
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): November 6, 2015

UNILIFE CORPORATION

(Exact name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-34540
(Commission
File Number)

27-1049354
(IRS Employer
Identification No.)

250 Cross Farm Lane, York, Pennsylvania
(Address of Principal Executive Offices)

17406
(Zip Code)

Registrant's telephone number, including area code: (717) 384-3400

Not Applicable
(Former name or former address, if changed since last report)

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:

- 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.

Registered Direct Offering

On November 9, 2015, Unilife Corporation (the “Company” or “we”) entered into and closed a Stock Purchase Agreement (the “Purchase Agreement”) with an institutional investor (the “Fund”). Pursuant to the Purchase Agreement, we issued and sold to the Fund 790 shares of our newly designated Series A Redeemable Convertible Preferred Stock, par value \$0.01 per share (the “Series A Preferred Stock”), convertible into shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”). The face value of the Series A Preferred Stock is convertible into common stock at a fixed conversion price of \$1.00 per share (the “Conversion Price”). The issuance of the shares of Series A Preferred Stock was subject to certain closing conditions which were satisfied. The purchase price for each share of Series A Preferred Stock was \$10,000, with a 5% original issue discount, for gross proceeds of \$7.5 million resulting in a subscription price of \$9,493.67 per share of Series A Preferred Stock. The shares of Series A Preferred Stock were offered and sold in a registered direct offering (the “Offering”) pursuant to the Company’s shelf registration statement (File No. 333-197122), which was declared effective by the United States Securities and Exchange Commission (the “SEC”) on October 3, 2014.

We intend to use the net proceeds from the sale of the shares of common stock offered hereby for general corporate purposes, including working capital.

The Purchase Agreement also contains representations, warranties and covenants customary for transactions of this type. Summaries of certain terms of the Purchase Agreement are set forth below.

No Short Selling. So long as the Fund holds shares of the Series A Preferred Stock, neither the Fund nor any affiliate may engage in or effect, directly or indirectly, any short sale of common stock, except upon the occurrence of certain triggering events.

Activity Restrictions. So long as the Fund or any of its affiliates holds shares of the Series A Preferred Stock, neither the Fund nor any affiliate may (i) vote any shares of Common Stock owned or controlled by it, sign or solicit any proxies, attend or be present at a shareholder meeting for purposes of determining a quorum, or seek to influence the voting of any securities of the Company; (ii) engage or participate in certain actions, plans or proposals which, among other things, relate to or would result in (A) acquiring additional securities of the Company, alone or together with any other person, which would result in beneficially owning or controlling more than 9.99% of the total outstanding Common Stock or other voting securities of the Company, (B) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries, (C) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board, (D) any material change in our present capitalization or dividend policy, or (E) changes in the Company’s charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Company by any person; or (iii) request the Company or its directors, officers, employees, agents or representatives to amend or waive any of the restrictions set forth in the Purchase Agreement.

Subsequent Financings. So long as the Fund holds shares of the Series A Preferred Stock, we may not enter into any agreement which would restrict our ability to enter into any agreement, amendment or waiver with the Fund, other than (i) in a Strategic Transaction (as defined in the Purchase Agreement) or (ii) an agreement that generally restricts the ability of the Company to issue equity securities for a period

not to exceed 90 days following the date of such agreement. For sixty days after the date of the closing of the Purchase Agreement, we may not enter into any equity or convertible financing at a discount, at a variable price, pursuant to a shelf registration or with registration rights. However, notwithstanding the foregoing, we may enter into a financing (i) with the Fund, (ii) pursuant to existing agreements, (iii) in an underwritten public offering, (iv) for non-convertible debt, (v) with an existing investor or lender or (vi) in a Strategic Transaction.

The foregoing description of the Purchase Agreement and the transactions contemplated thereby do not purport to be complete and is qualified in its entirety by reference to Exhibit 10.1.

Item 2.02 Results of Operations and Financial Condition

On November 9, 2015, the Company issued a press release announcing the financial results for the first quarter ended September 30, 2015. A copy of the press release is attached hereto as Exhibit 99.1.

Item 5.03. Amendments to Articles of Incorporation or Bylaws.

The terms of the Series A Preferred Stock are set forth in a Certificate of Designations of Preferences, Rights and Limitations of Series A Redeemable Convertible Preferred Stock (the "Certificate of Designations"), which was filed with the Secretary of State of the State of Delaware on November 6, 2015. A summary of the material terms of the Series A Preferred Stock is set forth below. Terms not otherwise defined herein have the same meaning as set forth on the Certificate of Designations.

Designation and Ranking. The Company has designated 5,000 shares of Series A Preferred Stock. The Series A Preferred Stock with respect to dividend rights and rights upon liquidation, winding-up or dissolution ranks (i) senior to our Common Stock; (ii) senior to any other series of preferred stock, or senior, *pari passu* or junior with respect to preferred stock issued in a Strategic Transaction, as set forth in the Certificate of Designations with respect to such preferred stock; and (iii) junior to all of our existing and future indebtedness.

Voting. The Series A Preferred Stock does not have any voting rights, including with respect to the election of directors, except as required by law; provided, however, we will not, without the affirmative approval of the holders of a majority of the shares of the Series A Preferred Stock then outstanding (voting separately as one class), (i) alter or change adversely the powers, preferences or rights given to the Series A Preferred Stock or alter or amend the Certificate of Designations, (ii) except with respect to any securities issued in a Strategic Transaction, authorize or create any class of stock ranking as to distribution of dividends senior to the Series A Preferred Stock, (iii) amend our certificate of incorporation or other charter documents in breach of any of the provisions of the Certificate of Designations, (iv) increase the authorized number of shares of Series A Preferred Stock or (v) enter into any agreement with respect to the foregoing.

Dividends. From the date of issuance, each share of Series A Preferred Stock will accrue dividends at a rate of 8.0% per annum (the "Dividend Rate"), subject to adjustment as discussed below, on its face value of \$10,000 (the "Face Value"). Dividends will be payable upon (i) conversion of such a share, (ii) redemption of such a share or (iii) when, as and if otherwise declared by the Company's Board of Directors. Dividends are payable, at the Company's sole and absolute discretion, either in cash or in shares of Common Stock which are valued at (i) if there is no Trigger Event, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the Common Stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less \$0.05 per share of Common Stock, not to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less \$0.05 per share of Common Stock (ii) following any Trigger Event, (A) 80.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less \$0.10 per share of Common Stock, not to exceed (B) 80.0% of the lowest sales price on the last day of any Measurement Period, less \$0.10 per share of Common Stock.

Conversion. Each share of Series A Preferred Stock will be convertible into such number of shares of Common Stock equal to the Face Value divided by the Conversion Price. The Fund may convert its shares of Series A Preferred Stock at any time, and the Company may effect a conversion if (i) there has been a minimum of \$20 million, or 5 times the Face Value of Series A Preferred Stock being converted, whichever is lower, in aggregate trading volume in the prior 20 Trading Days, subject at all times to the Issuance Limitation (as defined below), (ii) the volume weighted price of a share of Common Stock is at least \$0.50 and (iii) certain other conditions set forth in the Certificate of Designations have been met. Shares of Series A Preferred Stock shall mature seven years following the issuance date, at which time such shares will automatically convert into shares of Common Stock. However, we may redeem in cash at maturity, at our option, an amount per share equal to 100% of the liquidation value for the shares being redeemed.

Upon any conversion of shares of Series A Preferred Stock, the Company will be required to issue Common Stock at the Conversion Price and pay any unpaid dividends thereon and Conversion Premium (in cash or, assuming the Equity Conditions are met, in stock at the Company's discretion; provided, however that if the conversion is effected by the Company, the unpaid dividends and Conversion Premium may be paid in stock only if the Equity Conditions have been met).

Liquidation Rights. Upon any liquidation, dissolution or winding up of the Company (including by Deemed Liquidation Events as set forth in the Certificate of Designations, the holders of Series A Preferred Stock will be entitled to be paid out of our assets available for distribution to our stockholders, *pari passu* with holders of our preferred stock and common stock an amount equals to \$10,000.00, plus any accrued but unpaid dividends thereon.

Redemption. The Company will have the right, in its sole and absolute discretion, to redeem for cash all or any portion of the shares of Series A Preferred Stock then outstanding by paying the holder the following with respect to such shares: (i) if the redemption takes place on or after the seven-year anniversary of issuance (the "Dividend Maturity Date"), the Face Value; (ii) if the redemption takes place prior to the Dividend Maturity Date, at an early redemption price equal to (A) the Face Value plus (B) any Conversion Premium less (C) any dividends paid. The "Conversion Premium" for each share of Series A Preferred Stock means the Face Value multiplied by the product of (i) the applicable Dividend Rate and (ii) the number of whole years between the issuance date and the Dividend Maturity Date.

Credit Risk Adjustment. The dividend rate will adjust (i) downward by an amount equal to 100 basis points for each amount, if any, equal to \$0.05 per share of common stock that the volume weighted average price of our common stock on any trading day rises above \$1.50, down to a minimum of 0.0%; and (ii) upward by an amount equal to 150 basis points for each amount, if any, equal to \$0.05 per share of common stock that volume weighted average price of our common stock on any trading day falls below \$0.70, up to a maximum of 15.0%.

In addition, the dividend rate will adjust upward by 10.0% upon any triggering event.

Issuance Limitation. The holder of the Series A Preferred Stock will be prohibited from converting shares of Series A Preferred Stock into shares of our common stock if, as a result of the conversion, the holder, together with its affiliates, would beneficially own more than 4.99% of the total number of shares of our common stock then issued and outstanding (which amount may be increased to 9.99% by the holder of the Series A Preferred Stock upon such holder providing the Company with not less than 61 days' prior notice), which is referred to herein as the "Beneficial Ownership Limitation".

The direct sale is not being made to a class of security holders. Stockholder approval is not required for the sale of the Series A Preferred Stock. However, we will not issue any shares of common stock pursuant to the Certificate of Designations if the issuance of such shares, collectively with certain additional shares of Common Stock issued or issuable pursuant to

other Company transactions that are aggregated under the NASDAQ Listing Rules, would exceed the aggregate number of shares of common stock we may issue upon conversion of the Series A Preferred Stock without breaching our obligations under NASDAQ Listing Rule 5635(d), except that such limitation will not apply (i) following stockholders approval in accordance with the requirements of NASDAQ Listing Rule 5635(d) or a waiver from NASDAQ of Listing Rule 5635(d), or the Approval, or (ii) if the holder of the Series A Preferred Stock or we obtain a written opinion from counsel that such Approval is not required.

Triggering Events. The dividend rate will adjust upward by 10.0%, upon the occurrence of certain triggering events, including our uncured breach of the Certificate of Designations and any transaction documents, the occurrence of certain defaults under our material agreements, the suspension of our NASDAQ listing, bankruptcy, the appointment of receiver, our failure to timely file report under the Securities Exchange Act of 1934, as amended, or the unenforceability of any material provision of the Certificate of Designations.

The foregoing description of the Certificate of Designations does not purport to be complete and is qualified in its entirety by reference to Exhibit 3.1.

Item 8.01. Other Events.

Under the terms of that certain Purchase Agreement, dated as of July 29, 2015, between the Company and Lincoln Park Capital Fund, LLC (“LPC”), the Company was required to obtain the consent of LPC prior to entering into the Purchase Agreement with the Fund. The Company obtained such consent on November 9, 2015 (the “Consent”) and contemporaneously issued a five-year warrant to purchase 900,000 shares of Common Stock to LPC at an exercise price of \$1.00 per share (the “Warrant”).

The foregoing descriptions of the Consent and the Warrant do not purport to be complete and are qualified in their entirety by reference to Exhibits 10.2 and 10.3, respectively.

