL WARRANTS

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- Issuer:** IntelGenx Technologies Corp.  
**Amount:** Up to C\$4,500,000.  
**Price:** C\$0.40 per Special Warrant (the "Issue Price").  
**Special Warrants:** Each Special Warrant will entitle the holder thereof to acquire, for no further consideration one unit (a "Unit") until 5:00 p.m. (Toronto time) (the "Expiry Time") on the earlier of:
- (a) the date (the "Clearance Date") which is five business days following the later of:
    - (i) the date a Decision Document is issued for the Prospectus by the last of the securities authorities in the Jurisdictions in which purchasers of the Special Warrants reside and Quebec; and
    - (ii) the date the Registration Statement is declared effective by the SEC; and
  - (b) the date which is four months following the Closing Date,

provided that if the Clearance Date has not occurred on or prior to the date which is 120 days following the Closing Date, each Special Warrant will thereafter entitle the holder to acquire for no additional consideration, 1.1 Unit (instead of one Unit).

Any Special Warrants which have not been exercised prior to the Expiry Time will be exercised on behalf of the holders thereof immediately prior to the Expiry Time

Each Unit will consist of one common share (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share of the Company for 36 months following the closing of the Offering at an exercise price of U.S.\$0.80 per share.

#### **Prospectus Qualification and Filing of U.S. Registration Statement:**

The Company shall use its best efforts to, as soon as practicable following the Closing and, in any event, within 30 days following the Closing Date, file and obtain a Decision Document for a preliminary short form prospectus, settle any comments of the Canadian Securities administrators as soon as possible thereafter and file and obtain a Decision Document for a final Prospectus, to qualify the distribution of the Units upon the exercise of the Special Warrants.

The Company shall use its best efforts to, as soon as practicable following the Closing and, in any event, within 30 days following the Closing Date, file a Registration Statement with the SEC, settle any comments of the SEC as soon as possible thereafter and file and have declared effective a final Registration Statement, to qualify the Common Shares and Warrants to be issued upon the exercise of the Special Warrants, the Compensation Options and the Broker's Shares for distribution to, and trading by, the public in the United States of America.

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- Type of Transaction:** Fully Marketed best efforts private placement. It shall be a condition of completion of the Offering that the Special Warrants not be subject to a hold period of longer than four months and one day after the Closing Date in the Jurisdictions.
- Jurisdictions:** The qualifying jurisdictions for the Offering will be each of the provinces of Canada except for Quebec (the “Jurisdictions”). The Special Warrants will not be offered or sold in the United States. The Special Warrants may also be sold in jurisdictions other than Canada on a private placement basis provided that the Company shall not become subject to any prospectus or continuous disclosure requirements in such jurisdictions.
- Listing:** The Company shall obtain the necessary approvals to list the Common Shares underlying the Special Warrants (including the Common Shares issuable upon the due exercise of the Warrants) on the TSX Venture Exchange.
- Agent’s Compensation:** On the Closing Date the Agents will: (a) be paid a cash commission of 8.0% of the gross proceeds raised; (b) receive that number of Compensation Options that is equal to 8% of the number of Special Warrants sold in the Offering (each Compensation Option entitling the holder thereof to acquire one Common Share at an exercise price of US\$0.80 per share for a period of 36 months from the Closing Date); and (c) receive that number of Broker’s Shares that is equal to 4% of the number of Special Warrants sold in the Offering.
- Closing Date:** On or about June 30, 2009 or such other date or dates that might be determined by the Company and the Agents.
- Agents:** Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd.
- Use of Proceeds:** The proceeds from the Offering shall be used for commercialization and development of drugs to be delivered using Oral Film Technology and the Versatab Multi-Layer Tablet platform, repay outstanding convertible notes, working capital and capital expenditures, as well as strategic investments including business development and pharmaceutical research and development.
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## FORM 4C

## CORPORATE PLACEE REGISTRATION FORM

Where subscribers to a Private Placement are not individuals, the following information about the placee must be provided. This Form will remain on file with the TSX-V. The corporation, trust, portfolio manager or other entity (the “**Placee**”) need only file it on one time basis, and it will be referenced for all subsequent Private Placements in which it participates. If any of the information provided in this Form changes, the Placee must notify the TSX-V prior to participating in further placements with TSX-V listed companies. If as a result of the Private Placement, the Placee becomes an Insider of the Issuer, Insiders of the Placee are reminded that they must file a Personal Information Form (2A) or, if applicable, Declarations, with the TSX-V.

## 1. Placee Information:

(a) Name:

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(b)

Complete Address:

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Jurisdiction of Incorporation or Creation:

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2. (a) Is the Placee purchasing securities as a portfolio manager (Yes/No)? \_\_\_\_\_

(b) Is the Placee carrying on business as a portfolio manager outside of Canada (Yes/No)? \_\_\_\_\_

3. If the answer to 2(b) above was “Yes”, the undersigned certifies that:

(a) It is purchasing securities of an Issuer on behalf of managed accounts for which it is making the investment decision to purchase the securities and has full discretion to purchase or sell securities for such accounts without requiring the client’s express consent to a transaction;

(b) it carries on the business of managing the investment portfolios of clients through discretionary authority granted by those clients (a “portfolio manager” business) in

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 [jurisdiction], and it is permitted by law to carry on a portfolio manager business in that jurisdiction;

(c) it was not created solely or primarily for the purpose of purchasing securities of the Issuer;

(d) the total asset value of the investment portfolios it manages on behalf of clients is not less than CDN\$20,000,000; and

(e) it has no reasonable grounds to believe, that any of the directors, senior officers and other insiders of the Issuer, and the persons that carry on investor relations activities for the Issuer has a beneficial interest in any of the managed accounts for which it is purchasing.

4. If the answer to 2(a). above was “No”, please provide the names and addresses of control persons of the Placee:

| Name | City | Province or State | Country |
|------|------|-------------------|---------|
|      |      |                   |         |
|      |      |                   |         |
|      |      |                   |         |
|      |      |                   |         |

The undersigned acknowledges that it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions (See for example, sections 87 and 111 of the *Securities Act* (British Columbia) and sections 176 and 182 of the *Securities Act* (Alberta)).

**Acknowledgment – Personal Information**

“Personal Information” means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to the TSX-V (as defined in Appendix 6B) pursuant to this Form; and
- (b) collection, use and disclosure of Personal Information by the TSX-V for the purposes described in Appendix 6B or as otherwise identified by the TSX-V, from time to time.

Dated at \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
(Name of Purchaser - please print)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Official Capacity - please print)

\_\_\_\_\_  
(please print name of individual whose signature appears above)

**THIS IS NOT A PUBLIC DOCUMENT**



## APPENDIX III

### ACCREDITED INVESTOR CERTIFICATE

The Subscriber is a resident of either British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador and hereby represents, warrants and certifies to the Issuer that the Subscriber is an “accredited investor”, as such term is defined in National Instrument 45-106 – *Prospectus and Registration Exemptions* (“**NI 45-106**”) and, as at the time the subscription is accepted by the Issuer (“**Closing**”), the Subscriber will fall within one or more of the following categories (Please check one or more, as applicable):

#### ACCREDITED INVESTOR STATUS

The undersigned represents and warrants that it, he or she is [**check each applicable item**] :

- a Canadian financial institution (as defined under NI 45-106), or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada);
  - the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
  - a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
  - a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
  - an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada, as a representative of a person referred to in paragraph (d);
  - the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
  - a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
  - any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
  - a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
  - an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
  - an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
-

- \_\_\_\_\_ an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
  - \_\_\_\_\_ a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
  - \_\_\_\_\_ an investment fund that distributes or has distributed its securities only to:
    - (i) a person that is or was an accredited investor at the time of the distribution,
    - (ii) a person that acquires or acquired securities in the circumstances referred to in Sections 2.10 – Minimum Amount Investment and 2.19 – Additional Investment in Investment Funds of NI 45 106, or;
    - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 – Investment Fund Reinvestments of NI 45 106; an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator, or in Québec, the securities regulatory authority, has issued a receipt;
  - \_\_\_\_\_ a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
  - \_\_\_\_\_ a person acting on behalf of a fully managed account managed by that person, if that person:
    - (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
    - (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
  - \_\_\_\_\_ a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
  - \_\_\_\_\_ an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) through (d) or paragraph (i) in form and function;
  - \_\_\_\_\_ a person in respect of which all of the owners of interests, direct, indirect, or beneficial, except the voting securities required by law to be owned by directors, are persons that are Accredited Investors;
  - \_\_\_\_\_ an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or
  - \_\_\_\_\_ a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as:
    - (i) an accredited investor, or
    - (ii) an exempt purchaser in Alberta or British Columbia.
-

The Subscriber acknowledges that the representations, warranties and covenants contained in this Appendix are made by it with the intent that they may be relied upon by the Issuer in determining its eligibility or the eligibility of others on whose behalf it is contracting thereunder to purchase Special Warrants. It agrees that by accepting Special Warrants it shall be representing and warranting that the representations and warranties above are true as at the Closing with the same force and effect as if they had been made by it at the Closing.

The Subscriber undertakes to notify the Issuer immediately of any change in any representation, warranty or other information relating to the Subscriber or any Disclosed Principal set forth herein which takes place prior to the Closing.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
If a Corporation, Partnership or Other Entity:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Signature of Person Signing

\_\_\_\_\_  
Print or Type Name and Title of Person Signing

\_\_\_\_\_  
If an Individual:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

As used in this Accredited Investor Certificate, the following term has the following meaning:

A "person" includes:

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative.



## APPENDIX IV

### INTERNATIONAL INVESTOR CERTIFICATE

In connection with the purchase by the undersigned Subscriber of the Purchased Shares, the Subscriber and any Disclosed Principal for whom the Subscriber is acting on behalf of, (collectively, the “**Subscriber**”) hereby represents, warrants, covenants and certifies to the Issuer (and acknowledges that the Issuer and its counsel are relying thereon) that:

- (a) the Subscriber is knowledgeable of, or has been independently advised as to, the applicable securities laws of the securities regulators having application in the jurisdiction in which the Subscriber is resident which would apply to the acquisition of the Purchased Shares;
- (b) the Subscriber is purchasing the Purchased Shares pursuant to exemptions from prospectus or equivalent requirements under applicable securities laws or, if such is not applicable, the Subscriber is permitted to purchase the Purchased Shares under the applicable securities laws of the securities regulators in the International Jurisdiction without the need to rely on any exemptions;
- (c) the applicable securities laws of the authorities in the International Jurisdiction do not require the Issuer to make any filings or seek any approvals of any kind whatsoever from any securities regulator of any kind whatsoever in the International Jurisdiction in connection with the issue and sale or resale of the Purchased Shares;
- (d) the purchase of the Purchased Shares by the Subscriber does not trigger:
  - (A) any obligation of the Corporation to prepare and file a prospectus, an offering memorandum or similar document, or any other report or notice with respect to such purchase in the International Jurisdiction;
  - (B) any continuous disclosure reporting obligation of the Issuer in the International Jurisdiction; or
  - (C) any registration or other obligation on the part of the Issuer or the Agents;
- (e) the distribution of the Purchased Shares to the Subscriber by the Issuer complies with the laws of the International Jurisdiction; and
- (f) the Subscriber will, if requested by the Issuer or the Agents, deliver to the Issuer and the Agents a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in paragraphs (b), (c), (d) and (e) above to the satisfaction of the Issuer, acting reasonably.

The Subscriber acknowledges that the representations, warranties and covenants contained in this Appendix IV are made by it with the intent that they may be relied upon by the Issuer in determining its eligibility or the eligibility of others on whose behalf it is contracting thereunder to purchase Special Warrants. It agrees that by accepting Special Warrants it shall be representing and warranting that the representations and warranties above are true as at the Closing with the same force and effect as if they had been made by it at the Closing.

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The Subscriber undertakes to notify the Issuer immediately of any change in any representation, warranty or other information relating to the Subscriber or any Disclosed Principal set forth herein which takes place prior to the Closing.

\_\_\_\_\_  
If a Corporation, Partnership or Other Entity:

\_\_\_\_\_  
Name of Entity

\_\_\_\_\_  
Type of Entity

\_\_\_\_\_  
Signature of Person Signing

\_\_\_\_\_  
Print or Type Name and Title of Person Signing

\_\_\_\_\_  
If an Individual:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name



UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY SHALL NOT TRADE SUCH SECURITIES BEFORE THE EARLIER OF (I) NOVEMBER 14, 2009 AND (II) THE CLEARANCE DATE (AS HEREIN DEFINED).

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE UPON THE EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL NOVEMBER 14, 2009.

THE SECURITIES REPRESENTED BY THIS SPECIAL WARRANT CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"), AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE OR RESOLD OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S, PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

THIS SPECIAL WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON UNLESS THIS SPECIAL WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SPECIAL WARRANT HAVE BEEN REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LEGISLATION OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE ACT.

JULY 13, 2009

**INTELGENX TECHNOLOGIES CORP.**  
a corporation incorporated under the laws of Delaware  
and having its principal office at  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

NO. SW- ●

● *SPECIAL WARRANTS*

*Each entitling the holder to acquire one (1) common share and one (1) common share purchase warrant of IntelGenx Technologies Corp., subject to adjustment in certain circumstances.*

#### **SPECIAL WARRANTS**

THIS IS TO CERTIFY THAT for value received ● (the "Holder") is the registered holder of the number of Special Warrants stated above and is entitled, for each whole Special Warrant represented hereby, to receive one fully paid and non-assessable Unit Share and one Warrant of the Corporation, subject to certain stated events and to adjustments as provided for herein. Each Warrant shall entitle its holder to purchase one Warrant Share at a price of

US\$0.80 from the time of issue thereof until 5:00 p.m. (Toronto time) on July 13, 2012, all in accordance with the terms of the Warrant Certificate.