On November 9, 2015, the Company filed with the SEC a prospectus supplement to the base prospectus contained in its effective shelf registration statement (File No. 333-197122) relating to the Offering. In connection with the closing of the Offering, the Company is filing the opinion of Duane Morris LLP as Exhibit 5.1 to this Current Report on Form 8-K. On November 9, 2015, the Company issued a press release announcing the financial results for the first quarter ended September 30, 2015 and other matters. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
3.1	Certificate of Designations of Series A Redeemable Convertible Preferred Stock, filed with the Secretary of State of the State of Delaware on November 6, 2015.
5	Opinion of Duane Morris LLP, dated as of November 9, 2015.
10.1	Stock Purchase Agreement, dated November 9, 2015, by and between the Company and Discover Growth Fund.
10.2	Waiver and Consent Agreement, dated November 9, 2015, by and between the Company and Lincoln Park Capital Fund, LLC.
10.3	Warrant to Purchase Common Stock, dated November 9, 2015, issued by the Company to Lincoln Park Capital Fund, LLC.
23	Consent of Duane Morris LLP (included in Exhibit 5).
99.1	Press Release dated November 9, 2015.

EXHIBIT INDEX

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99.1	Press Release dated November 9, 2015.

UNILIFE CORPORATION
CERTIFICATE OF DESIGNATIONS OF PREFERENCES, POWERS,
RIGHTS AND LIMITATIONS
OF
SERIES A REDEEMABLE CONVERTIBLE PREFERRED STOCK

The undersigned, Alan Shortall and David C. Hastings, hereby certify that:

1. The undersigned are the Chief Executive Officer and Chief Financial Officer, respectively, of Unilife Corporation, a Delaware corporation (the “**Corporation**”);
2. The Corporation is authorized to issue 50,000,000 shares of preferred stock, none of which are currently designated, issued or outstanding; and
3. The following resolutions were duly adopted by the Board of Directors:

WHEREAS, the Certificate of Incorporation of the Corporation provides for a class of its authorized stock known as preferred stock, comprised of 50,000,000 shares, \$0.01 par value per share (the “**Preferred Stock**”), issuable from time to time in one or more series;

WHEREAS, the Board of Directors of the Corporation is authorized to fix the dividend rights, dividend rate, powers, voting rights, conversion rights, rights and terms of redemption and liquidation preferences of any wholly unissued series of Preferred Stock and the number of shares constituting any Series and the designation thereof, of any of them;

WHEREAS, it is the desire of the Board of Directors of the Corporation, pursuant to its authority as aforesaid and as set forth in this Certificate of Designations of Preferences, Powers, Rights and Limitations of Series A Preferred Stock, to designate the rights, preferences, restrictions and other matters relating to the Series A Preferred Stock, which will consist of up to 5,000 shares of the Preferred Stock which the Corporation has the authority to issue, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby provide for the issuance of a series of Preferred Stock for cash or exchange of other securities, rights or property and does hereby fix and determine the powers, rights, preferences, restrictions and other matters relating to such series of Preferred Stock as follows:

I. Terms of Preferred Stock.

A. Designation and Amount. A series of Preferred Stock is hereby designated as the Corporation’s Series A Preferred Stock, par value of \$0.01 per share (the “**Series A Preferred Stock**”), the number of shares of which so designated are 5,000 shares of Series A Preferred Stock; which Series A Preferred Stock will not be subject to increase without any consent of the holders of the Series A Preferred Stock (each a “**Holder**” and collectively, the “**Holders**”) that may be required by applicable law.

B. Ranking and Voting.

1. Ranking. The Series A Preferred Stock will, with respect to dividend rights and rights upon liquidation, winding-up or dissolution, rank: (a) senior to the Corporation's Common Stock, \$0.01 par value per share ("**Common Stock**"); (b) senior to any other series of the Preferred Stock, or senior, pari passu or junior with respect to Preferred Stock issued in a Strategic Transaction, as set forth in the Certificate of Designations of Preferences, Powers, Rights and Limitations with respect to such Preferred Stock; and (c) junior to all existing and future indebtedness of the Corporation. Except with respect to Preferred Stock issued in a Strategic Transaction, without the prior written consent of the Holders of a majority of the outstanding shares of Series A Preferred Stock (voting separately as a single class), the Corporation may not issue any additional shares of Series A Preferred Stock, or any other Preferred Stock that is pari passu or senior to the Series A Preferred Stock with respect to any rights for a period of 6 months after the earlier of such date (i) a registration statement is effective and available for the resale of all Conversion Shares, or (ii) Securities Act Rule 144 is available for the immediate unrestricted resale of all Conversion Shares.

2. Voting. Except as required by applicable law or as set forth herein, the holders of shares of Series A Preferred Stock will have no right to vote on any matters, questions or proceedings of this Corporation including, without limitation, the election of directors except: (a) during a period where a dividend (or part of a dividend) is in arrears; (b) on a proposal to reduce the Company's share capital; (c) on a resolution to approve the terms of a buy-back agreement; (d) on a proposal to wind up the Company; (e) on a proposal for the disposal of the Company's property, business and undertaking; and (f) during the winding-up of the entity. Where a holder of Series A Preferred Shares has a right to vote under this clause 2, they shall have one vote per holder on a resolution on a show of hands and one vote per share of Series A Preferred Stock on a resolution conducted on a poll.

C. Dividends.

1. Commencing on the date of the issuance of any such shares of Series A Preferred Stock (each respectively an "**Issuance Date**"), each outstanding share of Series A Preferred Stock will accrue cumulative dividends ("**Dividends**"), at a rate equal to 8.0% per annum, subject to adjustment as provided in this Certificate of Designations ("**Dividend Rate**"), of the Face Value. Dividends will be payable with respect to any shares of Series A Preferred Stock upon any of the following: (a) upon redemption of such shares in accordance with **Section I.F**; (b) upon conversion of such shares in accordance with **Section I.G**; and (c) when, as and if otherwise declared by the board of directors of the Corporation.

2. Dividends, as well as any applicable Conversion Premium payable hereunder, will be paid: (a) in the Corporation's sole and absolute discretion, immediately in cash; or (b) if Corporation notifies Holder it will not pay all or any portion in cash, or to the extent cash is not paid and received as soon as practicable, and in any event within 3 Trading Days after the Notice Date for any reason whatsoever, in shares of Common Stock valued at (i) if there is no Trigger Event, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the Common Stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less \$0.05 per share of Common Stock, not

to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less \$0.05 per share of Common Stock (ii) following any Trigger Event, (A) 80.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less \$0.10 per share of Common Stock, not to exceed (B) 80.0% of the lowest sales price on the last day of any Measurement Period, less \$0.10 per share of Common Stock. In no event will the value of Common Stock pursuant to the foregoing be below the par value per share. All amounts that are required or permitted to be paid in cash pursuant to this Certificate of Designations will be paid by wire transfer of immediately available funds to an account designated by Holder.

3. So long as any shares of Series A Preferred Stock are outstanding, the Company will not repurchase shares of Common Stock other than as payment of the exercise or conversion price of a convertible security or payment of withholding tax, and no dividends or other distributions will be paid, declared or set apart with respect to any Common Stock, except for Purchase Rights.

D. Protective Provision.

1. So long as any shares of Series A Preferred Stock are outstanding, the Corporation will not, without the affirmative approval of the Holders of a majority of the shares of the Series A Preferred Stock then outstanding (voting separately as one class), (i) alter or change adversely the powers, preferences or rights given to the Series A Preferred Stock or alter or amend this Certificate of Designations, (ii) except with respect to any securities issued in a Strategic Transaction, authorize or create any class of stock ranking as to distribution of dividends senior to the Series A Preferred Stock, (iii) amend its certificate of incorporation or other charter documents in breach of any of the provisions hereof, (iv) increase the authorized number of shares of Series A Preferred Stock or (v) enter into any agreement with respect to the foregoing.

2. A “**Deemed Liquidation Event**” will mean: (a) a merger or consolidation in which the Corporation is a constituent party or a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least 6a majority, by voting power, of the capital stock of the surviving or resulting corporation or if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; (b) a Strategic Transaction in which Company issues securities that are senior to the Series A Preferred Stock in any respect, (c) Holder does not receive the number of Conversion Shares stated in a Conversion Notice with 5 Trading Days of the Notice Date; (d) trading of the Common Stock is halted or suspended by the Trading Market or any U.S. governmental agency for 5 or more consecutive trading days; (e) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger

or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

3. The Corporation will not have the power to close or effect a voluntary Deemed Liquidation Event unless the agreement or plan of merger or consolidation for such transaction provides that the consideration payable to the stockholders of the Corporation will be allocated among the holders of capital stock of the Corporation in accordance with **Section I.E**, and the required amount is paid to Holder prior to or upon closing, effectuation or occurrence of the Deemed Liquidation Event.

E. Liquidation.

1. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment or provision for payment of debts and other liabilities of the Corporation, pari passu with any distribution or payment made to the holders of Preferred Stock and Common Stock by reason of their ownership thereof, the Holders of Series A Preferred Stock will be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders an amount with respect to each share of Series A Preferred Stock equal to \$10,000.00 (“**Face Value**”), plus an amount equal to any accrued but unpaid Dividends thereon (collectively with the Face Value, the “**Liquidation Value**”). If, upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the amounts payable with respect to the shares of Series A Preferred Stock are not paid in full, the holders of shares of Series A Preferred Stock will share equally and ratably with the holders of shares of Preferred Stock and Common Stock in any distribution of assets of the Corporation in proportion to the liquidation preference and an amount equal to all accumulated and unpaid Dividends, if any, to which each such holder is entitled.

2. If, upon any liquidation, dissolution or winding up of the Corporation, the assets of the Corporation will be insufficient to make payment in full to all Holders, then the assets distributable to the Holders will be distributed among the Holders at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

F. Redemption.

1. **Corporation’s Redemption Option.** On the Dividend Maturity Date, the Corporation may redeem any or all shares of Series A Preferred Stock by paying Holder in cash an amount per share equal to 100% of the Liquidation Value for the shares redeemed.

2. **Early Redemption.** Prior to the Dividend Maturity Date, the Corporation will have the right at any time (i) prior to or upon closing, effectuation or occurrence of a Deemed Liquidation Event or a Strategic Transaction, or (ii) provided no Triggering Event has occurred, upon 30 days prior written notice, in its sole and absolute discretion, to redeem all or any portion of the shares of Series A Preferred Stock then outstanding by paying Holder in cash an amount per share of Series A Preferred Stock (the “**Early Redemption Price**”) equal to the sum of the following: (a) 100% of the Face Value, plus (b) the Conversion Premium, minus (c) any Dividends that have been paid, for each share of Series A Preferred Stock redeemed.

3. Credit Risk Adjustment.

a. The Dividend Rate will adjust downward by an amount equal to the Decreasing Spread Adjustment for each amount, if any, equal to the Adjustment Factor that the Measuring Metric rises above the Maximum Triggering Level, down to a minimum of 0.0%.

b. The Dividend Rate will adjust upward by an amount equal to the Increasing Spread Adjustment for each amount, if any, equal to the Adjustment Factor that the Measuring Metric falls below the Minimum Triggering Level, up to a maximum of 15.0%. In addition, the Dividend Rate will adjust upward by 10.0% upon the occurrence of any Trigger Event.

c. The adjusted Dividend Rate used for calculation of the Liquidation Value, Conversion Premium, Early Redemption Price and Dividend, as applicable, and the amount of Dividends owed will be calculated and determined based upon the Measuring Metric at close of the Trading Market immediately prior to the Notice Date.

4. Mandatory Redemption. If the Corporation determines to liquidate, dissolve or wind-up its business and affairs, or upon closing or occurrence of any Deemed Liquidation Event, the Corporation will prior to or concurrently with the closing, effectuation or occurrence any such action, redeem the Series A Preferred Stock for cash, by wire transfer of immediately available funds to an account designated by Holder, at the Early Redemption Price set forth in **Section I.F.2** if the event is prior to the Dividend Maturity Date, or at the Liquidation Value if the event is on or after the Dividend Maturity Date.

5. Mechanics of Redemption. In order to redeem any of the Holders' Series A Preferred Stock then outstanding, the Corporation must deliver written notice (each, a "**Redemption Notice**") to each Holder setting forth (a) the number of shares of Series A Preferred Stock that the Corporation is redeeming, (b) the applicable Dividend Rate, Liquidation Value and Early Redemption Price, and (c) the calculation of the amount paid. Upon receipt of payment in cash, each Holder will promptly submit to the Corporation such Holder's Series A Preferred Stock certificates. In connection with a mandatory redemption, the notice will be delivered as soon as the number of shares can be determined, and in all other instances at least 30 Trading Days prior to payment. For the avoidance of doubt, the delivery of a Redemption Notice shall not affect Holder's rights under **Section I.G** until after receipt of cash payment by Holder.

G. Conversion.

1. Mechanics of Conversion.

a. One or more shares of the Series A Preferred Stock may be converted, in part or in whole, into shares of Common Stock, at any time or times after the Issuance Date, in the sole and absolute discretion of Holder or, subject to the terms and conditions hereof, the Corporation; (i) if at the option of Holder, by delivery of one or more written notices to the Corporation or its transfer agent (each, a "**Holder Conversion Notice**"), of

the Holder's election to convert any or all of its Series A Preferred Stock; or (ii) if at the option of the Corporation, if the Equity Conditions are met, delivery of written notice to Holder (each, a "**Corporation Conversion Notice**," with the Holder Conversion Notice, each a "**Conversion Notice**," and with the Redemption Notice, each a "**Notice**"), of the Corporation's election to convert the Series A Preferred Stock. Each Notice will set forth the number of shares of Series A Preferred Stock being converted, the minimum number of Conversion Shares and the amount of Dividends and any applicable Conversion Premium due as of the time the Notice is given (the "**Notice Date**"), and the calculation thereof.

b. If the Corporation notifies Holder by 10:00 a.m. Eastern time on the Trading Day after the Notice Date that it is paying all or any portion of Dividends or Conversion Premium for the shares in the Conversion Notice in cash, and actually pays in cash no later than close of the 3rd Trading Day after the Notice Date, time being of the essence, the amount of Dividends and Conversion Premium due as of the Notice Date, no further amount will be due with respect to any such Dividends and Conversion Premium.

c. As soon as practicable, and in any event within 1 Trading Day of the Notice Date, time being of the essence, the Corporation will do all of the following: (i) transmit the Delivery Notice by facsimile or electronic mail to the Holder, and to the Corporation's transfer agent (the "**Transfer Agent**") with instructions to comply with the Delivery Notice; (ii) either (A) if the Corporation is approved through The Depository Trust Corporation ("**DTC**"), authorize and instruct the credit by the Transfer Agent of such aggregate number of Conversion Shares to which Holder is then entitled, as set forth in the Delivery Notice, to Holder's or its designee's balance account with the DTC Fast Automated Securities Transfer (FAST) Program, through its Deposit/Withdrawal at Custodian (DWAC) system, or (B) only if the Corporation is not approved through DTC, issue and surrender to a common carrier for overnight delivery to the address as specified in the Delivery Notice a certificate bearing no restrictive legend, registered in the name of Holder or its designee, for the number of Conversion Shares to which Holder is then entitled, as set forth in the Delivery Notice; and (iii) at all times thereafter diligently take or cause to be taken all actions reasonably necessary to cause the Conversion Shares to be issued as soon as practicable.

d. If during the Measurement Period the Holder is entitled to receive additional Conversion Shares with regard to a Conversion Notice as a result of the recalculation of the number of Conversion Shares due to a decrease in the value of the Common Stock following the initial Notice Date, Holder may at any time deliver one or more additional written notice to the Corporation or its transfer agent (each, an "**Additional Notice**" and with the Conversion Notice, each a "**Delivery Notice**") setting forth the additional number of Conversion Shares to be delivered, and the calculation thereof.

e. If the Corporation for any reason does not issue or cause to be issued to the Holder within 3 Trading Days after the date of a Delivery Notice, the number of Conversion Shares to which the Holder is entitled as stated in the Delivery Notice, then, in addition to all other remedies available to the Holder, as liquidated damages and not as a penalty, the Corporation will pay in cash to the Holder on each day after such 3rd Trading Day that the issuance of such Conversion Shares is not timely effected an amount equal to 2% of the product of (i) the aggregate number of Conversion Shares not issued to the Holder on a timely basis and

to which the Holder is entitled and (ii) the highest Closing Price of the Common Stock between the date on which the Corporation should have issued such shares to the Holder and the actual date of receipt of Conversion Shares by Holder. It is intended that the foregoing will serve to reasonably compensate Holder for any delay in delivery of Conversion Shares, and not as punishment for any breach by the Corporation. The Corporation acknowledges that the actual damages likely to result from delay in delivery are difficult to estimate and would be difficult for Holder to prove.

f. Notwithstanding any other provision: all of the requirements of **Section I.F** and this **Section I.G** are each independent covenants; the Corporation's obligations to issue and deliver Conversion Shares upon any Conversion Notice are absolute, unconditional and irrevocable; any breach or alleged breach of any representation or agreement, or any violation or alleged violation of any law or regulation, by any party or any other person will not excuse full and timely performance of any of the Corporation's obligations under these sections; and under no circumstances may the Corporation seek or obtain any temporary, interim or preliminary injunctive or equitable relief to prevent or interfere with any issuance of Conversion Shares to Holder.

g. No fractional shares of Common Stock are to be issued upon conversion of Series A Preferred Stock, but rather the Corporation will issue to Holder scrip or warrants registered on the books of the Corporation (certificated or uncertificated) which will entitle Holder to receive a full share upon the surrender of such scrip or warrants aggregating a full share. The Holder will not be required to deliver the original certificates for the Series A Preferred Stock in order to effect a conversion hereunder. The Corporation will pay any and all taxes which may be payable with respect to the issuance and delivery of any Conversion Shares.

h. If for any reason whatsoever Holder does not timely receive the number of Conversion Shares stated in any Notice, Holder will be entitled to a compulsory remedy from the Court of Chancery of immediate specific performance, temporary, interim and, preliminary and final injunctive relief requiring Corporation and its transfer agent, attorneys, officers and directors to immediately issue and deliver the number of Conversion Shares stated by Holder, which requirement will not be stayed for any reason, without the necessity of posting any bond, and which Corporation may not seek to stay or appeal.

2. Holder Conversion. In the event of a conversion of any Series A Preferred Stock pursuant to a Holder Conversion Notice, the Corporation will (a) satisfy the payment of Dividends and Conversion Premium as provided in **Section I.C.2**, and (b) issue to the Holder of such Series A Preferred Stock a number of Conversion Shares equal to (i) the Face Value multiplied by (ii) the number of such Series A Preferred Stock subject to the Holder Conversion Notice divided by (iii) the applicable Conversion Price with respect to such Series A Preferred Stock; all in accordance with the procedures set forth in **Section I.G.1**.

3. Corporation Conversion. The Corporation will have the right to send the Holder a Corporation Conversion Notice at any time in its sole and absolute discretion, if the Equity Conditions are met as of the time such Corporation Conversion Notice is given. Upon any conversion of any Series A Preferred Stock pursuant to a Corporation Conversion Notice, the Corporation will on the date of such notice (a) satisfy the payment of Dividends and

Conversion Premium as provided in **Section I.C.2**, and (b) issue to the Holder of such Series A Preferred Stock a number of Conversion Shares equal to (i) the Face Value multiplied by (ii) the number of such Series A Preferred Stock subject to the Holder Conversion Notice divided by (iii) the applicable Conversion Price with respect to such Series A Preferred Stock; all in accordance with the procedures set forth in **Section I.G.1**.

4. Stock Splits. If the Corporation at any time on or after the filing of this Certificate of Designations subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the applicable Conversion Price, Adjustment Factor, Maximum Triggering Level, Minimum Triggering Level, and other share based metrics in effect immediately prior to such subdivision will be proportionately reduced and the number of shares of Common Stock issuable will be proportionately increased. If the Corporation at any time on or after such Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the applicable Conversion Price, Adjustment Factor, Maximum Triggering Level, Minimum Triggering Level, and other share based metrics in effect immediately prior to such combination will be proportionately increased and the number of Conversion Shares will be proportionately decreased. Any adjustment under this Section will be made in accordance with any applicable Nasdaq and ASX listing rules, and become effective at the close of business on the date the subdivision or combination becomes effective.

5. Rights. In addition to any adjustments pursuant to **Section I.G.4**, if at any time the Corporation grants, issues or sells any options, convertible securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the “**Purchase Rights**”), then Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which Holder could have acquired if Holder had held the number of shares of Common Stock acquirable upon conversion of all Preferred Stock held by Holder immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

6. Notices. The holders of shares of Series A Preferred Stock are entitled to the same rights as the holders of Common Stock with respect to rights to receive notices, reports and audited accounts from the Company and with respect to attending stockholder meetings.

7. Definitions. The following terms will have the following meanings:

a. “**Adjustment Factor**” means \$0.05 per share of Common Stock.

b. “**Closing Price**” means, for any security as of any date, the last closing bid price for such security on the Trading Market, or, if the Trading Market begins to operate on an extended hours basis and does not designate the closing bid price, then the last bid price of such security prior to 4:00 p.m., Eastern time, or, if the Trading Market is not the principal securities exchange or trading market for such security, the last closing bid price of such security on the principal securities exchange or trading market where such security is listed

or traded, or if the foregoing do not apply, the last closing bid price of such security in the over-the-counter market on the electronic bulletin board for such security, or, if no closing bid price is reported for such security, the average of the bid prices of any market makers for such security as reported in the “pink sheets” by Pink Sheets LLC (formerly the National Quotation Bureau, Inc.).

c. “Conversion Premium” for each share of Series A Preferred Stock means the Face Value, multiplied by the product of (i) the applicable Dividend Rate, and (ii) the number of whole years between the Issuance Date and the Dividend Maturity Date.

d. “Conversion Price” means a price per share of Common Stock equal to \$1.00 per share of Common Stock, subject to adjustment as otherwise provided herein.

e. “Conversion Shares” means all shares of Common Stock that are required to be or may be issued upon conversion of Series A Preferred Stock.

f. “Decreasing Spread Adjustment” means 100 basis points.

g. “Dividend Maturity Date” means the date that is 7 years after the Issuance Date.

h. “Equity Conditions” means on each day during the Measurement Period, (i) the Common Stock is not under chill or freeze from DTC, the Common Stock is designated for trading on a Nasdaq market and shall not have been suspended from trading on such market, and delisting or suspension by the Trading Market has not been threatened or pending, either in writing by such market or because Company has fallen below the then effective minimum listing maintenance requirements of such market; (ii) the Corporation has delivered Conversion Shares upon all conversions or redemptions of the Series A Preferred Stock in accordance with their terms to the Holder on a timely basis; (iii) the Corporation will have no knowledge of any fact that would cause both of the following (A) a registration statement not to be effective and available for the resale of all Conversion Shares, and (B) Section 3(a)(9) under the Securities Act of 1933, as amended, not to be available for the issuance of all Conversion Shares, or Securities Act Rule 144 not to be available for the resale of all the Conversion Shares underlying the Series A Preferred Stock without restriction; (iv) there has been a minimum of \$20 million, or 5 times the Face Value of Preferred Share being converted, whichever is lower; in aggregate trading volume in the prior 20 Trading Days; (v) all shares of Common Stock to which Holder is entitled have been timely received into Holder’s designated account in electronic form fully cleared for trading; (vi) the Corporation otherwise shall have been in compliance with and shall not have breached any provision, covenant, representation or warranty of any Transaction Document; (vii) the Measuring Metric is at least \$0.50; and (viii) no Trigger Event shall have occurred.

i. “Increasing Spread Adjustment” means 150 basis points.

j. “Measurement Period” means the period beginning on the Issuance Date and ending, if no Trigger Event has occurred 3 Trading Days, and if a Trigger Event has occurred 30 Trading Days, after the number of Conversion Shares stated in the initial Notice have actually been received into Holder’s designated brokerage account in electronic

form and fully cleared for trading; provided that for each day during the Measurement Period on which less than all of the conditions set forth in **Section I.G.6.h** exist, 1 Trading Day will be added to what otherwise would have been the end of the Measurement Period.

k. “Measuring Metric” means the volume weighted average price of the Common Stock on any Trading Day following the Issuance Date of the Series A Preferred Stock.

l. “Maximum Triggering Level” means \$1.50 per share of Common Stock.

m. “Minimum Triggering Level” means \$0.70 per share of Common Stock.

n. “Stock Purchase Agreement” means the Stock Purchase Agreement or other agreement pursuant to which any share of Series A Preferred Stock is issued, including all exhibits thereto and all related Transaction Documents as defined therein.

o. “Strategic Transaction” means a strategic transaction with one or more of the potential categories of companies or firms described to Investor in writing prior to the Effective Date in connection with the review of strategic alternatives that was announced by Company on September 2, 2015 or any bridge financing in connection therewith.

p. “Trading Day” means any day on which the Common Stock is traded on the Trading Market.

q. “Trading Market” means at the applicable time, the principal U.S. trading exchange or market for the Common Stock. All Trading Market data will be measured as provided by the appropriate function of the Bloomberg Professional service of Bloomberg Financial Markets or its successor performing similar functions.