## Definitions

- (a) “ **Agents** ” means Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd.;
  - (b) “ **AMF** ” means Autorité des Marchés Financiers;
  - (c) “ **Automatic Exercise Date** ” means 4:59 p.m. (Toronto time) on the date that is the earlier of (a) the Clearance Date, and (b) the Expiry Time;
  - (d) “ **Broker Shares** ” means the Common Shares issued to the Agents in connection with the Offering;
  - (e) “ **Business Day** ” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Toronto, Ontario or the City of Montreal, Quebec or a statutory holiday in the United States on which commercial banks are open for business;
  - (f) “ **Clearance Date** ” means the date which is five Business Days following the later of (i) the date the Corporation receives a Receipt for the Prospectus, and (ii) the date the Registration Statement is declared effective by the SEC;
  - (g) “ **Clearance Deadline** ” means the date which is 120 days following the Closing Date;
  - (h) “ **Closing Date** ” means July 13, 2009;
  - (i) “ **Common Shares** ” means the shares of common stock with a par value of US\$0.0001 in the capital of the Corporation;
  - (j) “ **Compensation Option Share** ” means a Common Share that is issuable upon exercise of a Compensation Option;
  - (k) “ **Compensation Options** ” means the compensation options issued to the Agents in connection with the Offering, with each Compensation Option entitling the holder thereof to acquire one Compensation Option Share at an exercise price equal to US\$0.80 until July 13, 2012;
  - (l) “ **Corporation** ” means IntelGenx Technologies Corp.;
  - (m) “ **Current Market Price** ” means, in relation to a Common Share, the price of a Common Share at any date calculated as the price per Common Share equal to the weighted average price at which the Common Shares have traded on the principal Canadian stock exchange or, if the Common Shares are not listed, the over-the-counter market, on which the Common Shares are then listed or posted for trading during the 20 consecutive trading days (on each of which at least 500 Common Shares are traded in board lots) ending on the fifth trading day immediately prior to such date as reported by such market or exchange on which the Common Shares are then trading or quoted. If the Common Shares are not then traded in the over-the-counter market or on a recognized Canadian stock exchange, the Current Market Price of the Common Shares shall be fair market value of the Common Shares as determined by a nationally or internationally recognized investment dealer or investment banker;
  - (n) “ **Exercise Date** ” means the date on which the Corporation has received a duly completed Subscription Notice;
-

- (o) “ **Exercise Period** ” means any time at or prior to the Automatic Exercise Date;
  - (p) “ **Expiry Time** ” means 5:00 p.m. (Toronto time) on November 14, 2009;
  - (q) “ **Holder** ” means the owner of the Special Warrants as evidenced by this Special Warrant Certificate;
  - (r) “ **International Jurisdiction** ” means any jurisdiction other than and outside of Canada and the United States;
  - (s) “ **Offering** ” means the private placement offering by the Corporation of up to 11,250,000 Special Warrants at a price of \$0.40 per Special Warrant;
  - (t) “ **Prospectus** ” means the final short-form prospectus (or long-form prospectus, if applicable) qualifying the distribution of the Unit Shares and Warrants issuable upon exercise of the Special Warrants;
  - (u) “ **Qualifying Provinces** ” means Quebec and each of the provinces in Canada in which purchasers of Special Warrants pursuant to the Offering are resident and in which a Prospectus has been filed;
  - (v) “ **Receipt** ” means a decision document issued by the AMF in its capacity as principal regulator in accordance with Multilateral Instrument 11-202 – *Passport System* and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* evidencing that a receipt has been issued or deemed to be issued in each of the Qualifying Provinces;
  - (w) “ **Registration Statement** ” means an S-1 registration statement filed with the SEC in accordance with the U.S. Securities Act qualifying the Unit Shares and Warrants issuable upon exercise of the Special Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and the Broker Shares;
  - (x) “ **SEC** ” means the United States Securities and Exchange Commission;
  - (y) “ **Securities Laws** ” means, as applicable, the securities legislation and securities laws of the AMF and each Selling Jurisdiction and International Jurisdiction, and the regulations and rules made thereunder and all published policy statements, blanket orders, notices, directions and ruling issued or adopted by the Securities Regulators, collectively, and the rules of the TSXV;
  - (z) “ **Securities Regulators** ” means, as applicable, the AMF and the securities commissions or other securities regulatory authorities of the Selling Jurisdictions and International Jurisdictions, including the SEC, or, as the context may require, any one or more of the Selling Jurisdictions, the International Jurisdictions and the SEC;
  - (aa) “ **Selling Jurisdictions** ” means the provinces of British Columbia, Alberta, Ontario and Manitoba and such other Canadian provinces (except Quebec) and International Jurisdictions as agreed upon by the Company and the Agents where Purchasers are resident;
  - (bb) “ **Special Warrant Certificate** ” means a certificate representing the Special Warrants;
  - (cc) “ **Special Warrants** ” means the special warrants purchased in the Offering and represented herein;
  - (dd) “ **Subscription Notice** ” means the subscription notice in the form attached to this Special Warrant Certificate as Schedule A;
  - (ee) “ **TSX** ” means the Toronto Stock Exchange;
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- (ff) “ **TSXV** ” means the TSX Venture Exchange;
- (gg) “ **U.S. Securities Act** ” means the United States Securities Act of 1933, as amended;
- (hh) “ **Unit** ” means a unit of the Corporation, comprising one Unit Share and one Warrant, issuable upon exercise or deemed exercise of the Special Warrants;
- (ii) “ **Unit Share** ” means one Common Share issuable upon exercise of a Special Warrant, as described in this Special Warrant Certificate;
- (jj) “ **United States** ” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (kk) “ **Warrant** ” means one warrant of the Corporation issuable upon exercise of a Special Warrant, as described in this Special Warrant Certificate;
- (ll) “ **Warrant Certificate** ” means a certificate representing the Warrants;
- (mm) “ **Warrant Share** ” means a Common Share issuable upon exercise of a Warrant.

Capitalized terms used herein without definition have the meanings ascribed thereto in the agency agreement dated July 13, 2009 among the Corporation and the Agents.

## 1. Creation and Issue of Special Warrants

The Corporation hereby creates and authorizes the issue of up to 11,250,000 Special Warrants. The issue price per Special Warrant is hereby authorized at \$0.40.

## 2. Terms of Special Warrants

2.1 The Special Warrants represented hereby may be exercised at any time, and from time to time, by the Holder hereof on or prior to the Automatic Exercise Date, for one Unit, without payment of any further consideration and subject to adjustment in accordance with the provisions and exercise procedures set forth herein. In the event that such Holder exercises the Special Warrants prior to the Automatic Exercise Date, the Unit Shares and Warrants shall be issued with the applicable legends as appropriate indicating that the securities are subject to a “hold period” and resale restrictions under applicable securities laws as set forth herein.

2.2 Each Special Warrant that has not been exercised on or prior to the Automatic Exercise Date shall be deemed to be exercised and surrendered by the Holder to the Corporation without further consideration and subject to adjustment as provided for herein, for one Unit on the Automatic Exercise Date.

2.3 In the event that the Clearance Date has not occurred on or prior to the Clearance Deadline, each unexercised Special Warrant will thereafter be automatically deemed exercised without further consideration for 1.1 Units (instead of one Unit) on the Automatic Exercise Date, provided that the balance of the provisions of this Special Warrant Certificate shall continue to apply, *mutatis mutandis* .

2.4 No certificate evidencing fractional Special Warrants shall be issued or otherwise provided for and a Holder shall not be entitled to any cash or other consideration in lieu of any fractional interest in a Special Warrant or claim thereto.

2.5 The number of Unit Shares and Warrants which may be acquired pursuant to the exercise or deemed exercise of the Special Warrants shall be adjusted in the events and in the manner specified in Section 9 herein.

2.6 All Special Warrants shall rank *pari passu* , whatever may be the actual date of issue thereof.

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2.7 No Holder shall have any further rights under this Special Warrant Certificate (other than the right to receive Units in respect of Special Warrants duly exercised or deemed to be exercised prior to or at the Expiry Time, as the case may be), after the Expiry Time and the Special Warrants shall be null and void and of no effect from and after the Expiry Time.

### **3. Method of Exercise of Special Warrants**

3.1 During the Exercise Period, the Holder may exercise all or any number of whole Special Warrants represented hereby, upon delivering to the Corporation at its principal office noted above this Special Warrant Certificate, together with a duly completed and executed Subscription Notice evidencing the election (which on delivery to the Corporation shall be irrevocable) of the Holder to exercise the number of Special Warrants set forth in the Subscription Notice (which shall not be greater than the number of Special Warrants represented by this Special Warrant Certificate as adjusted from time to time pursuant to Sections 9 and 10 of this Special Warrant Certificate). If the Holder is not exercising all Special Warrants represented by this Special Warrant Certificate, the Holder shall be entitled to receive, without charge, a new Special Warrant Certificate representing the number of Special Warrants which is the difference between the number of Special Warrants represented by the then original Special Warrant Certificate and the number of Special Warrants being so exercised.

3.2 The Subscription Notice shall be executed by the Holder or the Holder's executors, administrators or other legal representatives or the Holders or their attorney duly appointed by an instrument in writing in form and manner satisfactory to the Corporation, acting reasonably and shall specify: (i) the number of Units which the Holder wishes to acquire (being not more than that number which the Holder is entitled to acquire pursuant to the Special Warrant Certificate(s) so surrendered); and the person or persons in whose name or names such Units are to be issued, the address(es) of such person(s) and the number of Units to be issued to each such person if more than one is so specified. If any of the Units subscribed for are to be issued to a person(s) other than the Holder, the signature set out in the Subscription Notice shall be guaranteed by a Canadian chartered bank, a Canadian trust company, medallion guaranteed by a recognized medallion signature guarantee program or in any other manner satisfactory to Corporation, and the Holder shall pay or cause to be paid to the Corporation all applicable transfer or similar taxes, if any, and the Corporation shall not be required to issue or deliver certificates evidencing the said Units unless or until such Holder shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid or that no tax is due.

3.3 The Holder shall be deemed to have become the holder of record of Unit Shares and Warrants on the Exercise Date; provided, however, that if such date is not a Business Day then the Unit Shares and Warrants shall be deemed to have been issued and the Holder shall be deemed to have become the holder of record of the Unit Shares and Warrants on the next following Business Day. Within three (3) Business Days of the Exercise Date, the Corporation shall issue and deliver (or cause to be delivered) to the Holder, by registered mail or pre-paid courier to his, her or its address specified in the register of the Corporation or on the Subscription Notice, one or more certificates for the appropriate number of issued and outstanding Unit Shares and the appropriate number of Warrant Certificates.

### **4. Deemed Exercise of Special Warrants**

4.1 In the event that a Holder has not exercised his Special Warrants in accordance with the provisions hereof, all Special Warrants then held by such Holder shall be deemed to be exercised and surrendered by such Holder without further action on the Holder's part into Units on the Automatic Exercise Date.

4.2 In the case of Special Warrants which are deemed to be exercised pursuant to Section 4.1, within three (3) Business Days after the Exercise Date the Corporation shall cause to be mailed to the address of the Holder of the Special Warrants so exercised last appearing on the register of Holders maintained by the Corporation, certificates representing the Unit Shares and Warrants to be issued pursuant to any such exercise of Special Warrants, registered in the name of such Holder along with a notice of the deemed exercise.

### **5. Legends on Certificates**

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5.1 The certificates representing the Special Warrants (and the Unit Shares and Warrants forming the Units, if issued before the Expiry Time if such issuance precedes the receipt by the Corporation of the Receipt) and all certificates issued in exchange therefor or in substitution thereof prior to the Expiry Time, if such exchange or substitution precedes the receipt by the Corporation of the Receipt shall bear the following legend:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE NOVEMBER 14, 2009.”

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE [INSERT ON SPECIAL WARRANTS ONLY: AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THESE SECURITIES] MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT NOVEMBER 14, 2009.”

## **6. United States**

6.1 The Special Warrants represented by this Special Warrant Certificate may not be exercised in the United States or by or on behalf of a U.S. Person nor will the Unit Shares and Warrants issuable upon exercise of these Special Warrants be registered or delivered to an address in the United States, unless the Unit Shares and Warrants issuable upon exercise of these Special Warrants have been registered in accordance to the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act or the securities laws of any U.S. state is available, and the Corporation receives an opinion of counsel to such effect in form and substance satisfactory to it. As used herein, the terms “United States” and “U.S. Person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

Each Special Warrant Certificate, and each certificate representing the Unit Shares and Warrants, issued upon exercise therefor (including upon the exercise or deemed exercise of a Special Warrant Certificate) or each Special Warrant Certificate issued in substitution thereof or otherwise issued in exchange for a Special Warrant, shall bear the following legends until such time as the legend is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “ACT”), AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE OR RESOLD OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S, PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

THESE SECURITIES MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON UNLESS THESE SECURITIES [For Special Warrants insert:: AND SECURITIES ISSUABLE UPON EXERCISE THEREOF] HAVE BEEN REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LEGISLATION OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED BY REGULATION S UNDER THE ACT.

## **7. Cancellation of Special Warrants**

All Special Warrant Certificates surrendered to the Corporation pursuant hereto (including those deemed exercised and surrendered under Section 4) shall be cancelled and, after the expiry of any period of retention prescribed by law, destroyed by the Corporation.