7. Issuance Limitation. Notwithstanding any other provision, at no time may the Corporation issue shares of Common Stock to Holder which, when aggregated with all other shares of Common Stock then deemed beneficially owned by Holder, would result in Holder owning more than 4.99% of all Common Stock outstanding immediately after giving effect to such issuance, as determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder; provided, however, that Holder may increase such amount to 9.99% upon not less than 61 days’ prior notice to the Corporation. No provision of this paragraph may be waived by Holder or the Corporation.

8. Conversion at Maturity. On the Dividend Maturity Date, all remaining outstanding Series A Preferred Stock will automatically be converted into shares of Common Stock.

9. Principal Market Regulation. Company will not issue any shares of Common Stock pursuant to this Certificate of Designations if the issuance of such shares, collectively with certain additional shares of Common Stock issued or issuable pursuant other Company’s transactions that are aggregated under the Nasdaq Rules, would exceed the aggregate

number of shares of Common Stock the Company may issue upon conversion of the Series A Preferred Stock without breaching Company's obligations under Nasdaq Listing Rule 5635(d), except that such limitation will not apply (1) following shareholder approval in accordance with the requirements of Nasdaq Listing Rule 5635(d) or a waiver from Nasdaq of Listing Rule 5635(d) or (2) if Investor or Company obtains a written opinion from counsel that such approval is not required.

H. Trigger Events. Any occurrence of any one or more of the following shall constitute a "**Trigger Event**":

1. Holder does not timely receive Conversion Shares for any reason whatsoever following a Conversion Notice, including without limitation the issuance of restricted shares if counsel for Corporation or Holder provides a legal opinion that shares may be issued without restrictive legend;
2. Any material breach or failure to timely perform any covenant or provision of this Certificate of Designations, the Stock Purchase Agreement, or any Transaction Document, related to payment of cash, registration or delivery of Conversion Shares, time being of the essence;
3. Any material breach or failure to perform any covenant or provision of this Certificate of Designations, the Stock Purchase Agreement, or any Transaction Document, which in the case of a default that is curable, is not related to payment of cash, registration or delivery of Conversion Shares, and has not occurred before, is not cured within 5 Trading Days of written notice thereof;
4. Any representation or warranty made in the Stock Purchase Agreement or any Transaction Document shall be untrue or incorrect in any material respect as of the date when made or deemed made;
5. The occurrence of any default or event of default under any material agreement, lease, document or instrument to which the Corporation or any subsidiary is obligated, including without limitation of an aggregate of at least \$500,000 of indebtedness, provided that the foregoing shall not include trade payables incurred in the ordinary course of business unless there is a final judgment entered by a court with respect to such default;
6. While any Registration Statement is required to be maintained effective, the effectiveness of the Registration Statement lapses for any reason, including, without limitation, the issuance of a stop order, or the Registration Statement, or the prospectus contained therein, is unavailable to Holder sale of all Conversion Shares for any 5 or more Trading Days, which may be non-consecutive;
7. The suspension from trading or the failure of the Common Stock to be trading or listed on the NASDAQ Global Market or New York Stock Exchange, other than a temporary suspension from trading of not more than two days upon the request of the Company or the applicable Trading Market in connection with the dissemination of material news;

8. The Corporation's written notice to Holder, including without limitation, by way of public announcement or through any of its agents, of its intention not to comply, as required, with a Conversion Notice at any time, including without limitation any objection or instruction to its transfer agent not to comply with any notice from Holder;

9. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Corporation or any subsidiary and, if instituted against the Corporation or any subsidiary by a third party, an order for relief is entered or the proceedings are not be dismissed within 30 days of their initiation;

10. The appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, or other similar official of the Corporation or any subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the Corporation or any Subsidiary in furtherance of any such action or the taking of any action by any person to commence a foreclosure sale or any other similar action under any applicable law;

11. A judgment or judgments for the payment of money aggregating in excess of \$500,000 are rendered against the Corporation or any of its subsidiaries and are not stayed or satisfied within 45 days of entry;

12. The Corporation does not for any reason timely comply with the reporting requirements of the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder, including without limitation timely filing when first due all periodic reports;

13. Any regulatory, administrative or enforcement proceeding is initiated against Corporation or any subsidiary (except to the extent an adverse determination would not have a material adverse effect on the Company's business, properties, assets, financial condition or results of operations or prevent the performance by the Company of any material obligation under the Transaction Documents); or

14. Any material provision of this Certificate of Designations shall at any time for any reason, other than pursuant to the express terms thereof, cease to be valid and binding on or enforceable against the parties thereto, or the validity or enforceability thereof shall be contested by any party thereto, or a proceeding shall be commenced by the Corporation or any subsidiary or any governmental authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or the Corporation or any subsidiary denies that it has any liability or obligation purported to be created under this Certificate of Designations.

I. Stock Register. The Corporation will keep at its principal office, or at the offices of the transfer agent, a register of the Series A Preferred Stock, which will be prima facie indicia of ownership of all outstanding shares of Series A Preferred Stock. Upon the surrender of any certificate representing Series A Preferred Stock at such place, the Corporation, at the request of

the record Holder of such certificate, will execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of shares as is requested by the Holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

II. Miscellaneous.

A. Notices. Any and all notices to the Corporation will be addressed to the Corporation's Chief Executive Officer at the Corporation's principal place of business on file with the Secretary of State of the State of Delaware. Any and all notices or other communications or deliveries to be provided by the Corporation to any Holder hereunder will be in writing and delivered personally, by electronic mail or facsimile, sent by a nationally recognized overnight courier service addressed to each Holder at the electronic mail, facsimile telephone number or address of such Holder appearing on the books of the Corporation, or if no such electronic mail, facsimile telephone number or address appears, at the principal place of business of the Holder. Any notice or other communication or deliveries hereunder will be deemed given and effective on the earliest of (1) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail prior to 5:30 p.m. Eastern time, (2) the date after the date of transmission, if such notice or communication is delivered via facsimile or electronic mail later than 5:30 p.m. but prior to 11:59 p.m. Eastern time on such date, (3) the second business day following the date of mailing, if sent by nationally recognized overnight courier service, or (4) upon actual receipt by the party to whom such notice is required to be given, regardless of how sent.

B. Lost or Mutilated Preferred Stock Certificate. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered Holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series A Preferred Stock, and in the case of any such loss, theft or destruction upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the Holder is a financial institution or other institutional investor its own agreement will be satisfactory) or in the case of any such mutilation upon surrender of such certificate, the Corporation will, at its expense, execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

C. Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designations and will not be deemed to limit or affect any of the provisions hereof.

RESOLVED, FURTHER, that the chairman, chief executive officer, chief financial officer, president or any vice-president, and the secretary or any assistant secretary, of the Corporation be and they hereby are authorized and directed to prepare and file a Designation of Preferences, Rights and Limitations of Series A Preferred Stock in accordance with the foregoing resolution and the provisions of Delaware law.

IN WITNESS WHEREOF, the undersigned have executed this Certificate this 6th day of November 2015.

Signed: /s/ Alan Shortall

Name: Alan Shortall

Title: Chairman and Chief Executive Officer

Signed: /s/ David C. Hastings

Name: David C. Hastings

Title: Chief Financial Officer

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ALLIANCE WITH
MIRANDA & ESTAVILLO

November 9, 2015

Unilife Corporation
250 Cross Farm Lane
York, PA 17406

Re: Unilife Corporation (the “Corporation”) – Form S-3 (Registration File No. 333-197122) (the “Registration Statement”)

Ladies and Gentlemen:

We have acted as special transaction counsel to the Corporation in connection with the preparation and filing with the Securities and Exchange Commission under the Securities Act of 1933, as amended, (the “Securities Act”) of the prospectus supplement dated the date hereof (the “Prospectus Supplement”) included in the Registration Statement relating to the offering directly to an institutional investor by the Corporation (the “Offering”) of up to 790 shares (the “Shares”) of the Corporation’s Series A Redeemable Convertible Preferred Stock, par value \$0.01 per share (the “Series A Preferred Stock”), up to 5,270,000 shares of the Corporation’s common stock, par value \$0.01 per share (the “Common Stock”), issuable upon conversion of the Series A Preferred Stock and up to 34,730,000 additional shares of Common Stock that the Corporation may issue, at its sole discretion, as a conversion premium or in payment of dividends on such shares of Series A Preferred Stock (collectively, the “Conversion Shares”).

The Shares are being offered and sold in pursuant to a Securities Purchase Agreement dated November 9, 2015 between the Corporation and Discover Growth Fund (the “Purchase Agreement”).

As special transaction counsel to the Corporation, we have supervised all corporate proceedings in connection with the preparation and filing of the Prospectus Supplement and the Purchase Agreement. We bring to your attention that we did not supervise or prepare the prospectus dated October 3, 2014 included in the Registration Statement.

DUANE MORRIS LLP
30 SOUTH 17TH STREET

PHILADELPHIA, PA 19103-4196

PHONE: +1 215 979 1000 FAX: +1 215 979 1020

Unilife Corporation
November 9, 2015
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For purposes of rendering this opinion, we have examined originals or copies (certified or otherwise identified to our satisfaction) of:

- a. The Purchase Agreement;
- b. The Certificate of Incorporation of the Corporation, as amended, including the Certificate of Designation related to the Series A Preferred Stock (the "Certificate of Designation"), certified by the Secretary of State of the State of Delaware;
- c. The Amended and Restated By-laws of the Corporation in the form filed with the Securities and Exchange Commission; and
- d. Resolutions of the Board of Directors of the Corporation, as attested by the Secretary of the Corporation.

We have also examined such other certificates of public officials, such certificates of executive officers of the Corporation and such other records, agreements, documents and instruments as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, we have assumed: (i) the genuineness of all signatures, (ii) the legal capacity of all natural persons, (iii) the authenticity of all documents submitted to us as originals, (iv) the conformity to original documents of all documents submitted to us as certified, conformed or other copies and the authenticity of the originals of such documents and (v) that all records and other information made available to us by the Corporation on which we have relied are complete in all material respects. As to all questions of fact material to these opinions, we have relied solely upon the above-referenced certificates or comparable documents and upon the representations and warranties contained in the Purchase Agreement and other documents delivered pursuant thereto, have not performed or had performed any independent research of public records and have assumed that certificates of or other comparable documents from public officials dated prior to the date hereof remain accurate as of the date hereof.

Based upon the foregoing, we are of the opinion that

1. The issuance of the Shares pursuant to the terms of the Purchase Agreement against receipt by the Corporation of the consideration for the Shares as specified in the Purchase Agreement will result in the Shares being legally issued, fully paid and non-assessable.
2. The issuance of the Conversion Shares upon conversion of the Shares pursuant to the terms of the Certificate of Designation will result in the Conversion Shares being legally issued, fully paid and non-assessable.

The foregoing opinion is limited to the laws of the State of Delaware, and we do not express any opinion herein concerning any other law.

Unilife Corporation
November 9, 2015
Page 3

The opinion expressed herein is rendered as of the date hereof and is based on existing law, which is subject to change. Where our opinion expressed herein refers to events to occur at a future date, we have assumed that there will have been no changes in the relevant law or facts between the date hereof and such future date. We do not undertake to advise you of any changes in the opinion expressed herein from matters that may hereafter arise or be brought to our attention or to revise or supplement such opinions should the present laws of any jurisdiction be changed by legislative action, judicial decision or otherwise.

Our opinion expressed herein is limited to the matters expressly stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated

We hereby consent to the use of this letter as an exhibit to the Registration Statement and to any and all references to our firm in the prospectus and the prospectus supplement that is a part of the Registration Statement. In giving this consent, we do not admit that we are "experts" within the meaning of Section 11 of the Securities Act or within the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ DUANE MORRIS LLP

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (“**Agreement**”) is made and entered into on November 9, 2015 (“**Effective Date**”), by and between Unilife Corporation, a Delaware corporation (“**Company**”), and the investor whose name appears on the signature page hereto (“**Investor**”).

Recitals

A. The parties desire that, upon the terms and subject to the conditions herein, Investor will purchase \$7.5 million in shares of Series A Redeemable Convertible Preferred Stock of the Company, which is convertible into Common Stock at \$1.00 per share; and

B. The offer and sale of the Shares provided for herein are being made pursuant to an effective Registration Statement on Form S-3 under the Act, File No. 333-197122.

Agreement

In consideration of the foregoing, the receipt and adequacy of which are hereby acknowledged, Company and Investor agree as follows:

I. Definitions. In addition to the terms defined elsewhere in this Agreement and the Transaction Documents, capitalized terms that are not otherwise defined have the meanings set forth in the Glossary of Defined Terms attached hereto as **Exhibit 1**.

II. Purchase and Sale.

A. Purchase Amount. Subject to the terms and conditions herein and the satisfaction of the conditions to Closing set forth below, Investor hereby irrevocably agrees to purchase 790 Preferred Shares of Company at \$10,000.00 per share with a 5% original issue discount (“**OID**”) for the sum of \$7,500,000.00 (“**Purchase Amount**”) in cash.

B. Deliveries. The following documents will be fully executed and delivered at the Closing:

1. Certificate of Designations (“**Certificate of Designations**”), in the form attached hereto as **Exhibit 2**, as filed with and accepted by the Secretary of State of Company’s state of incorporation;
2. Transfer Agent Instructions, in the form attached hereto as **Exhibit 3**;
3. Legal Opinion, in the form attached hereto as **Exhibit 4**;
4. Officer’s Certificate, in the form attached hereto as **Exhibit 5**;
5. Secretary’s Certificate, in the form attached hereto as **Exhibit 6**; and
6. Stock certificate or Transfer Agent book entry for the number of purchased Preferred Shares in the name of Investor.

C. Closing Conditions. The consummation of the transactions contemplated by this Agreement (“**Closing**”) is subject to the satisfaction of each of the following conditions:

1. All documents, instruments and other writings required to be delivered by Company to Investor pursuant to any provision of this Agreement or in order to implement and effect the transactions contemplated herein have been fully executed and delivered, including without limitation those enumerated in **Section II.B** above;

2. The Common Stock is listed for and currently trading on the same or higher Trading Market and, subject to **Section IV.L** below, Company is in compliance with all requirements to maintain listing on the Trading Market, and there is no notice of any suspension or delisting with respect to the trading of the shares of Common Stock on such Trading Market;

3. The representations and warranties of Company and Investor set forth in this Agreement are true and correct in all material respects as if made on such date (except for representations and warranties expressly made as of a specified date, which shall be true as of such date);

4. No material breach or default has occurred under any Transaction Document or any other agreement between Company and Investor;

5. Company has the number of duly authorized shares of Common Stock reserved for issuance as required pursuant to the terms of this Agreement;

6. There is not then in effect any law, rule or regulation prohibiting or restricting the transactions contemplated in any Transaction Document, or requiring any consent or approval which will not have been obtained, other than Approval, nor is there any completed, pending or, to Company’s knowledge, threatened or contemplated proceeding or investigation which may have the effect of prohibiting or adversely affecting any of the transactions contemplated by this Agreement, including without limitation the sale, issuance, listing, trading or resale of any Shares on the Trading Market; no statute, rule, regulation, executive order, decree, ruling or injunction will have been enacted, entered, promulgated or adopted by any court or governmental authority of competent jurisdiction that prohibits the transactions contemplated by this Agreement, and no actions, suits or proceedings will be completed, in progress, pending or, to Company’s knowledge, threatened or contemplated by any person other than Investor or any Affiliate of Investor, that seek to enjoin or prohibit the transactions contemplated by this Agreement;

7. Any rights of first refusal, preemptive rights, rights of participation, or any similar right to participate in the transactions contemplated by this Agreement, if any, have been waived in writing; and

8. The Registration Statement is current and effective, and a Prospectus Supplement with regard to the offer and sale of all Shares pursuant to this Agreement has been filed with the Commission within two Trading Days of the Effective Date.

D. Closing. Immediately when all conditions set forth in **Section II.C** have been fully satisfied, Company will issue and sell to Investor and Investor will purchase 790 Preferred Shares by payment to Company of \$7,500,000.00 in cash, by wire transfer of immediately available funds to an account designated by Company.

III. Representations and Warranties.

A. Representations Regarding Transaction. Except as set forth under the corresponding section of the Disclosure Schedules, if any, Company hereby represents and warrants to, and as applicable covenants with, Investor as of the Closing:

1. Organization and Qualification. Company and each Subsidiary is an entity duly incorporated or otherwise organized, validly existing and in good standing (where such concept is applicable) under the laws of the jurisdiction of its incorporation or organization, as applicable, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted, except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect. Neither Company nor any Subsidiary is in violation or default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents, except as would not reasonably be expected to result in a Material Adverse Effect. Each of Company and each Subsidiary is duly qualified to conduct business and is in good standing (where such concept is applicable) as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not reasonably be expected to result in a Material Adverse Effect and, to the knowledge of Company, no proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

2. Authorization; Enforcement. Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder or thereunder. The execution and delivery of each of the Transaction Documents by Company and the consummation by it of the transactions contemplated hereby or thereby have been duly authorized by all necessary action on the part of Company and no further consent or action is required by Company. Each of the Transaction Documents has been, or upon delivery will be, duly executed by Company and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of Company, enforceable against Company in accordance with its terms, except (a) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (c) insofar as indemnification and contribution provisions may be limited by applicable law.

3. No Conflicts. The execution, delivery and performance of the Transaction Documents by Company, the issuance and sale of the Shares and the consummation by Company of the other transactions contemplated thereby do not and will not (a) conflict with or violate any provision of Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, (b) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the

creation of any Lien upon any of the properties or assets of Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other instrument (evidencing Company or Subsidiary debt or otherwise) or other understanding to which Company or any Subsidiary is a party or by which any property or asset of Company or any Subsidiary is bound or affected, (c) conflict with or result in a violation of any material law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which Company or a Subsidiary is subject (including U.S. federal and state securities laws and regulations), or by which any material property or asset of Company or a Subsidiary is bound or affected, or (d) conflict with or violate the terms of any material agreement by which Company or any Subsidiary is bound or to which any property or asset of Company or any Subsidiary is bound or affected; except in the case of each of clauses (b), (c) and (d), such as would not reasonably be expected to result in a Material Adverse Effect.

4. Litigation. There is no action, suit, inquiry, notice of violation, proceeding or investigation completed, pending or, to the knowledge of Company, contemplated or threatened against or affecting Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an “**Action**”), which would reasonably be expected to adversely affect or challenge the legality, validity or enforceability of any of the Transaction Documents or the sale, issuance, listing, trading or resale of any Shares on the Trading Market hereunder. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by Company or any Subsidiary under the Exchange Act or the Act.

5. Filings, Consents and Approvals. Neither Company nor any Subsidiary is required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by Company of the Transaction Documents, other than required federal and state securities filings, filings required under the Australian Corporations Act 2001 (Cth), and such filings and approvals as are required to be made or obtained under the applicable Trading Market or ASX rules in connection with the transactions contemplated hereby, each of which has been, or if not yet required to be filed will be, timely filed.

6. Issuance of Shares. The Shares are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens. Company has reserved and will continue to reserve from its duly authorized capital stock sufficient shares of its Common Stock for issuance pursuant to the Transaction Documents.

7. Disclosure; Non-Public Information. Company will file a current report on Form 8-K (“**Current Report**”) by 8:30 am Eastern time on the Trading Day after the Effective Date describing the material terms and conditions of this Agreement. All information that Company has provided to Investor that constitutes or might constitute material, non-public information will be included in the Current Report. Except for information that will be included in the Current Report, a draft of which has been provided to Investor prior to the Effective Date,

(a) neither Company nor any other Person acting on its behalf has provided Investor or its representatives, agents or attorneys with any information that constitutes or might constitute material, non-public information, including without limitation this Agreement and the Exhibits and Disclosure Schedules hereto, (b) no information contained in the Disclosure Schedules constitutes material non-public information and (c) there is no adverse material information regarding Company that has not been publicly disclosed prior to the Effective Date. Company understands and confirms that Investor will rely on the foregoing representations and covenants in effecting transactions in securities of Company. All disclosure provided to Investor regarding Company, its business and the transactions contemplated hereby, including without limitation the Disclosure Schedules, furnished by or on behalf of Company with respect to the representations and warranties made herein are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

8. No Integrated Offering. Neither Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering to be integrated with prior offerings by Company that cause a violation of the Act or any applicable stockholder approval provisions, including, without limitation, under the rules and regulations of the Trading Market.

9. Financial Condition. The Public Reports set forth as of the dates thereof all outstanding secured and unsecured Indebtedness of Company or any Subsidiary, or for which Company or any Subsidiary has commitments, and any material default with respect to any Indebtedness. Company does not intend to incur debts beyond its ability to pay such debts as they mature, taking into account the timing and amounts of cash to be payable on or in respect of its debt.

10. Section 5 Compliance. No representation or warranty or other statement made by Company in the Transaction Documents contains any untrue statement or omits to state a material fact necessary to make any of them, in light of the circumstances in which it was made, not misleading. Company is not aware of any facts or circumstances that would cause the transactions contemplated by the Transaction Documents, when consummated, to violate Section 5 of the Act or other federal or state securities laws or regulations.

11. Investment Company. Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Preferred Shares, will not be or be an Affiliate of, an “investment company” within the meaning of the Investment Company Act of 1940, as amended. Company will conduct its business in a manner so that it will not become subject to the Investment Company Act.

12. Acknowledgments Regarding Investor. Company's decision to enter into this Agreement has been based solely on the independent evaluation of Company and its representatives, and Company acknowledges and agrees that:

a. Investor is not, has never been, and as a result of the transactions contemplated by the Transaction Documents will not become an officer, director, insider, control person, to Company's knowledge 10% or greater shareholder, or otherwise an affiliate of Company as defined under Rule 12b-2 of the Exchange Act;

b. Investor does not make or has not made any representations, warranties or agreements with respect to the Shares, this Agreement, or the transactions contemplated hereby other than those specifically set forth in **Section III.C** below;

c. The conversion of Preferred Shares and resale of Conversion Shares will result in dilution, which may be substantial; the number of Conversion Shares will increase in certain circumstances; and Company's obligation to issue and deliver Conversion Shares in accordance with this Agreement and the Certificate of Designations is absolute and unconditional regardless of the dilutive effect that such issuances may have; and

d. Investor is acting solely in the capacity of arm's length purchaser with respect to this Agreement and the transactions contemplated hereby; neither Investor nor any of its Affiliates, agents or representatives has or is acting as a legal, financial, investment, accounting, tax or other advisor to Company, or fiduciary of Company, or in any similar capacity; neither Investor nor any of its Affiliates, agents or representatives has provided any legal, financial, investment, accounting, tax or other advice to Company; any statement made in connection with this Agreement or the transactions contemplated hereby is not advice or a recommendation, and is merely incidental to Investor's purchase of the Shares.