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## 8. Representations, Warranties and Covenants

The Corporation represents and warrants that it is duly authorized and has the corporate and lawful power and authority to create and issue the Special Warrants and to perform its obligations hereunder and that this Special Warrant Certificate represents a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, and the Corporation further covenants and agrees that, until the Expiry Time, while any of the Unit Shares and Warrants represented by this Special Warrant Certificate shall be outstanding;

- (a) it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Common Shares to satisfy the right of exercise herein provided, as such right of exercise may be adjusted pursuant to Sections 9 and 10 of this Special Warrant Certificate;
  - (b) all Unit Shares which shall be issued upon the exercise herein provided for, shall be issued as fully paid and non-assessable shares and the holders thereof shall not be liable to the Corporation or its creditors in respect thereof;
  - (c) all Warrants which shall be issued upon the exercise herein provided for shall be duly and validly created and issued;
  - (d) the Corporation shall make all requisite filings under the *Securities Act* (Ontario) and the regulations made thereunder and all applicable Securities Laws including those necessary to remain a reporting issuer not in default of any requirement of such applicable Securities Laws;
  - (e) the Corporation shall use all reasonable efforts to preserve and maintain its corporate existence;
  - (f) the Corporation shall use all reasonable efforts to maintain the listing of the Common Shares (or any shares or securities, whether of the Corporation or another company or entity, into which the Common Shares of the Corporation may from time to time be converted, reclassified or exchanged) on the TSXV or such other recognized stock exchange or quotation system on which the Common Shares of the Corporation may trade, to the Expiry Time.
  - (g) The Corporation covenants to use its commercially reasonable efforts to, as soon as practicable following the date hereof and in any event, within 30 days following the date hereof, (i) obtain the Receipt for the preliminary prospectus; (ii) resolve all comments received or deficiencies raised by the AMF in respect of the preliminary prospectus as expeditiously as possible; and (iii) file the Prospectus and obtain a final Receipt as soon as possible thereafter and in no event later than 4:59 p.m. (Toronto time) on the Clearance Deadline.
  - (h) The Corporation covenants and agrees to use its commercially reasonable efforts to, as soon as practicable following the date hereof and, in any event, within 30 days following the date hereof: (i) prepare and file with the SEC the Registration Statement on Form S-3 (or, if Form S-3 is not then available to the Corporation, on such form of registration statement as is then applicable); (ii) settle any comments of the SEC as soon as possible thereafter; and (iii) file and have declared effective a final Registration Statement. The Corporation shall use its commercially reasonable efforts to have the final Registration Statement declared effective by the SEC as soon as practicable and, in any event, no later than 4:59 p.m. (Toronto time) on the Clearance Deadline, provided that if the Clearance Date has not occurred prior to the Clearance Deadline, the Corporation shall continue to use its commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable following the Clearance Deadline;
  - (i) In addition to the aforementioned covenants, the Corporation shall use (i) commercially reasonable efforts to file with the AMF and the commissions in each of the Qualifying Provinces a preliminary prospectus in respect of the distribution of the Units issuable on the exercise of the Special Warrants on the Business Day following the date hereof, and the Prospectus within seven days thereafter, and in each case promptly thereafter obtain a Receipt, and (ii) use commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable following the date hereof.
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## 9. Adjustment of Number of Units Issuable Upon Exercise or Deemed Exercise

If the Clearance Date has not occurred on or before the Clearance Deadline, then a holder of Special Warrants shall, notwithstanding any other provision hereof, be entitled, upon exercise or deemed exercise, to acquire 1.1 Unit Shares and 1.1 Warrants for each Special Warrant, subject to adjustment in accordance with the following provisions of this Section 9 at no additional cost to the Holder. The number of Warrants issuable upon exercise or deemed exercise of the Special Warrants and the exercise price of such Warrants shall be subject to adjustment in the manner set forth in the Warrant Certificate upon the occurrence of any event set forth in such Warrant Certificate at any time between the date hereof and the date of exercise or deemed exercise of such Special Warrants. The number of Unit Shares issuable on exercise or deemed exercise of a Special Warrant shall be subject to adjustment from time to time as follows:

(a) if and whenever at any time from the date hereof and prior to the Expiry Time, the Corporation shall:

(i) subdivide, redivide or change its outstanding Common Shares into a greater number of shares; or

(ii) reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares;

(a “**Share Reorganization**”) the number of Unit Shares issuable on exercise or deemed exercise of each Special Warrant then outstanding shall be adjusted immediately after the record date at which the holders of Common Shares are determined for the purpose by multiplying the number of Common Shares theretofore obtainable on the exercise or deemed exercise thereof immediately prior to the record date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately after such record date and the denominator shall be the total number of Common Shares outstanding immediately prior to such record date;

(b) if and whenever at any time from the date hereof and prior to the Expiry Time, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than a Share Reorganization as described in Section 9(a) above or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity (other than to one or more of the Corporation’s wholly owned subsidiaries or to one or more entities that will be a wholly owned subsidiary after the completion of such transaction) (a “**Capital Reorganization**”), any Holder who has not exercised its Special Warrants prior to the effective date of such Capital Reorganization event, upon the exercise or deemed exercise of the Special Warrants thereafter, shall be entitled to receive and shall accept, in lieu of the number of Unit Shares such Holder would otherwise be entitled to acquire, the number of shares or other securities or other property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation or consolidation, or to which such sale or conveyance may be made, as the case may be, that such Holder would have been entitled to receive on such Capital Reorganization, if, on the record date or the effective date thereof, as the case may be, the Holder had been the registered holder of the number of Unit Shares to be acquired by it if all Special Warrants then held by such Holder had been exercised or deemed to be exercised immediately prior to such record date or effective date. If determined appropriate by the Corporation to give effect to or to evidence the provisions of this Section 9(b), the Corporation, its successor, or such purchasing body corporate, partnership, trust or other entity, as the case may be, shall, prior to or contemporaneously with any such reclassification, capital reorganization, consolidation, amalgamation, merger, sale or conveyance, enter into an indenture which shall provide, to the fullest extent possible, for the application of the provisions set forth in this Special Warrant Certificate with respect to the rights and interests thereafter of the Holders to the end that the provisions set forth in this Special Warrant Certificate shall thereafter correspondingly be made applicable, as nearly as may reasonably be possible, with respect to any shares, other securities or other property to which a Holder is entitled on the exercise or deemed exercise of its acquisition rights thereafter. Any indenture entered into between the Corporation, any successor to the Corporation or such purchasing body corporate, partnership, trust or other entity shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided in this Section 9(b) and which shall apply to successive reclassifications, reorganizations, amalgamations, consolidations, mergers, sales or conveyances;

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- (c) if and whenever at any time from the date hereof and prior to the Expiry Time, the Corporation fixes a record date for the distribution to all or substantially all of the holders of Common Shares of rights, options or warrants entitling them for a period expiring not more than 45 days after such record date, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the Current Market Price for the Common Shares on such record date (any of such events being called a “ **Rights Offering** ”), then the number of Unit Shares issuable on exercise or deemed exercise of each Special Warrant shall be adjusted effective immediately after such record date for the Rights Offering by multiplying the number of Unit Shares theretofore obtainable on the exercise or deemed exercise thereof immediately prior to such record date by a fraction:
- (i) the numerator of which shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares so offered for subscription or purchase (or into or for which the convertible or exchangeable securities so offered are convertible or exchangeable); and
  - (ii) the denominator of which shall be the aggregate of:
    - (A) the total number of Common Shares outstanding on such record date; and
    - (B) the quotient obtained by dividing:
      - (1) the amount equal to the aggregate consideration payable on the exercise of all of the rights, warrants and options under the Rights Offering plus the aggregate consideration, if any, payable on the exchange or conversion of the exchangeable or convertible securities issued upon exercise of such rights, warrants or options (assuming the exercise of all rights, warrants and options under the Rights Offering and assuming the exchange or conversion of all exchangeable or convertible securities issued upon exercise of such rights, warrants and options);
      - by
      - (2) the Current Market Price of the Common Shares as of the record date for the Rights Offering.

Any Common Shares owned by or held for the account of the Corporation or any of its subsidiaries or a partnership in which the Corporation is directly or indirectly a party will be deemed not to be outstanding for the purpose of any such computation. If, at the date of expiry of the rights, options or warrants subject to the Rights Offering, less than all the rights, options or warrants have been exercised, then the number of Unit Shares issuable on exercise or deemed exercise of each Special Warrant shall be readjusted effective immediately after the date of expiry based upon the number of Common Shares actually delivered upon the exercise of the rights, options or warrants, as the case may be. If at the date of expiry of the rights of exchange or conversion of any securities issued pursuant to the Rights Offering, less than all of such securities have been exchanged or converted into Common Shares, then the number of Unit Shares issuable on exercise or deemed exercise of each Special Warrant shall be readjusted effective immediately after the date of expiry based upon the number of exchangeable or convertible securities actually delivered upon exercise of the rights, options or warrants, as the case may be.

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- (d) If and whenever during the date hereof and prior to the Expiry Time, the Corporation shall issue or distribute to all or to substantially all the holders of Common Shares:
- (i) securities of the Corporation including shares, rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into or exchangeable into any such shares or cash, property or assets and including evidences of its indebtedness, or
  - (ii) any cash, property or other assets,

and if such issuance or distribution does not constitute dividends paid in the ordinary course, a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a “ **Special Distribution** ”), the number of Unit Shares to be issued by the Corporation under the Special Warrants shall, at the time of exercise or deemed exercise, be appropriately adjusted and the Holder shall receive, in lieu of the number of Unit Shares in respect of which the right is then being exercised, the aggregate number of Unit Shares or other securities or property that the Holder would have been entitled to receive as a result of such event if, on the record date therefore, the Holder had been the registered holder of the number of Unit Shares to which the Holder was theretofore entitled upon the exercise or deemed exercise of the Special Warrants.

## 10. Rules Regarding Calculation of Adjustments

The following rules and procedures shall be applicable to the adjustments made pursuant to Section 9:

10.1 The adjustments provided for in Section 9 are cumulative, and shall, in the case of adjustments to the number of Unit Shares be computed to the nearest one one-hundredth of a Unit Share and shall be made successively whenever an event referred to therein shall occur, subject to the following paragraphs of this Section 10.

10.2 No adjustment shall be made in the number of Unit Shares purchasable upon exercise or deemed exercise of this Special Warrant unless it would result in a change of at least one one-hundredth of a Unit Share; provided, however, that any adjustments which, except for the provisions of this Section 10(b) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.

10.3 No adjustment in the number of Unit Shares purchasable upon exercise or deemed exercise of the Special Warrants shall be made in respect of any event described in Section 9, other than the events referred to in Section 9(b), if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had exercised its Special Warrants prior to or on the effective date or record date of such event. The terms of the participation of the Holder in such event shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading.

10.4 No adjustment in the number of Unit Shares shall be made pursuant to Section 9 in respect of the issue from time to time:

- (i) of Unit Shares purchasable on exercise or deemed exercise of the Special Warrants represented by this Special Warrant Certificate;
  - (ii) in respect of the issue from time to time as dividends paid in the ordinary course of Common Shares to holders of Common Shares who exercise an option or election to receive substantially equivalent dividends in Common Shares in lieu of receiving a cash dividend pursuant to a dividend reinvestment plan or similar plan adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading and applicable securities laws;
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- (iii) of Common Shares pursuant to any stock option plan, stock purchase plan or benefit plan in force at the date hereof for directors, officers, employees, advisers or consultants of the Corporation, as such option or plan is amended or superseded from time to time in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading and applicable securities laws, and such other stock option plan, stock purchase plan or benefit plan as may be adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading and applicable securities laws;
- (iv) the payment of interest on any outstanding notes;
- (v) the issuance of securities in connection with strategic license agreements and other partnering arrangements; or
- (vi) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity;

and any such issue shall be deemed not to be a Share Reorganization or Capital Reorganization.

10.5 If the Corporation shall set a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the number of Unit Shares purchasable upon exercise or deemed exercise of any Special Warrant shall be required by reason of the setting of such record date.

10.6 As a condition precedent to the taking of any action which would require any adjustment in any of the subscription rights pursuant to this Special Warrant Certificate, including the number or class of shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may be necessary in order that the Corporation have unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all the shares or other securities which the holder of such Special Warrant Certificate is entitled to receive on the full exercise thereof in accordance with the provisions hereof.

10.7 In the absence of a resolution of the board of directors of the Corporation fixing a record date for any dividend or distribution referred to in Section 9(d) or any Rights Offering or Special Distribution, the Corporation shall be deemed to have fixed as the record date therefor the date on which such dividend or distribution is effected.

10.8 Any question or dispute that at any time or from time to time arises with respect to the amount of any adjustment pursuant to Section 9 shall be conclusively determined by a firm of independent chartered accountants (who may be the Corporation's auditors) and shall be binding upon the Corporation and the Holder. Notwithstanding the foregoing, such determination shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading. In the event that any such determination is made, the Corporation shall notify the Holder in the manner contemplated in Section 24 describing such determination.

On the happening of each and every such event set out in Section 9, the applicable provisions of this Special Warrant Certificate, shall, *ipso facto*, be deemed to be amended accordingly and the Corporation shall take all necessary action so as to comply with such provisions as so amended.

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## **11. Postponement of Subscription**

In any case in which Section 9 shall require that an adjustment shall be effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such an event:

- (a) issuing to the holder of any Special Warrant exercised or deemed to be exercised after such record date and before the occurrence of such event, the additional Unit Shares issuable upon such exercise or deemed exercise by reason of the adjustment required by such event, and
- (b) delivering to such holder any distributions declared with respect to such additional Unit Shares after such Exercise Date and before such event;

provided, however, that the Corporation shall deliver or cause to be delivered to such Holder, an appropriate instrument evidencing such Holder's right, upon the occurrence of the event requiring the adjustment, to an adjustment in the number of Unit Shares purchasable on the exercise or deemed exercise of any Special Warrant and to such distributions declared with respect to any additional Unit Shares issuable on the exercise or deemed exercise of any Special Warrant.

## **12. Notice of Adjustment**

At least 10 Business Days prior to the effective date or record date, as the case may be, of any event which requires or might require adjustment in any of the subscription rights pursuant to this Special Warrant Certificate, including the number of Unit Shares which are purchasable upon the exercise thereof, or such longer period of notice as the Corporation shall be required to provide holders of Common Shares in respect of any such event, the Corporation shall notify the Holder of the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which such notice has been given is not then determinable, the Corporation shall promptly after such adjustment is determinable notify the Holder of the adjustment and the computation of such adjustment. Failure or delay in giving said notice shall not invalidate any action or event giving rise to an adjustment hereunder.