13. No Bad Actor Disqualification. Neither Company, any predecessor of Company, any affiliate of Company, any director, executive officer, other officer of Company participating in the offering, or any beneficial owner of 20% or more of Company's outstanding voting equity securities is subject to any bad actor disqualification as provided in Rule 506(d) of Regulation D, and Company is not aware of any facts or circumstances that with the passage of time would reasonably be expected to cause such disqualification.

14. Purpose of Issue of Securities. The purpose of the issue and sale of the Preferred Shares pursuant to this Agreement is not to facilitate the subsequent sale or transfer of the Shares (or grant, issue or transfer any interest in or option over the Shares) into Australia within 12 months following the date of issue of the Preferred Shares or the Conversion Shares, as applicable, by Company.

B. Representations Regarding Company. Except as set forth in any Public Reports or attached exhibits as of the Effective Date, or under the corresponding section of the Disclosure Schedules, if any, Company hereby represents and warrants to, and as applicable covenants with, Investor as of the Closing:

1. Capitalization. The capitalization of the Company as of the Effective Date is as described in the Public Reports. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents which has not been waived or satisfied. Except as a result of the purchase and sale of the Shares, there are no outstanding options, warrants, script rights to

subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or securities convertible into or exercisable for shares of Common Stock. The issuance and sale of the Shares will not obligate Company to issue shares of Common Stock or other securities to any Person, other than Investor, and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange, or reset price under such securities. All of the outstanding shares of capital stock of Company are validly issued, fully paid and nonassessable, have been issued in material compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors of Company or others is required for the issuance and sale of the Shares, other than Approval. There are no stockholders agreements, voting agreements or other similar agreements with respect to Company's capital stock to which Company is a party or, to the knowledge of Company, between or among any of Company's stockholders.

2. Subsidiaries. All of the direct and indirect subsidiaries of Company are set forth in the Public Reports or the corresponding section of the Disclosure Schedules. Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary, and all of such directly or indirectly owned capital stock or other equity interests are owned free and clear of any Liens. All the issued and outstanding shares of capital stock of each Subsidiary are duly authorized, validly issued, fully paid, nonassessable and free of preemptive and similar rights to subscribe for or purchase securities.

3. Public Reports; Financial Statements. Company has filed all required Public Reports for the one year preceding the Effective Date. As of their respective dates or as subsequently amended, the Public Reports complied in all material respects with the requirements of the Act and the Exchange Act and the rules and regulations of the Commission promulgated thereunder, as applicable, and none of the Public Reports, when filed, contained any untrue statement of a material fact or omitted 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. The financial statements of Company included in the Public Reports, as amended, comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with GAAP, except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of Company and its consolidated subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

4. Material Changes. Since the end of the most recent year for which an Annual Report on Form 10-K has been filed with the Commission, (a) there has been no event, occurrence or development that has had, or that would reasonably be expected to result in, a Material Adverse Effect, (b) Company has not incurred any liabilities (contingent or otherwise)

other than (i) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice, and (ii) liabilities not required to be reflected in Company's financial statements pursuant to GAAP or required to be disclosed in filings made with the Commission, (c) Company has not altered its method of accounting, (d) Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock, and (e) Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company equity incentive plans. Company does not have pending before the Commission any request for confidential treatment of information.

5. Litigation. There is no Action completed, pending or, to the knowledge of the Company, threatened, which would reasonably be expected to result in a Material Adverse Effect. Neither Company nor any Subsidiary, nor any director or officer thereof, nor to the knowledge of Company any greater than 5% shareholder or any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, is not pending, and to the knowledge of Company, there is not threatened or contemplated, any investigation by the Commission involving Company or any current or former director or officer of Company, or to the knowledge of Company greater than 5% shareholder of Company.

6. No Bankruptcy. There has not been any petition or application filed, or any judicial or administrative proceeding commenced which has not been discharged, by or against the Company or any Subsidiary or with respect to any of the properties or assets of Company or any Subsidiary under any applicable law relating to bankruptcy, insolvency, reorganization, fraudulent transfer, compromise, arrangement of debt, creditors' rights and no assignment has been made by the Company or any Subsidiary for the benefit of creditors.

7. Labor Relations. No material labor dispute exists or, to the knowledge of Company, is imminent with respect to any of the employees of Company, which would reasonably be expected to result in a Material Adverse Effect.

8. Compliance. Neither Company nor any Subsidiary (a) is in material default under or in material violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by Company or any Subsidiary under), nor has Company or any Subsidiary received notice of a claim that it is in material default under or that it is in material violation of, any indenture, loan or credit agreement or any other similar agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (b) is in violation of any order of any court, arbitrator or governmental body, or (c) is or has been in violation of any statute, rule or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws applicable to its business, except in each case as would not reasonably be expected to have a Material Adverse Effect.

9. Regulatory Permits. Company and each Subsidiary possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct their respective businesses as described in the Public Reports, except where the failure to possess such permits would not, individually or in the

aggregate, reasonably be expected to result in a Material Adverse Effect (“**Material Permits**”), and neither Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any Material Permit.

10. Title to Assets. Company and each Subsidiary have good and marketable title in fee simple to all real property owned by them that is material to the business of Company and each Subsidiary and good and marketable title in all personal property owned by them that is material to the business of Company and each Subsidiary, in each case free and clear of all Liens, except for Liens that do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by Company and each Subsidiary and Liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by Company and each Subsidiary are held by them under valid, subsisting and enforceable leases of which Company and each Subsidiary are in compliance.

11. Patents and Trademarks. Company and each Subsidiary have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, licenses and other similar rights that are necessary or material for use in connection with their respective businesses as described in the Public Reports and which the failure to so have would have a Material Adverse Effect (collectively, “**Intellectual Property Rights**”). Neither Company nor any Subsidiary has received a written notice that the Intellectual Property Rights used by Company or any Subsidiary violates or infringes upon the rights of any Person. To the knowledge of Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Intellectual Property Rights of Company or each Subsidiary.

12. Insurance. Company and each Subsidiary are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which Company and each Subsidiary are engaged, including but not limited to directors and officers insurance coverage at least equal to the Purchase Amount. To Company’s knowledge, such insurance contracts and policies are accurate and complete in all material respects. Neither Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without an increase in cost that would constitute a Material Adverse Effect.

13. Transactions with Affiliates and Employees. None of the officers or directors of Company and, to the knowledge of Company, none of the employees of Company is presently a party to any transaction with Company or any Subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner, in each case in excess of \$120,000 other than (i) for payment of salary or consulting fees for services rendered, (ii) reimbursement for expenses incurred on behalf of Company and (iii) for other employee benefits, including stock option agreements under any equity incentive plan of Company.

14. Sarbanes-Oxley; Internal Accounting Controls. Company is in material compliance with all provisions of the Sarbanes-Oxley Act of 2002, which are applicable to it as of the date of the Closing. Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of Company's disclosure controls and procedures based on their evaluations as of the evaluation date. Since the date of the most recently filed periodic report under the Exchange Act, there have been no significant changes in Company's internal accounting controls or its disclosure controls and procedures or, to Company's knowledge, in other factors that could materially affect Company's internal accounting controls or its disclosure controls and procedures.

15. Certain Fees. No brokerage or finder's fees or commissions are or will be payable to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Agreement. Notwithstanding any other provision, Investor will have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this section that may be due in connection with the transactions contemplated by this Agreement or the other Transaction Documents.

16. Registration Rights. No Person has any right to cause Company to effect the registration under the Act of any securities of Company.

17. Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12 of the Exchange Act, and Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has Company received any notification that the Commission is contemplating terminating such registration. Company has not, in the 12 months preceding the Effective Date, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that Company is not in compliance with the listing or maintenance requirements of such Trading Market. Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements.

18. Application of Takeover Protections. Company and its Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under Company's Certificate of Incorporation (or similar charter documents) or the laws of its state of incorporation that is or could become applicable to Investor as a result of Investor and Company fulfilling their obligations or exercising their rights under the Transaction Documents, including without limitation Company's issuance of the Shares and Investor's ownership of the Shares.

19. Tax Status. Company and each of its Subsidiaries has made or filed all federal, state and foreign income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject (unless and only to the extent that Company and each of its Subsidiaries has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes). Company has not executed a waiver with respect to the statute of limitations relating to the assessment or collection of any foreign, federal, statute or local tax.

None of Company's tax returns is presently being audited by any taxing authority. Company would not be classified as a PFIC for its most recently completed taxable year, and does not expect to be classified as a PFIC for its current taxable year.

20. Foreign Corrupt Practices. Neither Company, nor to the knowledge of Company, any agent or other person acting on behalf of Company, has (a) directly or indirectly, used any corrupt funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (b) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (c) failed to disclose fully any contribution made by Company, or made by any person acting on its behalf of which Company is aware, which is in violation of law, or (d) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

21. Accountants. Company's accountants are set forth in the Public Reports and such accountants are an independent registered public accounting firm.

22. No Disagreements with Accountants or Lawyers. There are no material disagreements presently existing, or reasonably anticipated by Company to arise, between Company and the accountants or lawyers formerly or presently employed by Company.

23. Powers of Attorney. There are no outstanding powers of attorney executed on behalf of the Company or any Subsidiary, except such as would not reasonably be expected to result in a Material Adverse Effect.

24. Computer and Technology Security. Company has taken all reasonable steps to safeguard the information technology systems utilized in the operation of the business of Company, including the implementation of procedures to minimize the risk that such information technology systems have any disabling codes or instructions, timer, copy protection device, clock, counter or other limiting design or routing and any back door, virus, malicious code or other software routines or hardware components that in each case permit unauthorized access or the unauthorized disablement or unauthorized erasure of data or other software by a third party, and, to Company's knowledge, to date there have been no successful unauthorized intrusions or breaches of the security of the information technology systems.

25. Data Privacy. Company has: (a) complied with, and is presently in compliance with, all applicable laws in connection with data privacy, information security, data security and/or personal information; (b) complied with, and is presently in material compliance with, its policies and procedures applicable to data privacy, information security, data security, and personal information; (c) not experienced any incident in which personal information or other sensitive data was or may have been stolen or improperly accessed; and Company is not aware of any facts suggesting the likelihood of the foregoing, including without limitation, any breach of security or receipt of any notices or complaints from any Person regarding personal information or other data.

C. Representations and Warranties of Investor. Investor hereby represents and warrants to Company as of the Closing as follows:

1. Organization; Authority. Investor is an entity validly existing and in good standing under the laws of the jurisdiction of its organization with full right, company power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations thereunder. The execution, delivery and performance by Investor of the transactions contemplated by this Agreement have been duly authorized by all necessary company or similar action on the part of Investor. Each Transaction Document to which it is a party has been, or will be, duly executed by Investor, and when delivered by Investor in accordance with the terms hereof, will constitute the valid and legally binding obligation of Investor, enforceable against it in accordance with its terms, except (a) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (c) insofar as indemnification and contribution provisions may be limited by applicable law.

2. Investor Status. At the time Investor was offered the Shares, it was, and at the Effective Date it is: (a) an accredited investor as defined in Rule 501(a) under the Act; and (b) not a registered broker-dealer, member of FINRA, or an affiliate thereof.

3. Experience of Investor. Investor, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. Investor is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

4. Ownership. Investor is acquiring the Preferred Shares as principal for its own account. Investor will not engage in hedging transactions with regard to the Shares, and will resell the Shares only pursuant to registration under the Act or an available exemption therefrom.

5. No Short Sales. Neither Investor nor any Affiliate (a) currently holds any short position in the Common Stock, (b) has ever engaged in any Short Sales of the Common Stock, (c) has engaged in any hedging transactions with regard to the Shares prior to the Effective Date, or (d) has traded any securities of Company within 30 days of the Effective Date.