## **13. Entitlement to Securities on Exercise or Deemed Exercise of Special Warrant**

All shares of any class or other securities which a Holder is at the time in question entitled to receive on the exercise or deemed exercise of its Special Warrant, whether or not as a result of adjustments made pursuant to this Section 9, shall, for the purposes of the interpretation of this Special Warrant Certificate, be deemed to be securities which such Holder is entitled to acquire pursuant to such Special Warrant.

## **14. Register of Holders**

The Corporation shall maintain at its principal office a register of Holders in which shall be entered the names and addresses of the Holders of the Special Warrants and of the number of Special Warrants held by them. Such register shall be open at all reasonable times for inspection by the Holder. The Corporation shall notify the Holder forthwith of any change of address of the principal office of the Corporation.

## **15. No Fractional Units**

The Corporation shall not be required to issue fractional Units in satisfaction of its obligations hereunder. Any fractional interest in a Unit Share or Warrant shall be rounded down to the nearest whole number without any further payment or consideration therefor.

## **16. Enforcement By Holder**

Subject as herein provided, all or any of the rights conferred upon the Holder by the terms hereof may be enforced by the Holder by appropriate legal proceedings.

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**17. Exchange of Certificates**

The registered Holder of this Special Warrant Certificate may at any time up to and including the Expiry Time, upon the surrender hereof to the Corporation at its principal office, exchange this Special Warrant Certificate for one or more Special Warrant Certificates entitling the Holder to subscribe in the aggregate for the same number of Unit Shares and Warrants as is expressed in this Special Warrant Certificate. Any Special Warrant Certificate tendered for exchange shall be surrendered to the Corporation and cancelled.

**18. Lost or Stolen Certificates**

If this Special Warrant Certificate becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion acting reasonably impose, issue and deliver to the Holder a new Special Warrant Certificate of like denomination, tenor and date as the Special Warrant Certificate so stolen, lost, mutilated or destroyed.

**19. Transferability**

This Special Warrant Certificate and the Special Warrants represented hereby are not transferable and no transfer of Special Warrants shall be valid.

**20. Contractual Right of Rescission**

The Corporation has agreed that in the event that a holder of Special Warrants who acquires Unit Shares and Warrants upon the exercise of such Special Warrants, as provided for in the Prospectus is or becomes entitled under the Securities Laws to the remedy of rescission by reason of the Prospectus or any amendment thereto containing a misrepresentation, such holder shall be entitled to rescission of both the Holder's exercise of its Special Warrants and the private placement transaction pursuant to which the Special Warrants were initially acquired and shall be entitled in connection with such rescission to a full refund from the Corporation of the amount of the aggregate subscription price paid on the acquisition of the Special Warrants to the Corporation. In the event such holder is a permitted assignee of the interest of the original Special Warrant subscriber, such assignee shall be entitled to exercise such rights of rescission and refund as if such permitted assignee was such original subscriber. The provisions of this section are a direct contractual right extended by the Corporation (but specifically not by any of the Agents or the directors, officers or other agent of the Corporation) to holders of Special Warrants, assignees (in respect of whom such rights are hereby granted to, and received by, the Agents in trust for assignees) of such holders and holders of Unit Shares and Warrants acquired by such holders on exercise of Special Warrants and are in addition to any other right or remedy available to a holder of Special Warrants under section 130 of the *Securities Act* (Ontario) or otherwise at law. The foregoing contractual rights of action for rescission shall be subject to the defences described under section 130 of the *Securities Act* (Ontario) which is incorporated herein by reference, *mutatis mutandis*, and any other defence or defences available to the Corporation under applicable laws, rules and instruments. No action shall be commenced to enforce the foregoing rights of action for rescission more than 180 days after payment is made for the Special Warrants.

**21. Not A Shareholder**

Except as expressly set out herein, the holding of this Special Warrant Certificate or the Special Warrants represented hereby shall not constitute a Holder hereof a holder of Unit Shares or Warrants nor entitle it to any right of interest in respect thereof.

**22. Meetings of Holders**

The Holders shall have the right to convene meetings to amend the provisions of the Special Warrant Certificates and the rights thereunder in accordance with the terms and procedures as set forth in Schedule B to this Special Warrant Certificate.

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**23. Severability**

If any one or more of the provisions or parts thereof contained in this Special Warrant Certificate should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Special Warrant Certificate in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Special Warrant Certificate in any other jurisdiction.

**24. Notice**

Any notice, document or communication required or permitted by this Special Warrant Certificate to be given by a party hereto shall be in writing and is sufficiently given if delivered personally, or if sent by prepaid registered mail, or if transmitted by any form of recorded telecommunication rested prior to transmission, to such party addressed as follows:

- (a) to the Holder, in the register to be maintained pursuant to section 14 hereof; and
- (b) to the Corporation at:

**IntelGenx Technologies Corp.**  
6425 Abrams  
Ville St-Laurent, Québec  
H4S 1X9

Attention:           President  
Telecopier:         (514) 331-0436

**25. Time of the Essence**

Time is of the essence hereof.

**26. Enurement**

This Special Warrant Certificate shall enure to the benefit of the Holder and his heirs, executors, administrators, legal personal representatives, permitted assigns and successors is binding upon the Corporation and its successors and assigns.

**27. Governing Law**

This Special Warrant Certificate and the Special Warrants represented hereby shall be governed by the laws of the State of Delaware and the federal laws of the United States of America applicable therein.

[SIGNATURE PAGE FOLLOWS]

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**IN WITNESS WHEREOF** this Special Warrant Certificate has been executed on behalf of IntelGenx Technologies Corp. as of the \_\_\_\_ day of July, 2009.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_

Horst G. Zerbe  
President and Chief Executive Officer



Schedule A

**SUBSCRIPTION NOTICE**

TO: INTELGENX TECHNOLOGIES CORP.  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

The undersigned registered Holder of the attached Special Warrant Certificate, hereby:

- (a) subscribes for \_\_\_\_\_ common shares ("Unit Shares") and \_\_\_\_\_ common share purchase warrants ("Warrants") (or such number of Unit Shares or Warrants or other securities or property to which such subscription entitles the undersigned in lieu thereof or in addition thereto under the Special Warrant Certificate) of IntelGenx Technologies Corp. (the "Corporation"); and
- (b) delivers herewith the above-mentioned Special Warrant Certificate entitling the undersigned to subscribe for the above-mentioned number of Unit Shares and Warrants.

The undersigned hereby directs that the said Unit Shares and Warrants be registered as follows:

| Name(s) in<br>full | Address(es)<br>(including Postal Code) | Number of<br>Unit Shares | Number of<br>Warrants |
|--------------------|--|--------------------------|-----------------------|
|                    |  |                          |                       |
| Total:             |  |                          |                       |

*(Please print full name in which share certificates are to be issued.)*

- (c) certifies either (i) that the undersigned is not a U.S. Person or a person in the United States, and is not acquiring any of the Unit Shares or Warrants hereby subscribed for the account or benefit of a U.S. Person or a person in the United States, and none of the persons listed in paragraph (b) above is a U.S. Person or a person in the United States, other than an Accredited Investor as defined in Rule 501(a) under the U.S. Securities Act of 1933, as amended, or (ii) as of the date hereof there is an effective registration statement filed with the United States Securities and Exchange Commission covering the issuance of the Unit Shares and Warrants. For purposes hereof the terms "United States" and "U.S. Person" shall have the meanings ascribed to them in Regulation S under the U.S. Securities Act of 1933, as amended.

DATED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
(Signature of Subscriber)

\_\_\_\_\_  
(Print Name of Subscriber)

\_\_\_\_\_  
(Address of Subscriber in full)

***The certificates will be mailed by registered mail to the address appearing in this Subscription Notice.***



## Schedule B

### MEETINGS OF HOLDERS

1. On receipt of an instrument signed in one or more counterparts by Holders entitled to acquire in the aggregate not less than 20% of the aggregate number of Common Shares which could be acquired pursuant to the exercise of all Special Warrants then unexercised and outstanding, requesting that the Corporation take some action or proceeding specified in such instrument (a “ **Holders' Request** ”) and upon being indemnified to its reasonable satisfaction by the Holders who signed such Holders' Request against the cost which may be incurred in connection with the calling and holding of such meeting, the Corporation shall call and convene a meeting of the Holders. In the event of the Corporation failing to so call a meeting within seven days after receipt of such Holders' Request and indemnity given as aforesaid, the Corporation or the Holders who signed such Holders' Request may call and convene such meeting. Every such meeting shall be held in the city of Toronto, Ontario, or at such other place as may be approved or determined by the Corporation.
  2. At least 21 days' prior notice of any meeting of Holders shall be given to the Holders and a copy of such notice shall be sent by mail. Such notice shall state the time when and the place where the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Holders to make a reasoned decision on the matter or matters to be brought before the meeting, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Schedule B.
  3. An individual (who need not be a Warranthead) designated in writing by the Corporation shall be chairman of any meeting of Holders and if no individual is so designated, or if the individual so designated is not present within 15 minutes from the time fixed for the holding of the meeting, the Holders present in person or by proxy shall choose some individual present to be chairman.
  4. Subject to the provisions of Section 11 of this Schedule B, at any meeting of the Holders a quorum shall consist of Holders present in person or by proxy and holding at least 20% of the aggregate number of the then outstanding Special Warrants, provided that at least two persons entitled to vote thereat are personally present. If a quorum of the Holders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Holders or on a Holders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a business day, in which case it shall be adjourned to the next following business day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting of Holders unless a quorum is present at the commencement of the meeting. At the adjourned meeting the Holders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not hold at least 20% of the aggregate number of the then outstanding Special Warrants.
  5. The chairman of any meeting of Holders at which a quorum of the Holders is present may, with the consent of the meeting, adjourn any such meeting, and no notice of such adjustment need be given except such notice, if any, as the meeting may prescribe.
  6. Every question submitted to a meeting of Holders shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an extraordinary resolution (as defined in Section 11 of this Schedule B) shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.
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7. On every extraordinary resolution, and on any other question submitted to a meeting of Holders and after a vote by show of hands when demanded by the chairman or by one or more of the Holders acting in person or by proxy, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by extraordinary resolution shall be decided by a majority of the votes cast on the poll. On a show of hands, every person who is present and entitled to vote, whether as a Warranholder or as proxy for one or more absent Holders, or both, shall have one vote. On a poll, each Warranholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Special Warrant then held or represented by him. A proxy need not be a Warranholder. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Special Warrants, if any, held or represented by him.

8. The Corporation may from time to time make and from time to time vary such regulations as it shall think fit for:

- (a) the setting of the record date for a meeting of Holders for the purpose of determining Holders entitled to receive notice of and to vote at the meeting;
- (b) the issue of voting certificates by any bank, trust company or other depository satisfactory to the Corporation stating that the Special Warrant Certificates specified therein have been deposited with it by a named person and will remain on deposit until after the meeting, which voting certificate shall entitle the persons named therein to be present and vote at any such meeting and at any adjournment thereof or to appoint a proxy or proxies to represent them and vote for them at any such meeting and at any adjournment thereof in the same manner and with the same effect as though the persons so named in such voting certificates were the actual bearers of the Special Warrant Certificates specified therein;
- (c) the deposit of voting certificates and instruments appointing proxies at such place and time as the Corporation or the Holders convening the meeting, as the case may be, may in the notice convening the meeting direct;
- (d) the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, cabled or telegraphed or sent by other means of prepaid, transmitted, recorded communication before the meeting to the Corporation at the place where the meeting is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;
- (e) the form of the instrument of proxy; and
- (f) generally for the calling of meetings of Holders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Except as such regulations may provide, the only persons who shall be recognized at any meeting as a Warranholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 9 of this Schedule B), shall be Holders or their counsel, or proxies of Holders.

9. The Corporation by its directors and officers, and the counsel for the Corporation may attend any meeting of the Holders, but shall have no vote as such, unless in their capacity as a Warranholder.

10. The Holders at a meeting shall, subject to the provisions of Section 11 of this Schedule B, have the power, exercisable from time to time by extraordinary resolution:

- (a) to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Holders under Special Warrant Certificates or on behalf of the Holders against the Corporation whether such rights arise under the Special Warrant Certificates or otherwise;

- (b) to amend, alter or repeal any extraordinary resolution previously passed or sanctioned by the Holders;
- (c) to direct or to authorize the enforcement of any of the covenants on the part of the Corporation contained in the Special Warrant Certificates or to enforce any of the rights of the Holders in any manner specified in such extraordinary resolution or to refrain from enforcing any such covenant or right;
- (d) to waive any default on the part of the Corporation in complying with any provisions of the Special Warrant Certificates either unconditionally or upon any conditions specified in such extraordinary resolution;
- (e) to restrain any Warrantheader from taking or instituting any suit, action or proceeding against the Corporation for the enforcement of any of the covenants on the part of the Corporation contained in the Special Warrant Certificates or to enforce any of the rights of the Holders;
- (f) to direct any Warrantheader who, as such, has brought any suit, action or proceeding to stay or to discontinue or otherwise to deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by such Warrantheader in connection therewith;
- (g) to assent to any change in or omission from the provisions contained in the Special Warrant Certificates or any ancillary or supplemental instrument which may be agreed to by the Corporation; and
- (h) to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any shares or other securities of the Corporation.

## 11.

- (a) The expression “ **extraordinary resolution** ” when used in this Special Warrant Certificate means, subject to as hereinafter provided in this Section 11 and in Section 14 of this Schedule B, a resolution proposed at a meeting of Holders duly convened for that purpose and held in accordance with the provisions of this Schedule B, at which there are present in person or by proxy Holders holding at least 20% of the aggregate number of the then outstanding Special Warrants and passed by the affirmative votes of Holders holding not less than  $\frac{66}{100}$  of the aggregate number of the then outstanding Special Warrants represented at the meeting and voted on the poll upon such resolution.
  - (b) If, at the meeting of Holders at which an extraordinary resolution is to be considered, Holders holding at least 20% of the aggregate number of the then outstanding Special Warrants are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by Holders or on a Holders' Request, shall be dissolved, but in any other case it shall stand adjourned to such day, being not less than 15 or more than 60 days later, and to such place and time as may be determined by the chairman. Not less than 10 days' prior notice shall be given of the time and place of such adjourned meeting. Such notice shall state that at the adjourned meeting the Holders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Holders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote shall be an “extraordinary resolution” notwithstanding that Holders holding at least 20% of the aggregate number of the then outstanding Special Warrants are not present in person or by proxy at such adjourned meeting.
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- (c) Votes on an extraordinary resolution shall always be given on a poll and no demand for a poll on an extraordinary resolution shall be necessary.
12. Any one or more of the powers or any combination of the powers exercisable by the Holders by extraordinary resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Holders to exercise such power or powers or combination of powers then or thereafter from time to time.
13. Minutes of all resolutions and proceedings at every meeting of Holders shall be made and duly entered in books to be provided from time to time for that purpose by the Corporation at the expense of the Corporation, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings taken, shall be *prima facie* evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.
14. All actions which may be taken and all powers that may be exercised by the Holders at a meeting held as provided in this Schedule B may also be taken and exercised by Holders holding at least 66 2/3% of the aggregate number of the then outstanding Special Warrants by an instrument in writing signed in one or more counterparts by such Holders in person or by attorney duly appointed in writing, and the expression “extraordinary resolution” when used in this Special Warrant Certificate shall include an instrument so signed.
15. Every resolution and every extraordinary resolution passed in accordance with the provisions of this Schedule B at a meeting of Holders shall be binding upon all of the Holders, whether present at or absent from such meeting, and every instrument in writing signed by Holders in accordance with Section 14 of this Schedule B shall be binding upon all of the Holders, whether signatories thereto or not, and each and every Warrantholder shall be bound to give effect accordingly to every such resolution and instrument in writing.
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UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY SHALL NOT TRADE SUCH SECURITIES BEFORE THE EARLIER OF (I) NOVEMBER • , 2009 AND (II) THE CLEARANCE DATE (AS HEREIN DEFINED).

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE UPON THE EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL NOVEMBER \_\_, 2009.

THE SECURITIES REPRESENTED BY THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"), AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE OR RESOLD OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S, PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON UNLESS THIS WARRANT AND SHARES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LEGISLATION OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE ACT.

JULY • , 2009

**INTELGENX TECHNOLOGIES CORP.**  
a corporation incorporated under the laws of Delaware  
and having its principal office at  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

NO. CW- •

• WARRANTS

*Each entitling the holder to acquire one (1)  
common share of IntelGenx Technologies Corp.,  
subject to adjustment in certain circumstances.*

#### WARRANTS

**THIS IS TO CERTIFY THAT** for value received • (the "**Holder** ") is the registered holder of the number of warrants (the "**Warrants** ") stated above and is entitled, for each whole Warrant represented hereby, to purchase one Share in the capital of IntelGenx Technologies Corp. (the "**Corporation** ") at any time from the date of issue hereof up to and including 5:00 p.m. (Toronto Time) July • , 2012 (the "**Expiry Time** ") at a price per Share equal to US\$0.80 (the "**Exercise Price** "), upon and subject to the following terms and conditions.

## Definitions

- (a) “ **Broker Shares** ” means the Shares issued to the Agents in connection with the Offering;
- (b) “ **Clearance Date** ” means the earlier of the fifth business day after: (i) a receipt for a (final) prospectus is obtained, qualifying the distribution of the Unit Shares and Warrants issuable on exercise of the Special Warrants in the provinces of Quebec, British Columbia, Alberta and Ontario; and (ii) a registration statement to register the Registrable Securities is declared effective by the United States Securities and Exchange Commission;
- (c) “ **Compensation Options** ” means the compensation options issued to the Agents in connection with the Offering with each Compensation Option entitling the holder thereof to acquire one Compensation Option Share at an exercise price equal to US\$0.80 until July \_\_, 2012;
- (d) “ **Compensation Option Shares** ” means the Shares issuable upon exercise of the Compensation Options;
- (e) “ **Offering** ” means the private placement offering of up to 11,250,000 Special Warrants issued on July \_\_, 2009;
- (f) “ **Registrable Securities** ” means the Unit Shares, Warrants, Warrant Shares, Compensation Options, Compensation Option Shares and Broker Shares;
- (g) “ **Shares** ” means the shares of common stock with a par value of US\$0.0001 in the capital of the Corporation;
- (h) “ **Special Warrants** ” means special warrants of the Corporation exercisable upon certain stated events and subject to adjustment, for one Unit Share and one Warrant;
- (i) “ **Unit Share** ” means one Share issuable upon exercise or deemed exercise of the Special Warrants; and
- (j) “ **Warrant Share** ” means one Share issuable upon exercise or deemed exercise of a Warrant.

Capitalized terms used herein without definition have the meanings ascribed thereto in the agency agreement dated July ● , 2009 among the Corporation and Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd. (collectively, the “ **Agents** ”).

1. The Warrants represented by this Warrant Certificate may not be exercised in the United States or by or on behalf of a U.S. Person nor will the Shares issuable upon exercise of these Warrants be registered or delivered to an address in the United States, unless the Shares issuable upon exercise of these Warrants have been registered in accordance to the United States Securities Act of 1933, as amended (the “ **U.S. Securities Act** ”) or an exemption from the registration requirements of the U.S. Securities Act or the securities laws of any U.S. state is available, and the Corporation receives an opinion of counsel to such effect in form and substance satisfactory to it. As used herein, the terms “United States” and “U.S. Person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

The Warrants represented by this Warrant Certificate are, and the Warrant Shares (if they are issued prior to November ● , 2009) shall be subject to certain resale restrictions under applicable securities legislation and unless permitted under securities legislation and subject to Section 15 hereof, the Warrants and the Warrant Shares may not be traded before the earlier of (i) November [ ● ], 2009 and (ii) the Clearance Date. Certificates representing the Warrant Shares shall bear a legend until the expiration of the hold period indicating that they may not be traded before the earlier of (i) November [ ● ], 2009 and (ii) the Clearance Date.

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The Holder is advised to seek professional advice as to applicable resale restrictions.

2. At any time, or from time to time, at or prior to the Expiry Time (the “ **Exercise Period** ”), the Holder may exercise all or any number of whole Warrants represented hereby, upon delivering to the Corporation at its principal office noted above this Warrant Certificate, together with a duly completed and executed subscription notice in the form attached hereto as Schedule “B” (the “ **Subscription Notice** ”) evidencing the election (which on delivery to the Corporation shall be irrevocable) of the Holder to exercise the number of Warrants set forth in the Subscription Notice (which shall not be greater than the number of Warrants represented by this Warrant Certificate as adjusted from time to time pursuant to Sections 5 and 6 of this Warrant Certificate) and a certified cheque or bank draft payable to the Corporation for the aggregate Exercise Price of all Warrants being exercised. If the Holder is not exercising all Warrants represented by this Warrant Certificate, the Holder shall be entitled to receive, without charge, a new Warrant Certificate representing the number of Warrants which is the difference between the number of Warrants represented by the then original Warrant Certificate and the number of Warrants being so exercised.
  3. The Holder shall be deemed to have become the holder of record of Shares on the date (the “ **Exercise Date** ”) on which the Corporation has received a duly completed Subscription Notice, delivery of the Warrant Certificate and payment in full in respect of the Shares by way of a certified cheque, bank draft or money order in lawful money of Canada payable to the order of IntelGenx Technologies Corp. or its successor corporation; provided, however, that if such date is not a business day in the City of Toronto, Ontario, the City of Montreal, Quebec or a statutory holiday in the United States of America (a “ **Business Day** ”) then the Shares shall be deemed to have been issued and the Holder shall be deemed to have become the holder of record of the Shares on the next following Business Day. Within three (3) Business Days of the Exercise Date, the Corporation shall issue and deliver (or cause to be delivered) to the Holder, by registered mail or pre-paid courier to his, her or its address specified in the register of the Corporation or otherwise indicated on the Subscription Notice, one or more certificates for the appropriate number of issued and outstanding Shares.
  4. The Corporation represents and warrants that it is duly authorized and has the corporate and lawful power and authority to create and issue the Warrants and to perform its obligations hereunder and that this Warrant Certificate represents a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, and the Corporation further covenants and agrees that, until the Expiry Time, while any of the Warrants represented by this Warrant Certificate shall be outstanding: (a) it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Shares to satisfy the right of purchase herein provided, as such right of purchase may be adjusted pursuant to Sections 5 and 6 of this Warrant Certificate; (b) all Shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment therefor of the amount at which such Shares may at the time be purchased pursuant to the provisions hereof, shall be issued as fully paid and non-assessable shares and the holders thereof shall not be liable to the Corporation or its creditors in respect thereof; (c) the Corporation shall make all requisite filings under the *Securities Act* (Ontario) and the regulations made thereunder including those necessary to remain a reporting issuer not in default of any requirement of such act and regulations; (d) the Corporation shall use all reasonable efforts to preserve and maintain its corporate existence; and (e) the Corporation shall use all reasonable efforts to maintain the listing of the Shares (or any shares or securities, whether of the Corporation or another company or entity, into which the common shares of the Corporation may from time to time be converted, reclassified or exchanged) on the TSX Venture Exchange (the “ **TSXV** ”) or such other recognized stock exchange or quotation system on which the common shares of the Corporation may trade, to the Expiry Time.
  5. The Exercise Price and the number of Shares purchasable upon exercise shall be subject to adjustment from time to time in the events and in the manner provided as follows:
    - (a) *Share Reorganization* . If during the Exercise Period the Corporation shall:
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- (i) issue Shares or securities exchangeable for or convertible into Shares to holders of all or substantially all of its then outstanding Shares by way of stock dividend or other distribution, or
- (ii) subdivide, redivide or change its outstanding Shares into a greater number of Shares, or
- (iii) consolidate, reduce or combine its outstanding Shares into a lesser number of Shares,

(any of such events in these paragraphs (i), (ii) and (iii) being a “ **Share Reorganization** ”), then the Exercise Price shall be adjusted as of the effective date or record date, as the case may be, at which the holders of Shares are determined for the purpose of the Share Reorganization by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which shall be the number of Shares outstanding on such effective date or record date before giving effect to such Share Reorganization and the denominator of which shall be the number of Shares outstanding as of the effective date or record date after giving effect to such Share Reorganization (including, in the case where securities exchangeable for or convertible into Shares are distributed, the number of Shares that would have been outstanding had such securities been fully exchanged for or converted into Shares on such record date or effective date). From and after any adjustment of the Exercise Price pursuant to this Section 5(a), the number of Shares purchasable pursuant to this Warrant Certificate shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares then otherwise purchasable on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

- (b) *Rights Offering* . If and whenever during the Exercise Period the Corporation shall fix a record date for the issue of rights, options or warrants to all or substantially all of the holders of Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (“ **Rights Period** ”), to subscribe for or purchase Shares or securities exchangeable for or convertible into Shares at a price per share to the holder (or having a conversion price or exchange price per Share) of less than 95% of the Current Market Price (as defined in Section 6 hereof) for the Shares on such record date (any of such events being called a “ **Rights Offering** ”), then the Exercise Price shall be adjusted effective immediately after the end of the Rights Period to a price determined by multiplying the Exercise Price in effect immediately prior to the end of the Rights Period by a fraction:

- (i) the numerator of which shall be the aggregate of:
  - (A) the number of Shares outstanding as of the record date for the Rights Offering, and
  - (B) a number determined by dividing either
    - I. the product of the number of Shares issued or subscribed for during the Rights Period and the price at which such Shares are offered,or, as the case may be,
    - II. the product of the exchange or conversion price per share of such securities offered and the number of Shares for or into which the securities so offered pursuant to the Rights Offering have been exchanged or converted during the Rights Period,

by the Current Market Price of the Shares as of the record date for the Rights Offering; and

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- (ii) the denominator of which shall be the number of Shares outstanding after giving effect to the Rights Offering and including the number of Shares actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering or upon the exercise of the exchange or conversion rights contained in such exchangeable or convertible securities under the Rights Offering.

If the Holder has exercised any of the Warrants during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period, the Holder shall, in addition to the Shares to which the Holder is otherwise entitled upon such exercise in accordance with Section 2 hereof, be entitled to that number of additional Shares equal to the result obtained when the difference, if any, resulting from the subtraction of the Exercise Price as adjusted for such Rights Offering pursuant to this Section 5(b) from the Exercise Price in effect immediately prior to the end of such Rights Offering is multiplied by the number of Shares purchased upon exercise of the Warrants held by such Holder during such period, and the resulting product is divided by the Exercise Price as adjusted for such Rights Offering pursuant to this Section 5(b); provided that the provisions of Section 9 shall be applicable to any fractional interest in a Share to which such Holder might otherwise be entitled under the foregoing provisions of this Section 5(b). Such additional Shares shall be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional Shares shall be delivered to such Holder within three (3) Business Days following the end of the Rights Period.

- (c) *Special Distribution.* If and whenever during the Exercise Period the Corporation shall issue or distribute to all or to substantially all the holders of the Shares:

- (i) securities of the Corporation including shares, rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into or exchangeable into any such shares or cash, property or assets and including evidences of its indebtedness, or
- (ii) any cash, property or other assets,

and if such issuance or distribution does not constitute dividends paid in the ordinary course, a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a “ **Special Distribution** ”), the Exercise Price will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Shares outstanding on such record date multiplied by the Current Market Price on the earlier of such record date and the date on which the Corporation announces its intention to make such distribution, less the aggregate fair market value (as determined by the directors, acting reasonably, at the time such distribution is authorized) of such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets so distributed, and of which the denominator shall be the total number of Shares outstanding on such record date multiplied by such Current Market Price and the number of Shares to be issued by the Corporation under the Warrants shall, at the time of exercise, be appropriately adjusted.