6. No Resale in Australia. Investor is not acquiring the Preferred Shares pursuant to this Agreement for the purpose of selling or transferring the Shares (or granting, issuing or transferring any interest in or option over the Shares) into Australia, and Investor will not sell any Conversion Shares into Australia, within 12 months following the date of issue of the Preferred Shares or the Conversion Shares, as applicable, by Company.

IV. Securities and Other Provisions.

A. Investor Due Diligence. Investor will have the right and opportunity to conduct customary due diligence with respect to any Registration Statement or Prospectus in which the name of Investor or any Affiliate of Investor appears.

B. Furnishing of Information. As long as Investor owns any Shares, Company will timely file all reports required to be filed by Company after the Effective Date pursuant to the Exchange Act. As long as Investor owns any Shares, Company will prepare and make publicly available such information as is required for Investor to sell its Conversion Shares under Rule 144. Company further covenants that, as long as Investor owns any Shares, Company will take such further action as Investor may reasonably request, all to the extent required from time to time to enable Investor to sell its Conversion Shares without registration under the Act within the limitation of the exemptions provided by Rule 144.

C. Integration. Company will not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security, as defined in Section 2 of the Act, that would be integrated with the offer or sale of the Shares to Investor for purposes of the rules and regulations of any Trading Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

D. Disclosure and Publicity. Company will notify Investor prior to issuing any current report, press release, public statement or communication with respect to the transactions contemplated hereby.

E. Shareholders Rights Plan. No claim will be made or enforced by Company or, to the knowledge of Company, any other Person that Investor is an “Acquiring Person” under any shareholders rights plan or similar plan or arrangement in effect or hereafter adopted by Company, or that Investor could be deemed to trigger the provisions of any such plan or arrangement, in either such case, by virtue of receiving Shares under the Transaction Documents or under any other agreement between Company and Investor. Company will conduct its business in a manner so that it will not become subject to the Investment Company Act of 1940, as amended.

F. No Non-Public Information. Company covenants and agrees that neither it nor any other Person acting on its behalf will, provide Investor or its agents or counsel with any information that Company believes or reasonably should believe will constitute material non-public information after Closing. On and after Closing, neither Investor nor any Affiliate of Investor will have any duty of trust or confidence that is owed directly, indirectly, or derivatively, to Company or the stockholders of Company, or to any other Person who is the source of material non-public information regarding Company. Company understands and confirms that Investor will be relying on the foregoing in effecting transactions in securities of Company, including without limitation sales of the Shares.

G. Indemnification of Investor.

1. Obligation to Indemnify. Subject to the provisions of this **Section IV.G**, Company will indemnify and hold Investor, its Affiliates, managers and advisors, and each of their officers, directors, shareholders, partners, employees, representatives, agents and attorneys, and any person who controls Investor within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (collectively, “**Investor Parties**” and each a “**Investor Party**”), harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, reasonable costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys’ fees and costs of investigation (collectively, “**Losses**”) that any Investor Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by Company in this Agreement or in the other Transaction Documents, (b) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, Prospectus, Prospectus Supplement, or any information incorporated by reference therein, or arising out of or based upon any omission or alleged omission 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, or (c) any action by a creditor or stockholder of Company who is not an Affiliate of an Investor Party, challenging the transactions contemplated by the Transaction Documents; provided, however, that Company will not be obligated to indemnify any Investor Party for any Losses finally adjudicated to be caused solely by (i) a false statement of material fact contained within written information provided by such Investor Party expressly for the purpose of including it in the applicable Registration Statement, Prospectus, Prospectus Supplement, or (ii) such Investor Party’s unexcused material breach of an express provision of this Agreement or another Transaction Document.

2. Procedure for Indemnification. If any action will be brought against an Investor Party in respect of which indemnity may be sought pursuant to this Agreement, such Investor Party will promptly notify Company in writing, and Company will have the right to assume the defense thereof with counsel of its own choosing. Investor Parties will have the right to employ separate counsel in any such action and participate in the defense thereof, but the reasonable fees and expenses of such counsel will be at the expense of Investor Parties except to the extent that (a) the employment thereof has been specifically authorized by Company in writing, (b) Company has failed after a reasonable period of time to assume such defense and to employ counsel or (c) in such action there is, in the reasonable opinion of such separate counsel, a material conflict with respect to the dispute in question on any material issue between the position of Company and the position of Investor Parties such that it would be inappropriate for one counsel to represent Company and Investor Parties. Company will not be liable to Investor Parties under this Agreement (i) for any settlement by an Investor Party effected without Company’s prior written consent, which will not be unreasonably withheld or delayed; or (ii) to the extent, but only to the extent that a loss, claim, damage or liability is either attributable to Investor’s breach of any of the representations, warranties, covenants or agreements made by Investor in this Agreement or in the other Transaction Documents. In no event will the Company be liable for the reasonable fees and expenses for more than one separate firm of attorneys (plus one local counsel per jurisdiction as applicable) to represent all Investor Parties.

3. Other than the liability of Investor to Company for uncured material breach of the express provisions of this Agreement, no Investor Party will have any liability to Company or any Person asserting claims on behalf of or in right of Company as a result of acquiring the Shares under this Agreement.

H. Reservation of Shares. Company has reserved 60 million shares of Common Stock for issuance to Investor, and upon written request from Investor from time to time after Company's next annual meeting of stockholders will reserve shares in an amount equal to thrice the number of shares sufficient to immediately issue all Conversion Shares potentially issuable on the date of such notice.

I. Activity Restrictions. For so long as Investor or any of its Affiliates holds any Shares, neither Investor nor any Affiliate will: (1) vote any shares of Common Stock owned or controlled by it, sign or solicit any proxies, attend or be present at a shareholder meeting for purposes of determining a quorum, or seek to advise or influence any Person with respect to any voting securities of Company; (2) engage or participate in any actions, plans or proposals which relate to or would result in (a) acquiring additional securities of Company, alone or together with any other Person, which would result in beneficially owning or controlling more than 9.99% of the total outstanding Common Stock or other voting securities of Company, (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving Company or any of its Subsidiaries, (c) a sale or transfer of a material amount of assets of Company or any of its Subsidiaries, (d) any change in the present board of directors or management of Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board, (e) any material change in the present capitalization or dividend policy of Company, (f) any other material change in Company's business or corporate structure, including but not limited to, if Company is a registered closed-end investment company, any plans or proposals to make any changes in its investment policy for which a vote is required by Section 13 of the Investment Company Act of 1940, (g) changes in Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of Company by any Person, (h) a class of securities of Company being delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association, (i) a class of equity securities of Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act, or (j) any action, intention, plan or arrangement similar to any of those enumerated above; or (3) request Company or its directors, officers, employees, agents or representatives to amend or waive any provision of this section.

J. No Shorting. Provided no Trigger Event under **Sections I.H.(1), (6), (7), (8), (9), (10) or (14)** of the Certificate of Designations has occurred, for so long as Investor holds any Shares, neither Investor nor any of its Affiliates will engage in or effect, directly or indirectly, any Short Sale of Common Stock. For the avoidance of doubt, selling against delivery of Conversion Shares after delivery of a Conversion Notice is not a Short Sale. There will be no restriction or limitation of any kind on Investor's right or ability to sell or transfer any or all of the Conversion Shares at any time, in its sole and absolute discretion. Investor may not sell, transfer or assign any Preferred Shares.

K. Stock Splits. If Company at any time on or after the Effective Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) or combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a greater or lesser number of shares, the share numbers, prices and other amounts set forth in this Agreement, as in effect immediately prior to such subdivision or combination, will be proportionately reduced or increased, as applicable. Any adjustment under this Section will be made in accordance with any applicable Nasdaq and ASX listing rules, and become effective at the close of business on the date the subdivision or combination becomes effective.

L. Subsequent Financings. As long as Investor holds any Preferred Shares, Company will not enter into any agreement that in any way restricts its ability to enter into any agreement, amendment or waiver with Investor, including without limitation any agreement to offer, sell or issue to Investor any preferred stock, common stock or other securities of Company, other than (1) in a Strategic Transaction or (2) an agreement that generally restricts the ability of Company to issue any equity securities for a period not to exceed 90 days following the date of such agreement. Until 60 days after the Closing, Company will not enter into any equity or convertible financing pursuant to which shares of Common Stock may effectively be issued (i) at a discount, (ii) at a variable price or where the price or number of shares are subject to any type of variability or reset feature, or (iii) pursuant to a shelf registration or with registration rights. Notwithstanding the foregoing, Company may enter into financing of the type set forth above: (a) with Investor; (b) pursuant to existing agreements which are not amended after the Effective Date; (c) in an underwritten public offering of Common Stock at a fixed price; (d) for non-convertible debt with no equity component; (e) with an existing investor or lender as of the Effective Date; or (f) in a Strategic Transaction.

M. Approval. Company will file a preliminary proxy statement within 21 days of the Effective Date, and use its commercially reasonable best efforts to obtain stockholder approval of this Agreement and the issuance of the Conversion Shares, if necessary, in accordance with the requirements of Nasdaq Listing Rule 5635(d) or a waiver from Nasdaq of Listing Rule 5635(d) (“**Approval**”) as soon as practicable after the Effective Date. Company, its board of directors, and each of its directors will vote all proxies given to them in favor of Approval. Company will not issue any shares of Common Stock after the Effective Date to Lincoln Park Capital Fund, LLC under the purchase agreement dated July 29, 2015 until Company receives stockholder approval of proposal #4 as set forth in Company’s definitive proxy statement, filed with the Commission on October 2, 2015.

N. Principal Market Regulation. Company has submitted any necessary notification and supporting documentation required for the Listing of Additional Shares (“**LAS**”) with Nasdaq for the Conversion Shares, received preliminary approval from Nasdaq to list the Conversion Shares, and will use its commercially reasonable best efforts to obtain LAS. Company will not issue any Conversion Shares if the issuance of shares of Common Stock would exceed the aggregate number of shares of Common Stock the Company may issue upon conversion of Preferred Shares without breaching Company’s obligations under Nasdaq Listing Rule 5635 (d), except that such limitation will not apply (1) following Approval, or (2) if Investor or Company obtains a written opinion from counsel that Approval is not required.

V. Registration Statement. The Registration Statement is current and effective, and a Prospectus Supplement with regard to the offer and sale of the Preferred Shares and 60 million Conversion Shares will be filed with the Commission within two Trading Days of the Effective Date.

VI. General Provisions.

A. Notice. Unless a different time of day or method of delivery is specifically provided in the Transaction Documents, any and all notices or other communications or deliveries required or permitted to be provided hereunder will be in writing and will be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail prior to 5:00 p.m. Eastern time on a Trading Day and an electronic confirmation of delivery is received by the sender, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered later than 5:00 p.m. Eastern time or on a day that is not a Trading Day, (c) the next Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (d) upon actual receipt by the party to whom such notice is required to be given. The addresses for such notices and communications are such other address as may be designated in writing, in the same manner, by such Person.

B. Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by Company and Investor or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement will be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor will any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

C. No Third-Party Beneficiaries. Except as otherwise set forth in **Section IV.G**, this Agreement and the Transaction Documents will inure solely to the benefit of the parties hereto, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person. A Person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 of the Cayman Islands to enforce any term of this Agreement or any Transaction Document.

D. Fees and Expenses. Company has paid a flat rate documentation fee to Investor's counsel incurred in connection with drafting this Agreement and the other Transaction Documents. Except as otherwise provided in this Agreement, each party will pay the fees and expenses of its own advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of the Transaction Documents. Company acknowledges and agrees that Investor's counsel solely represents Investor, and does not represent Company or its interests in connection with the Transaction Documents or the transactions contemplated thereby. Company will pay all stamp and other taxes and duties, if any, levied in connection with the sale or issuance of the Shares to Investor.

E. Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement will not in any way be affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, will incorporate such substitute provision in this Agreement.