- (d) *Capital Reorganization* . If and whenever during the Exercise Period there shall be a reclassification of Shares at any time outstanding or a change of the Shares into other shares or into other securities (other than a Share Reorganization), or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the outstanding Shares or a change of the Shares into other securities), or a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity (any of such events being herein called a “ **Capital Reorganization** ”), the Holder, where he has not exercised the right of subscription and purchase under this Warrant Certificate prior to the effective date or record date, as the case may be, of such Capital Reorganization, shall be entitled to receive, and shall accept upon the exercise of such right for the same aggregate consideration, in lieu of the number of Shares to which such holder was theretofore entitled upon such exercise, the aggregate number of shares, other securities or other property which such holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, he had been the registered holder of the number of Shares to which such holder was theretofore entitled to subscribe for and purchase; provided however, that no such Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken to so entitle the Holder. If determined appropriate by the board of directors of the Corporation, acting reasonably and in good faith, and subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading, appropriate adjustments shall be made as a result of any such Capital Reorganization in the application of the provisions set forth in this Section 5 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Section 5 shall thereafter correspondingly be made applicable as nearly as may reasonably be necessary in relation to any shares, other securities or other property thereafter deliverable upon the exercise of any Warrant. Any such adjustments shall be made by and set forth in terms and conditions supplemental hereto approved by the board of directors of the Corporation, acting reasonably and in good faith.
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- (e) If and whenever at any time after the date hereof and prior to the Expiry Time, the Corporation takes any action affecting its Shares to which the foregoing provisions of this Section 5, in the opinion of the board of directors of the Corporation, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes thereof, or would otherwise materially affect the rights of the Holder hereunder, then the Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence that the board of directors has determined that it is equitable to make no adjustment in the circumstances.

6. The following rules and procedures shall be applicable to the adjustments made pursuant to Section 5:

- (a) The adjustments provided for in Section 5 are cumulative, and shall, in the case of adjustments to the Exercise Price be computed to the nearest one-tenth of one cent and shall be made successively whenever an event referred to therein shall occur, subject to the following paragraphs of this Section 6.
  - (b) No adjustment in the Exercise Price shall be required unless such adjustment would result in a change of at least 1% in the prevailing Exercise Price and no adjustment shall be made in the number of Shares purchasable upon exercise of this Warrant unless it would result in a change of at least one one-hundredth of a Share; provided, however, that any adjustments which, except for the provisions of this Section 6(b) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
  - (c) No adjustment in the Exercise Price or in the number of Shares purchasable upon exercise of Warrants shall be made in respect of any event described in Section 5, other than the events referred to in Section 5(d), if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had exercised its Warrants prior to or on the effective date or record date of such event. The terms of the participation of the Holder in such event shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading.
  - (d) No adjustment in the Exercise Price shall be made pursuant to Section 5 in respect of the issue from time to time:
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- (i) of Shares purchasable on exercise of the Warrants represented by or issued concurrently with this Warrant Certificate;
- (ii) in respect of the issue from time to time as dividends paid in the ordinary course of Shares to holders of Shares who exercise an option or election to receive substantially equivalent dividends in Shares in lieu of receiving a cash dividend pursuant to a dividend reinvestment plan or similar plan adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws;
- (iii) of Shares pursuant to any stock option plan, stock purchase plan or benefit plan in force at the date hereof for directors, officers, employees, advisers or consultants of the Corporation, as such option or plan is amended or superseded from time to time in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws, and such other stock option plan, stock purchase plan or benefit plan as may be adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws;
- (iv) the payment of interest on any outstanding notes;
- (v) the issuance of securities in connection with strategic license agreements and other partnering arrangements; or
- (vi) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity;

and any such issue shall be deemed not to be a Share Reorganization or Capital Reorganization.

- (e) If the Corporation shall set a record date to determine the holders of the Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Shares purchasable upon exercise of any Warrant shall be required by reason of the setting of such record date.
  - (f) As a condition precedent to the taking of any action which would require any adjustment in any of the subscription rights pursuant to this Warrant Certificate, including the Exercise Price and the number or class of shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may be necessary in order that the Corporation have unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all the shares or other securities which the Holder of such Warrant Certificate is entitled to receive on the full exercise thereof in accordance with the provisions hereof.
  - (g) For the purposes of this Warrant Certificate, “ **Current Market Price** ” of a Share at any date shall be calculated as the price per Share equal to the weighted average price at which the Shares have traded in the principal Canadian stock exchange or, if the Shares are not listed, the over-the-counter market, on which the Shares are then listed or posted for trading during the 20 consecutive trading days (on each of which at least 500 Shares are traded in board lots) ending on the fifth trading day immediately prior to such date as reported by such market or exchange in which the Shares are then trading or quoted. If the Shares are not then traded in the over-the-counter market or on a recognized Canadian stock exchange, the Current Market Price of the Shares shall be fair market value of the Shares as determined by a nationally or internationally recognized investment dealer or investment banker.
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- (h) In the absence of a resolution of the board of directors of the Corporation fixing a record date for any dividend or distribution referred to in Section 5(a)(i) or any Rights Offering or Special Distribution, the Corporation shall be deemed to have fixed as the record date therefor the date on which such dividend or distribution is effected.
  - (i) Any question or dispute that at any time or from time to time arises with respect to the amount of any adjustment to the Exercise Price or other adjustments pursuant to Section 5 shall be conclusively determined by a firm of independent chartered accountants (who may be the Corporation's auditors) and shall be binding upon the Corporation and the Holder. Notwithstanding the foregoing, such determination shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading. In the event that any such determination is made, the Corporation shall notify the Holder in the manner contemplated in Section 19 describing such determination.
7. On the happening of each and every such event set out in Section 5, the applicable provisions of this Warrant Certificate, including the Exercise Price, shall, *ipso facto*, be deemed to be amended accordingly and the Corporation shall take all necessary action so as to comply with such provisions as so amended.
8. In any case in which Section 5 shall require that an adjustment shall be effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such an event:
- (a) issuing to the Holder of any Warrant exercised after such record date and before the occurrence of such event, the additional Shares issuable upon such exercise by reason of the adjustment required by such event, and
  - (b) delivering to such Holder any distributions declared with respect to such additional Shares after such Exercise Date and before such event;
- provided, however, that the Corporation shall deliver or cause to be delivered to such Holder, an appropriate instrument evidencing such Holder's right, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price or the number of Shares purchasable on the exercise of any Warrant and to such distributions declared with respect to any additional Shares issuable on the exercise of any Warrant.
9. At least 10 Business Days prior to the effective date or record date, as the case may be, of any event which requires or might require adjustment in any of the subscription rights pursuant to this Warrant Certificate, including the Exercise Price and the number of Shares which are purchasable upon the exercise thereof, or such longer period of notice as the Corporation shall be required to provide holders of Shares in respect of any such event, the Corporation shall notify the Holder of the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which such notice has been given is not then determinable, the Corporation shall promptly after such adjustment is determinable notify the Holder of the adjustment and the computation of such adjustment.
10. The Corporation shall maintain at its principal office a register of Holders in which shall be entered the names and addresses of the Holders of the Warrants and of the number of Warrants held by them. Such register shall be open at all reasonable times for inspection by the Holder. The Corporation shall notify the Holder forthwith of any change of address of the principal office of the Corporation.
11. The Corporation shall not be required to issue fractional Shares in satisfaction of its obligations hereunder. If any fractional interest in a Share would, except for the provisions of this Section 11, be deliverable upon the exercise of a Warrant, the Corporation shall in lieu of delivering the fractional Shares therefor satisfy the right to receive such fractional interest by payment to the holder of such Warrant of an amount in cash equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the right to acquire such fractional interest on the basis of the Current Market Price at the Exercise Date.
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12. Subject as herein provided, all or any of the rights conferred upon the Holder by the terms hereof may be enforced by the Holder by appropriate legal proceedings.
  13. The registered Holder of this Warrant Certificate may at any time up to and including the Expiry Time, upon the surrender hereof to the Corporation at its principal office, exchange this Warrant Certificate for one or more Warrant Certificates entitling the Holder to subscribe in the aggregate for the same number of Shares as is expressed in this Warrant Certificate. Any Warrant Certificate tendered for exchange shall be surrendered to the Corporation and cancelled.
  14. If this Warrant Certificate becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion acting reasonably impose, issue and deliver to the Holder a new Warrant Certificate of like denomination, tenor and date as the Warrant Certificate so stolen, lost, mutilated or destroyed.
  15. This Warrant Certificate and the Warrants represented hereby are transferable subject to compliance with all applicable laws.
  16. No transfer of Warrants shall be valid unless made by the Holder or its executors, administrators or other legal representatives or its attorney duly appointed by an instrument in writing in form and execution satisfactory to the Corporation upon compliance with such reasonable requirements as the Corporation may prescribe, including compliance with all applicable securities legislation, and recorded on the register of holders of Warrants maintained by the Corporation, nor until stamp or governmental or other charges arising by reason of such transfer have been paid. The transferee of a Warrant shall, after a form of transfer, as annexed hereto as Schedule "A" is duly completed and the Warrant is lodged with the Corporation and upon compliance with all other reasonable requirements of the Corporation and the transferor or any previous holder of such Warrant, save in respect of equities of which the Corporation is required to take notice by statute or by order of a court of competent jurisdiction. The Corporation may treat the registered holder of any Warrant certificate as the absolute owner of the Warrants represented thereby for all purposes, and the Corporation shall not be affected by any notice or knowledge to the contrary except where the Corporation is required to take notice by statute or by order of a court of competent jurisdiction. Nothing contained herein shall confer any right upon the registered holder hereof or any other person to subscribe for or purchase any shares of the Corporation at any time subsequent to the Expiry Time. Nothing herein contained or done pursuant hereto shall obligate the Holder to purchase or pay for or the Corporation to issue any securities except those Shares in respect of which the Holder shall have exercised its right to purchase hereunder in the manner provided herein. All warrants of the Corporation shall rank *pari passu*, notwithstanding the actual date of the issue thereof. After the Expiry Time this Warrant Certificate and all rights hereunder shall be void and of no value.
  17. Except as expressly set out herein, the holding of this Warrant Certificate or the Warrants represented hereby shall not constitute a Holder hereof a holder of Shares nor entitle it to any right of interest in respect thereof.
  18. If any one or more of the provisions or parts thereof contained in this Warrant should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:
    - (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
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(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Warrant Certificate in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Warrant Certificate in any other jurisdiction.

19. Any notice, document or communication required or permitted by this Warrant to be given by a party hereto shall be in writing and is sufficiently given if delivered personally, or if sent by prepaid registered mail, or if transmitted by any form of recorded telecommunication rested prior to transmission, to such party addressed as follows:

(a) to the Holder, in the register to be maintained pursuant to section 10 hereof; and

(b) to the Corporation at:

**IntelGenx Technologies Corp.**

6425 Abrams  
Ville St-Laurent, Québec  
H4S 1X9

Attention: President  
Telecopier: (514) 331-0436

20. Time is of the essence hereof.

21. This Warrant Certificate shall enure to the benefit of the Holder and his heirs, executors, administrators, legal personal representatives, permitted assigns and successors is binding upon the Corporation and its successors and assigns.

22. This Warrant Certificate and the Warrants represented hereby shall be governed by the laws of the State of Delaware and the federal laws of the United States of America applicable therein.

[SIGNATURE PAGE FOLLOWS]

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**IN WITNESS WHEREOF** this Warrant Certificate has been executed on behalf of IntelGenx Technologies Corp. as of the ● day of July, 2009.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_

Horst G. Zerbe  
President and Chief Executive Officer

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**SCHEDULE "A"**

**FORM OF TRANSFER**

**FOR VALUE RECEIVED**, the undersigned hereby sells, assigns and transfers unto (name)

\_\_\_\_\_  
(the "**Transferee**"),

\_\_\_\_\_  
(Residential Address of Transferee)

\_\_\_\_\_ Warrants of IntelGenx Technologies Corp. (the "Corporation") registered in the name of the undersigned on the records of the Corporation represented by the within Warrant Certificate, and irrevocably appoints the Secretary of the Corporation as the attorney of the undersigned to transfer the said securities on the books or register of transfer, with full power of substitution.

**DATED** the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ .

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
(Signature of Warrantholder, to be the same as appears on the fact of this Warrant Certificate)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

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UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY SHALL NOT TRADE SUCH SECURITIES BEFORE NOVEMBER 14, 2009.

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE UPON THE EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL NOVEMBER 14, 2009.

THE SECURITIES REPRESENTED BY THIS COMPENSATION OPTION HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"), AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT. SUCH SECURITIES MAY NOT BE REOFFERED FOR SALE OR RESOLD OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S, PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

THIS COMPENSATION OPTION MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON UNLESS THIS COMPENSATION OPTION AND COMPENSATION OPTION SHARES ISSUABLE UPON EXERCISE OF THIS COMPENSATION OPTION HAVE BEEN REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LEGISLATION OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE ACT.

JULY 13, 2009

**INTELGENX TECHNOLOGIES CORP.**

a corporation incorporated under the laws of Delaware  
and having its principal office at  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

NO. CO- ●

[●] COMPENSATION OPTIONS

*Each entitling the holder to acquire one (1) Compensation Option Share (as defined herein) of IntelGenx Technologies Corp., subject to adjustment in certain circumstances.*

**COMPENSATION OPTIONS**

**THIS IS TO CERTIFY THAT** for value received [ ● ] (the "**Holder**") is the registered holder of the number of compensation options (the "**Compensation Options**") stated above and is entitled, for each whole Compensation Option represented hereby, to purchase one share (the "**Compensation Option Shares**") of the common stock of IntelGenx Technologies Corp. (the "**Corporation**") at any time from the date of issue hereof up to and including 5:00 p.m. (Toronto Time) on July 13, 2012 (the "**Expiry Time**") at a price equal to US\$0.80 (the "**Exercise Price**"), upon and subject to the following terms and conditions.

Capitalized terms used herein without definition have the meanings ascribed thereto in the agency agreement dated July 13, 2009 among the Corporation and Paradigm Capital Inc., Bolder Investment Partners, Ltd. and Union Securities Ltd.

1. The Compensation Options represented by this Compensation Option Certificate may not be exercised in the United States or by or on behalf of a U.S. Person nor will the Compensation Option Shares issuable upon exercise of these Compensation Options be registered or delivered to an address in the United States, unless the Compensation Option Shares issuable upon exercise of these Compensation Options have been registered in accordance to the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or an exemption from registration under the U.S. Securities Act or the securities laws of any U.S. state is available, and the Corporation receives an opinion of counsel to such effect in form and substance satisfactory to it. As used herein, the terms “United States” and “U.S. Person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

The Compensation Options represented by this Compensation Option Certificate and the Compensation Option Shares issuable upon exercise of these Compensation Options are subject to certain resale restrictions under applicable securities legislation and unless permitted under securities legislation, the Compensation Options and the Compensation Option Shares may not be traded before November 14, 2009 and the certificates representing the Compensation Option Shares (if issued prior to November 14, 2009) shall bear a legend indicating that they may not be traded before such date. The Holder is advised to seek professional advice as to applicable resale restrictions.

2. At any time, or from time to time, at or prior to the Expiry Time (the “**Exercise Period**”), the Holder may exercise all or any number of whole Compensation Options represented hereby, upon delivering to the Corporation at its principal office noted above this Compensation Option Certificate, together with a duly completed and executed subscription notice in the form attached hereto as Schedule “A”(the “**Subscription Notice**”) evidencing the election (which on delivery to the Corporation shall be irrevocable) of the Holder to exercise the number of Compensation Options set forth in the Subscription Notice (which shall not be greater than the number of Compensation Options represented by this Compensation Option Certificate, subject to adjustment) and a certified cheque or bank draft payable to the Corporation for the aggregate Exercise Price of all Compensation Options being exercised. If the Holder is not exercising all Compensation Options represented by this Compensation Option Certificate, the Holder shall be entitled to receive, without charge, a new Compensation Option Certificate representing the number of Compensation Options which is the difference between the number of Compensation Options represented by the then original Compensation Option Certificate and the number of Compensation Options being so exercised.
3. The Holder shall be deemed to have become the holder of record of Compensation Option Shares on the date (the “**Exercise Date**”) on which the Corporation has received a duly completed Subscription Notice, delivery of the Compensation Option Certificate and payment in full in respect of the Compensation Option Shares by way of a certified cheque, bank draft or money order in lawful money of the United States payable to the order of IntelGenx Technologies Corp. or its successor corporation; provided, however, that if such date is not a business day in the City of Toronto, Ontario (a “**Business Day**”) then the Compensation Option Shares shall be deemed to have been issued and the Holder shall be deemed to have become the holder of record of the Compensation Option Shares on the next following Business Day. Within three (3) Business Days of the Exercise Date, the Corporation shall issue and deliver (or cause to be delivered) to the Holder, by registered mail or pre-paid courier to his, her or its address specified in the register of the Corporation, one or more certificates for the appropriate number of issued and outstanding Compensation Option Shares.
4. The Corporation represents and warrants that it is duly authorized and has the corporate and lawful power and authority to create and issue the Compensation Options and to perform its obligations hereunder and that this Compensation Option Certificate represents a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, and the Corporation further covenants and agrees that, until the Expiry Time, while any of the Compensation Options represented by this Compensation Option Certificate shall be outstanding: (a) it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Common Shares to satisfy the right of purchase herein provided, subject to adjustment (b) all Compensation Option Shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment therefor of the amount at which such Compensation Option Shares may at the time be purchased pursuant to the provisions hereof, shall be issued as fully paid and non-assessable Compensation Option Shares and the holders thereof shall not be liable to the Corporation or its creditors in respect thereof; (c) the Corporation shall make all requisite filings under the *Securities Act* (Ontario) and the regulations made thereunder including those necessary to remain a reporting issuer not in default of any requirement of such act and regulations; (d) the Corporation shall use all reasonable efforts to preserve and maintain its corporate existence; and (e) the Corporation shall use all reasonable efforts to maintain the listing of the Compensation Option Shares (or any Compensation Option Shares or securities, whether of the Corporation or another company or entity, into which the common Compensation Option Shares of the Corporation may from time to time be converted, reclassified or exchanged) on the TSX Venture Exchange (the “**TSXV**”) or such other recognized stock exchange or quotation system on which the common Compensation Option Shares of the Corporation may trade, to the Expiry Time.

5. The Exercise Price and the number of Compensation Option Shares purchasable upon exercise shall be subject to adjustment from time to time in the events and in the manner provided as follows:

(a) *Share Reorganization* . If during the Exercise Period the Corporation shall:

- (i) issue Common Shares or securities exchangeable for or convertible into Common Shares to holders of all or substantially all of its then outstanding Common Shares by way of stock dividend or other distribution, or
- (ii) subdivide, redivide or change its outstanding Common Shares into a greater number of Common Shares, or
- (iii) consolidate, reduce or combine its outstanding Common Shares into a lesser number of Common Shares,

(any of such events in these paragraphs (i), (ii) and (iii) being a “ **Share Reorganization** ”), then the Exercise Price shall be adjusted as of the effective date or record date, as the case may be, at which the holders of Common Shares are determined for the purpose of the Share Reorganization

by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which shall be the number of Common Shares outstanding on such effective date or record date before giving effect to such Share Reorganization and the denominator of which shall be the number of Common Shares outstanding as of the effective date or record date after giving effect to such Share Reorganization (including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number of Common Shares that would have been outstanding had such securities been fully exchanged for or converted into Common Shares on such record date or effective date). From and after any adjustment of the Exercise Price pursuant to this Section 5(a), the number of Compensation Option Shares purchasable pursuant to this Compensation Option Certificate shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Compensation Option Shares then otherwise purchasable on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

(b) *Rights Offering* . If and whenever during the Exercise Period the Corporation shall fix a record date for the issue of rights, options or warrants to all or substantially all of the holders of Common Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (“ **Rights Period** ”), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share to the holder (or having a conversion price or exchange price per Share) of less than 95% of the Current Market Price (as defined in Section 6 hereof) for the Common Shares on such record date (any of such events being called a “ **Rights Offering** ”), then the Exercise Price shall be adjusted effective immediately after the end of the Rights Period to a price determined by multiplying the Exercise Price in effect immediately prior to the end of the Rights Period by a fraction:

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- (i) the numerator of which shall be the aggregate of:
  - (A) the number of Common Shares outstanding as of the record date for the Rights Offering, and
  - (B) a number determined by dividing either
    - I. the product of the number of Common Shares issued or subscribed for during the Rights Period and the price at which such Common Shares are offered,or, as the case may be,
    - II. the product of the exchange or conversion price per share of such securities offered and the number of Common Shares for or into which the securities so offered pursuant to the Rights Offering have been exchanged or converted during the Rights Period,by the Current Market Price of the Common Shares as of the record date for the Rights Offering; and
- (ii) the denominator of which shall be the number of Common Shares outstanding after giving effect to the Rights Offering and including the number of Common Shares actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering or upon the exercise of the exchange or conversion rights contained in such exchangeable or convertible securities under the Rights Offering.

If the Holder has exercised any of the Compensation Options during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period, the Holder shall, in addition to the Compensation Option Shares to which the Holder is otherwise entitled upon such exercise in accordance with Section 2 hereof, be entitled to that number of additional Common Shares equal to the result obtained when the difference, if any, resulting from the subtraction of the Exercise Price as adjusted for such Rights Offering pursuant to this Section 5(b) from the Exercise Price in effect immediately prior to the end of such Rights Offering is multiplied by the number of Compensation Option Shares purchased upon exercise of the Compensation Options held by such Holder during such period, and the resulting product is divided by the Exercise Price as adjusted for such Rights Offering pursuant to this Section 5(b); provided that the provisions of Section 9 shall be applicable to any fractional interest in a Share to which such Holder might otherwise be entitled under the foregoing provisions of this Section 5(b). Such additional Common Shares shall be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional Common Shares shall be delivered to such Holder within three (3) Business Days following the end of the Rights Period.

- (c) *Special Distribution.* If and whenever during the Exercise Period the Corporation shall issue or distribute to all or to substantially all the holders of the Common Shares:
    - (i) securities of the Corporation including Common Shares, rights, options or warrants to acquire Common Shares of any class or securities exchangeable for or convertible into or exchangeable into any such Common Shares or cash, property or assets and including evidences of its indebtedness, or
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- (ii) any cash, property or other assets,

and if such issuance or distribution does not constitute dividends paid in the ordinary course, a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a “ **Special Distribution** ”), the Exercise Price will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on the earlier of such record date and the date on which the Corporation announces its intention to make such distribution, less the aggregate fair market value (as determined by the directors, acting reasonably, at the time such distribution is authorized) of such Common Shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price and the number of Compensation Option Shares to be issued by the Corporation under the Compensation Options shall, at the time of exercise, be appropriately adjusted.

- (d) *Capital Reorganization.* If and whenever during the Exercise Period there shall be a reclassification of Common Shares at any time outstanding or a change of the Common Shares into other Common Shares or into other securities (other than a Share Reorganization), or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other securities), or a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity (any of such events being herein called a “ **Capital Reorganization** ”), the Holder, where he has not exercised the right of subscription and purchase under this Compensation Option Certificate prior to the effective date or record date, as the case may be, of such Capital Reorganization, shall be entitled to receive, and shall accept upon the exercise of such right for the same aggregate consideration, in lieu of the number of Common Shares to which such holder was theretofore entitled upon such exercise, the aggregate number of Compensation Option Shares, other securities or other property which such holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, he had been the registered holder of the number of Compensation Option Shares to which such holder was theretofore entitled to subscribe for and purchase; provided however, that no such Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken to so entitle the Holder. If determined appropriate by the board of directors of the Corporation, acting reasonably and in good faith, and subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading, appropriate adjustments shall be made as a result of any such Capital Reorganization in the application of the provisions set forth in this Section 5 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Section 5 shall thereafter correspondingly be made applicable as nearly as may reasonably be necessary in relation to any Common Shares, other securities or other property thereafter deliverable upon the exercise of any Compensation Option. Any such adjustments shall be made by and set forth in terms and conditions supplemental hereto approved by the board of directors of the Corporation, acting reasonably and in good faith.
  - (e) If and whenever at any time after the date hereof and prior to the Expiry Time, the Corporation takes any action affecting its Common Shares to which the foregoing provisions of this Section 5 , in the opinion of the board of directors of the Corporation, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes thereof, or would otherwise materially affect the rights of the Holder hereunder, then the Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence that the board of directors has determined that it is equitable to make no adjustment in the circumstances.
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6. The following rules and procedures shall be applicable to the adjustments made pursuant to Section 5:

- (a) The adjustments provided for in Section 5 are cumulative, and shall, in the case of adjustments to the Exercise Price be computed to the nearest one-tenth of one cent and shall be made successively whenever an event referred to therein shall occur, subject to the following paragraphs of this Section 6.
  - (b) No adjustment in the Exercise Price shall be required unless such adjustment would result in a change of at least 1% in the prevailing Exercise Price and no adjustment shall be made in the number of Compensation Option Shares purchasable upon exercise of this Compensation Option unless it would result in a change of at least one one-hundredth of a Share; provided, however, that any adjustments which, except for the provisions of this Section 6(b) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
  - (c) No adjustment in the Exercise Price or in the number of Compensation Option Shares purchasable upon exercise of Compensation Options shall be made in respect of any event described in Section 5, other than the events referred to in Section 5(d), if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had exercised its Compensation Options prior to or on the effective date or record date of such event. The terms of the participation of the Holder in such event shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading.
  - (d) No adjustment in the Exercise Price shall be made pursuant to Section 5 in respect of the issue from time to time:
    - (i) of Compensation Option Shares purchasable on exercise of the Compensation Options represented by or issued concurrently with this Compensation Option Certificate;
    - (ii) of dividends paid in the ordinary course on Common Shares to holders of Common Shares who exercise an option or election to receive substantially equivalent dividends in the form of Common Shares in lieu of receiving a cash dividend pursuant to a dividend reinvestment plan or similar plan adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Compensation Option Shares are then listed or quoted for trading and applicable securities laws;
    - (iii) of Common Shares pursuant to any stock option plan, stock purchase plan or benefit plan in force at the date hereof for directors, officers, employees, advisers or consultants of the Corporation, as such option or plan is amended or superseded from time to time in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading and applicable securities laws, and such other stock option plan, stock purchase plan or benefit plan as may be adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading and applicable securities laws;
    - (iv) the payment of interest on any outstanding notes;
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- (v) the issuance of securities in connection with strategic license agreements and other partnering arrangements; or
- (vi) full or partial consideration in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity;

and any such issue shall be deemed not to be a Share Reorganization or Capital Reorganization.

- (e) If the Corporation shall set a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Common Shares purchasable upon exercise of any Compensation Option shall be required by reason of the setting of such record date.
  - (f) As a condition precedent to the taking of any action which would require any adjustment in any of the subscription rights pursuant to this Compensation Option Certificate, including the Exercise Price and the number or class of Compensation Option Shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may be necessary in order that the Corporation have unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all the Compensation Option Shares or other securities which the Holder of such Compensation Option Certificate is entitled to receive on the full exercise thereof in accordance with the provisions hereof.
  - (g) For the purposes of this Compensation Option Certificate, “ **Current Market Price** ” of a Common Share at any date shall be calculated as the price per Common Share equal to the weighted average price at which the Common Shares have traded in the principal Canadian stock exchange or, if the Common Shares are not listed, the over-the-counter market, on which the Common Shares are then listed or posted for trading during the 20 consecutive trading days (on each of which at least 500 Common Shares are traded in board lots) ending on the fifth trading day immediately prior to such date as reported by such market or exchange in which the Common Shares are then trading or quoted. If the Common Shares are not then traded in the over-the-counter market or on a recognized Canadian stock exchange, the Current Market Price of the Compensation Option Shares shall be fair market value of the Common Shares as determined by a nationally or internationally recognized investment dealer or investment banker.
  - (h) In the absence of a resolution of the board of directors of the Corporation fixing a record date for any dividend or distribution referred to in Section 5(a)(i) or any Rights Offering or Special Distribution, the Corporation shall be deemed to have fixed as the record date therefor the date on which such dividend or distribution is effected.
  - (i) Any question or dispute that at any time or from time to time arises with respect to the amount of any adjustment to the Exercise Price or other adjustments pursuant to Section 5 shall be conclusively determined by a firm of independent chartered accountants (who may be the Corporation’s auditors) and shall be binding upon the Corporation and the Holder. Notwithstanding the foregoing, such determination shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading. In the event that any such determination is made, the Corporation shall notify the Holder in the manner contemplated in Section 19 describing such determination.
7. On the happening of each and every such event set out in Section 5, the applicable provisions of this Compensation Option Certificate, including the Exercise Price, shall, *ipso facto*, be deemed to be amended accordingly and the Corporation shall take all necessary action so as to comply with such provisions as so amended.
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8. In any case in which Section 5 shall require that an adjustment shall be effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such an event:
    - (a) issuing to the Holder of any Compensation Option exercised after such record date and before the occurrence of such event, the additional Common Shares issuable upon such exercise by reason of the adjustment required by such event, and
    - (b) delivering to such Holder any distributions declared with respect to such additional Common Shares after such Exercise Date and before such event;

provided, however, that the Corporation shall deliver or cause to be delivered to such Holder, an appropriate instrument evidencing such Holder's right, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price or the number of Compensation Option Shares purchasable on the exercise of any Compensation Option and to such distributions declared with respect to any additional Common Shares issuable on the exercise of any Compensation Option.
  9. At least 10 Business Days prior to the effective date or record date, as the case may be, of any event which requires or might require adjustment in any of the subscription rights pursuant to this Compensation Option Certificate, including the Exercise Price and the number of Compensation Option Shares which are purchasable upon the exercise thereof, or such longer period of notice as the Corporation shall be required to provide holders of Common Shares in respect of any such event, the Corporation shall notify the Holder of the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which such notice has been given is not then determinable, the Corporation shall promptly after such adjustment is determinable notify the Holder of the adjustment and the computation of such adjustment.
  10. The Corporation shall maintain at its principal office a register of Holders in which shall be entered the names and addresses of the Holders of the Compensation Options and of the number of Compensation Options held by them. Such register shall be open at all reasonable times for inspection by the Holder. The Corporation shall notify the Holder forthwith of any change of address of the principal office of the Corporation.
  11. The Corporation shall not be required to issue fractional Compensation Option Shares in satisfaction of its obligations hereunder. If any fractional interest in a Share would, except for the provisions of this Section 11, be deliverable upon the exercise of a Compensation Option, the Corporation shall in lieu of delivering the fractional Compensation Option Shares therefor satisfy the right to receive such fractional interest by payment to the holder of such Compensation Option of an amount in cash equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the right to acquire such fractional interest on the basis of the Current Market Price at the Exercise Date.
  12. Subject as herein provided, all or any of the rights conferred upon the Holder by the terms hereof may be enforced by the Holder by appropriate legal proceedings.
  13. The registered Holder of this Compensation Option Certificate may at any time up to and including the Expiry Time, upon the surrender hereof to the Corporation at its principal office, exchange this Compensation Option Certificate for one or more Compensation Option Certificates entitling the Holder to subscribe in the aggregate for the same number of Compensation Option Shares as is expressed in this Compensation Option Certificate. Any Compensation Option Certificate tendered for exchange shall be surrendered to the Corporation and cancelled.
  14. If this Compensation Option Certificate becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion acting reasonably impose, issue and deliver to the Holder a new Compensation Option Certificate of like denomination, tenor and date as the Compensation Option Certificate so stolen, lost, mutilated or destroyed.
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15. Subject to applicable law, TSXV policies and any requisite TSXV approval, the Holder may not transfer the within Compensation Options except to a subsidiary or to an entity of which the Holder is a subsidiary. Subject to the foregoing, the Corporation shall issue and mail as soon as practicable, and in any event within five Business Days of such delivery, a new Compensation Option Certificate (with or without legends as may be appropriate) registered in the name of the transferee or as the transferee may direct and shall take all other necessary actions to effect the transfer as directed.
  16. Except as expressly set out herein, the holding of this Compensation Option Certificate or the Compensation Options represented hereby shall not constitute a Holder hereof a holder of Compensation Option Shares nor entitle it to any right of interest in respect thereof.
  17. If any one or more of the provisions or parts thereof contained in this Compensation Option Certificate should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:
    - (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
    - (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Compensation Option Certificate in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Compensation Option Certificate in any other jurisdiction.
  18. Any notice, document or communication required or permitted by this Compensation Option Certificate to be given by a party hereto shall be in writing and is sufficiently given if delivered personally, or if sent by prepaid registered mail, or if transmitted by any form of recorded telecommunication rested prior to transmission, to such party addressed as follows:
    - (a) to the Holder, in the register to be maintained pursuant to section 10 hereof; and
    - (b) to the Corporation at:

**IntelGenx Technologies Corp.**  
6425 Abrams  
Ville St-Laurent, Québec  
H4S 1X9

Attention:           President  
Telecopier:       (514) 331-0436
  19. Time is of the essence hereof.
  20. This Compensation Option Certificate shall enure to the benefit of the Holder and his heirs, executors, administrators, legal personal representatives, permitted assigns and successors is binding upon the Corporation and its successors and assigns.
  21. This Compensation Option Certificate and the Compensation Options represented hereby shall be governed by the laws of the State of Delaware and the federal laws of the United States of America applicable therein.
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**IN WITNESS WHEREOF** this Compensation Option Certificate has been executed on behalf of IntelGenx Technologies Corp. as of the \_\_\_\_\_ day of July, 2009.

**INTELGENX TECHNOLOGIES CORP.**

By: \_\_\_\_\_

Horst G. Zerbe  
President and Chief Executive Officer

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**SCHEDULE "A"**

**SUBSCRIPTION NOTICE**

TO: INTELGENX TECHNOLOGIES CORP.  
6425 Abrams  
Ville St-Laurent, Quebec  
H4S 1X9

The undersigned registered Holder of the attached Compensation Option Certificate, hereby:

- (a) subscribes for \_\_\_\_\_ Compensation Option Shares of IntelGenx Technologies Corp. (the "Corporation") at the price per Compensation Option Share in United States funds equal to US\$0.80 (or such adjusted price which may be in effect under the provisions of the Compensation Option Certificate) and in payment of the exercise price encloses a certified cheque, bank draft or money order in lawful money of the United States payable to the order of IntelGenx Technologies Corp. or its successor corporation; and
- (b) delivers herewith the above-mentioned Compensation Option Certificate entitling the undersigned to subscribe for the above-mentioned number of Compensation Option Shares.

The undersigned hereby directs that the said Compensation Option Shares be registered as follows:

| Name(s) in full | Address(es)<br>(including Postal Code) | Number of<br>Compensation Option<br>Shares |
|-----------------|--|--|
| _____           | _____                                  | _____                                      |

Total: \_\_\_\_\_

*(Please print full name in which share certificates are to be issued. If any of the Compensation Option Shares are to be issued to a person or persons other than the Holder, the Holder must pay to the Corporation all requisite taxes or other governmental charges.)*

- (c) certifies either (i) that the undersigned is not a U.S. Person or a person in the United States, and is not acquiring any of the Compensation Option Shares hereby subscribed for the account or benefit of a U.S. Person or a person in the United States, and none of the persons listed in paragraph (b) above is a U.S. Person or a person in the United States, other than an Accredited Investor as defined in Rule 501(a) under the U.S. Securities Act of 1933, as amended, or (ii) as of the date hereof there is an effective registration statement filed with the United States Securities and Exchange Commission covering the issuance of the Compensation Option Shares. For purposes hereof the terms "United States" and "U.S. Person" shall have the meanings ascribed to them in Regulation S under the U.S. Securities Act of 1933, as amended.
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DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ .

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(Signature of Subscriber)

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(Print Name of Subscriber)

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(Address of Subscriber in full)

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*The certificates will be mailed by registered mail to the address appearing in this Subscription Notice.*

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**SCHEDULE "B"**

**FORM OF TRANSFER**

**FOR VALUE RECEIVED**, the undersigned hereby sells, assigns and transfers unto (name)

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(the "**Transferee**"),

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(Residential Address of Transferee)

\_\_\_\_\_ Compensation Options of IntelGenx Technologies Corp. (the "Corporation") registered in the name of the undersigned on the records of the Corporation represented by the within Compensation Option Certificate, and irrevocably appoints the Secretary of the Corporation as the attorney of the undersigned to transfer the said securities on the books or register of transfer, with full power of substitution.

**DATED** the \_\_\_\_ day of \_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
(Signature of Compensation Optionholder, to be the same as appears on the face of this Compensation Option Certificate)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

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## IntelGenx Technologies Corp. Announces Closing of Private Placement

Saint Laurent, Quebec, Canada – July 14, 2009 – IntelGenx Technologies Corp. (the “Company”) (TSX-V: IGX-V; OTC-BB: IGXT) announced today that it has closed a private placement offering of approximately 10.5 million special warrants (“Special Warrants”) at a price of CDN\$0.40 per Special Warrant for gross proceeds of approximately CDN\$4.2 million (the “Offering”). The Offering was made and the Special Warrants were issued to investors in the Provinces of Ontario, British Columbia, Alberta and Manitoba pursuant to exemptions from prospectus requirements under applicable securities laws in the Provinces where the offering was made, and from registration requirements in the United States Securities Act of 1933, as amended (the “U.S. Securities Act”). Each Special Warrant entitles its holder to receive, upon exercise or deemed exercise thereof, one common share of the Company (a “Unit Share”) and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share (“Warrant Share”) at a price of US\$0.80 until July 13, 2012. The proceeds of the private placement will be used to support the Company’s strategic development projects and for working capital purposes.

Pursuant to an agency agreement entered into at closing, the Company engaged Paradigm Capital Inc., Bolder Investment Partners Ltd. and Union Securities Ltd. as agents (the “Agents”) to complete the private placement on a best efforts basis. The Company paid the Agents cash compensation equal to 8% of the gross proceeds of the Offering, granted Agents’ compensation options (“Compensation Options”) entitling the Agents to purchase a number of common shares of the Company equal to 8% of the number of Special Warrants sold in the Offering and issued a number of common shares of the Company (“Broker Shares”) to the Agents equal to 4% of the number of Special Warrants sold in the Offering. Each Compensation Option entitles the holder thereof to purchase one Common Share (“Compensation Option Share”) at a price of US \$0.80 until July 13, 2012.

The Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Option Shares and Broker Shares are subject to statutory resale restrictions under applicable securities laws in Canada until November 14, 2009, and they have not been registered under the U.S. Securities Act and as such are “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act and are subject to applicable resale restrictions thereunder .

Under the terms of the agency agreement, the Company has agreed to use commercially reasonable efforts to, as soon as practicable following closing, file and obtain a receipt for a final short form prospectus (“Prospectus”) in the Provinces of Ontario, British Columbia, Alberta, Manitoba and Quebec and to file a registration statement with and to have it declared effective by the United States Securities & Exchange Commission.

The Special Warrants shall be deemed exercised on behalf of, and without any required action on the part of, the holder thereof on the earlier of: (i) the fifth business day (the “Clearance Date”) after the later of the date the Corporation receives a receipt for the Prospectus qualifying the distribution of the Unit Shares and Warrants issuable on the exercise of the Special Warrants in the Qualifying Provinces and the date a registration statement is declared effective by the United States Securities & Exchange Commission; and (ii) 4 months and one day after closing. In the event the Clearance Date does not occur on or prior to 120 days following the closing, each Special Warrant shall entitle the holder thereof to 1.1 Unit Shares and 1.1 Warrants (in lieu of 1 Unit Share and 1 Warrant) upon the deemed exercise of such Special Warrants.

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The securities discussed herein have not been registered under the U.S. Securities Act and may not be offered or sold absent registration under the U.S. Securities Act or an applicable exemption from the registration requirements thereof. This press release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction or an exemption therefrom.

**ABOUT INTELGENX:**

IntelGenx is a drug delivery company focused on the development of oral controlled-release products as well as novel rapidly disintegrating delivery systems. IntelGenx uses its unique multiple layer delivery system to provide zero-order release of active drugs in the gastrointestinal tract. IntelGenx has also developed novel delivery technologies for the rapid delivery of pharmaceutically active substances in the oral cavity based on its experience with rapidly disintegrating films. IntelGenx's research and development pipeline includes products for the treatment of pain, hypertension, osteoarthritis, and depressive disorders. More information is available about the company at [www.intelgenx.com](http://www.intelgenx.com).

**FORWARD LOOKING STATEMENTS:**

This document may contain forward-looking information about IntelGenx's operating results and business prospects that involve substantial risks and uncertainties. Statements that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. These statements include, but are not limited to, statements about IntelGenx's plans, objectives, expectations, strategies, intentions or other characterizations of future events or circumstances and are generally identified by the words "may," "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "could," "would," and similar expressions. All forward looking statements are expressly qualified in their entirety by this cautionary statement. Because these forward-looking statements are subject to a number of risks and uncertainties, IntelGenx's actual results could differ materially from those expressed or implied by these forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed under the heading "Risk Factors" in IntelGenx's annual report on Form 10-K for the fiscal year ended December 31, 2008, filed with the United States Securities and Exchange Commission and available at [www.sec.gov](http://www.sec.gov), and also filed with Canadian securities regulatory authorities and [www.sedar.com](http://www.sedar.com). IntelGenx assumes no obligation to update any such forward-looking statements.

Each of the TSX Venture Exchange and OTC Bulletin Board has neither approved nor disapproved the contents of this press release.

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**CONTACT:**

Dr. Horst G. Zerbe,  
President and CEO  
IntelGenx Technologies Corp.  
T: +1 514-331-7440 (ext. 201)  
F: +1 514-331-0436  
horst@intelgenx.com  
[www.intelgenx.com](http://www.intelgenx.com)

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