F. Replacement of Certificates. If any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, Company will issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to Company of such loss, theft or destruction and customary and reasonable indemnity, if requested. The applicants for a new certificate or instrument under such circumstances will also pay any reasonable third-party costs associated with the issuance of such replacement certificates.

G. Governing Law. All matters between the parties, including without limitation questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents will be governed by and construed and enforced in accordance with the laws of the Cayman Islands, without regard to the principles of conflicts of law that would require or permit the application of the laws of any other jurisdiction, except for corporation law matters applicable to Company which will be governed by the corporate law of its jurisdiction of formation. The parties hereby waive all rights to a trial by jury. In any action, arbitration or proceeding, including appeal, arising out of or relating to any of the Transaction Documents or otherwise involving the parties, the prevailing party will be awarded its reasonable attorneys' fees and other costs and expenses reasonably incurred in connection with the investigation, preparation, prosecution or defense of such action or proceeding.

H. Arbitration.

1. Any dispute, controversy, claim or action of any kind arising out of, relating to, or in connection with this Agreement, or in any way involving Company and Investor or their respective Affiliates, including any issues of arbitrability, will be resolved solely by final and binding arbitration in English before a retired judge at JAMS International, or its successor, in the Territory of the Virgin Islands, pursuant to the most expedited and Streamlined Arbitration Rules and Procedures available. Any interim or final award may be entered and enforced by any court of competent jurisdiction. The final award will include the prevailing party's reasonable arbitration, expert witness and attorney fees, costs and expenses.

2. Notwithstanding the foregoing, Investor may in its sole discretion bring an action in the Delaware Court of Chancery or the U.S. District Court for the District of Delaware in addition to, in lieu of, or in aid of arbitration.

I. Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of Investor and Company will be entitled to specific performance under the Transaction Documents, and equitable and injunctive relief to prevent any actual or threatened breach under the Transaction Documents, to the full extent permitted under applicable laws. Without limitation of the foregoing, Company acknowledges

that the rights and benefits of Investor pursuant to Section I.G.1. of the Certificate of Designations are unique and that no adequate remedy exists at law if Company breaches or fails timely perform any of its obligations thereunder, that it would be difficult to determine the amount of damages resulting therefrom, that it would cause irreparable injury to Investor, and that any potential harm to Company would be adequately and fully compensable with monetary damages. Accordingly, Investor will be entitled to a compulsory remedy of immediate specific performance, temporary, interim, preliminary and final injunctive relief to enforce the provisions thereof, including without limitation requiring Company and its transfer agent, attorneys, officers and directors to immediately take all actions necessary to issue and deliver the number of Conversion Shares stated by Investor, and prohibiting any Common Stock from being issued or transferred until after all Conversion Shares have been received by Investor in electronic form and fully cleared for trading, which requirements will not be stayed for any reason, without the necessity of posting any bond. Company hereby absolutely, unconditionally and irrevocably waives all objections and rights to oppose any motion, application or request by Investor to issue any number of Conversion Shares, and all rights to stay or appeal any resulting order, and any appeal by Company or on its behalf will be immediately and automatically dismissed.

J. Payment Set Aside. To the extent that Company makes a payment or payments to Investor pursuant to any Transaction Document or Investor enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to Company, a trustee, receiver or any other person under any law, including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action, then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied will be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

K. Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and will not be deemed to limit or affect any of the provisions hereof

L. Time of the Essence. Time is of the essence with respect to all provisions of this Agreement.

M. Survival. The representations and warranties contained herein will survive the Closing and the delivery of the Shares until all Preferred Shares issued to Investor have been converted or redeemed. Neither party will be under any obligation to update or supplement any of its representations or warranties following the Closing due to a change that occurred after the Closing.

N. Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of the Transaction Documents or any amendments hereto. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. All currency references in any Transaction Document are to U.S. dollars.

O. Further Assurances. Each party will take all further actions and execute all further documents as may be reasonably necessary to implement the provisions and carry out the intent of this Agreement fully and effectively.

P. Execution. This Agreement may be executed in two or more counterparts, all of which when taken together will be considered one and the same agreement and will become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by portable document format, facsimile or electronic transmission, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

Q. Entire Agreement. This Agreement, including the Exhibits hereto, which are hereby incorporated herein by reference, contains the entire agreement and understanding of the parties, and supersedes all prior and contemporaneous agreements, term sheets, letters, discussions, communications and understandings, both oral and written, which the parties acknowledge have been merged into this Agreement. No party, representative, advisor, attorney or agent has relied upon any collateral contract, agreement, assurance, promise, understanding, statement or representation not expressly set forth herein. The parties hereby absolutely, unconditionally and irrevocably waive all rights and remedies, at law and in equity, directly or indirectly arising out of or relating to, or which may arise as a result of, any Person's reliance on any such statement or assurance.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized signatories on the Effective Date.

Company:

Unilife Corporation

By: /s/ Alan Shortall
Name: Alan Shortall
Title: Chairman and Chief Executive Officer

By: /s/ John Ryan
Name: John Ryan
Title: Senior Vice President, General Counsel, and Secretary

Investor:

Discover Growth Fund
Investor Name

By: /s/ Miles Walton
Name: Miles Walton
Title: Osiris Management Services Ltd Director

By: /s/ Colin Alexander
Name: Colin Alexander
Title: Authorised Signatory

Exhibit 1

Glossary of Defined Terms

“**\$**” means the currency of the United States of America, in which all dollar amounts in the Transaction Documents will be expressed.

“**Act**” means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder.

“**Action**” has the meaning set forth in **Section III.A.4**.

“**Affiliate**” means any Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a Person, as such terms are used in and construed under Rule 144 under the Act.

“**Agreement**” means this Stock Purchase Agreement.

“**Approval**” has the meaning set forth in **Section IV.M**.

“**Certificate of Designations**” has the meaning set forth in **Section II.B.1**.

“**Closing**” has the meaning set forth in **Section II.D**.

“**Commission**” means the U.S. Securities and Exchange Commission.

“**Common Stock**” means the Common Stock of Company and any replacement or substitute thereof, or any share capital into which such Common Stock will have been changed or any share capital resulting from a reclassification of such Common Stock.

“**Company**” has the meaning set forth in the first paragraph of the Agreement.

“**Conversion Shares**” includes all shares of Common Stock potentially issuable in relation to the Preferred Shares, including Common Stock that must be issued upon conversion of any Preferred Shares, and Common Stock that must or may be issued in payment of any Dividends or Conversion Premium.

“**Disclosure Schedules**” means the disclosure schedules of Company delivered concurrently herewith. The Disclosure Schedules will contain no material non-public information.

“**DTC**” means The Depository Trust Company, or any successor performing substantially the same function for Company.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder.

“**Effective Date**” has the meaning set forth in the first paragraph of the Agreement.

“**GAAP**” means U.S. generally accepted accounting principles applied on a consistent basis during the periods involved.

“**Indebtedness**” means (a) any liabilities for borrowed money or amounts owed in excess of \$500,000, other than trade accounts payable incurred in the ordinary course of business, (b) all guaranties, endorsements and other contingent obligations in respect of Indebtedness of others, whether or not the same are or should be reflected in Company’s balance sheet, or the notes thereto, except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (c) the present value of any lease payments in excess of \$500,000 due under leases required to be capitalized in accordance with GAAP.

“**Intellectual Property Rights**” has the meaning set forth in **Section III.B.11**.

“**Legal Opinion**” means an opinion from Company’s independent legal counsel, in the form attached as **Exhibit 4**.

“**Liens**” means a lien, charge, security interest or encumbrance in excess of \$500,000, or a right of first refusal, preemptive right or other restriction.

“**Material Adverse Effect**” includes any material adverse effect on (a) the legality, validity or enforceability of any Transaction Document, (b) the results of operations, assets, business, or financial condition of Company and the Subsidiaries, taken as a whole, which is not disclosed in the Public Reports prior to the Effective Date, (c) Company’s ability to perform in any material respect on a timely basis its obligations under any Transaction Document, (d) the sale, issuance, registration, listing and trading on the Trading Market of the Conversion Shares (other than a temporary suspension from trading of not more than 2 days in connection with the dissemination of material news); provided, however, that no event, circumstance, change or effect resulting from or arising out of any of the following shall constitute a Material Adverse Effect: (1) the filing of the Current Report or the consummation of the transactions described therein, or (2) the announcement or consummation of a Strategic Transaction.

“**Material Permits**” has the meaning set forth in **Section III.B.9**.

“**Officer’s Certificate**” means a certificate executed by an authorized officer of Company, in the form attached as **Exhibit 5**.

“**Person**” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government, or an agency or subdivision thereof, or other entity of any kind.

“**Preferred Shares**” means shares of Series A Redeemable Convertible Preferred Stock of the Company to be issued to Investor pursuant to this Agreement.

“**Prospectus**” means the final prospectus filed for the Registration Statement.

“**Prospectus Supplement**” means the supplement to the Prospectus complying with Rule 424(b) of the Securities Act that is filed with the Commission and delivered by the Company to Investor.

“**Public Reports**” includes all reports filed by Company under the Act or the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two full fiscal years preceding the Effective Date and thereafter.

“**Purchase Amount**” has the meaning set forth in **Section II.A.1**.

“**Investor**” has the meaning set forth in the first paragraph of the Agreement.

“**Registration Statement**” includes a valid, current and effective Registration Statement, File No. 333-197122, registering all Conversion Shares for resale, including the prospectus therein, amendments and supplements to such Registration Statement or prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement, and any information contained or incorporated by reference in a prospectus filed with the Commission in connection with the Registration Statement, to the extent such information is deemed under the Act to be part of any registration statement.

“**Secretary’s Certificate**” means a certificate, in the form attached as **Exhibit 6**, signed by the secretary of Company.

“**Shares**” include the Preferred Shares and the Conversion Shares.

“**Short Sale**” means a “short sale” as defined in Rule 200 of Regulation SHO of the Exchange Act.

“**Strategic Transaction**” means a strategic transaction or related bridge financing with one or more of the potential categories of companies or firms described to Investor in writing prior to the Effective Date in connection with the review of strategic alternatives that was announced by Company on September 2, 2015.

“**Subsidiary**” means any Person Company owns or controls, or in which Company, directly or indirectly, owns a majority of the capital stock or similar interest that would be disclosable pursuant to Regulation S-K, Item 601(b)(21).

“**Trading Day**” means any day on which the Common Stock is traded on the Trading Market; provided that it will not include any day on which the Common Stock is (a) scheduled to trade for less than 5 hours, or (b) suspended from trading.

“**Trading Market**” has the meaning set forth in the Certificate of Designations.

“**Transaction Documents**” means this Agreement, the other agreements, certificates and documents referenced herein or the form of which is attached hereto, and the exhibits, schedules and appendices hereto and thereto.

“Transfer Agent Instructions” means a letter agreement executed by Company, its current transfer agent, and any successor transfer agent for the Common Stock, in the form attached as **Exhibit 3**.

Exhibit 2

Certificate of Designations

Unilife Corporation

CERTIFICATE OF DESIGNATIONS OF PREFERENCES, POWERS,
RIGHTS AND LIMITATIONS
OF
SERIES A REDEEMABLE CONVERTIBLE PREFERRED STOCK

The undersigned, _____ and _____, hereby certify that:

1. The undersigned are the Chief Executive Officer and Chief Financial Officer, respectively, of Unilife Corporation, a Delaware corporation (the “**Corporation**”);

2. The Corporation is authorized to issue 50,000,000 shares of preferred stock, none of which are currently designated, issued or outstanding; and

3. The following resolutions were duly adopted by the Board of Directors:

WHEREAS, the Certificate of Incorporation of the Corporation provides for a class of its authorized stock known as preferred stock, comprised of 50,000,000 shares, \$0.01 par value per share (the “**Preferred Stock**”), issuable from time to time in one or more series;

WHEREAS, the Board of Directors of the Corporation is authorized to fix the dividend rights, dividend rate, powers, voting rights, conversion rights, rights and terms of redemption and liquidation preferences of any wholly unissued series of Preferred Stock and the number of shares constituting any Series and the designation thereof, of any of them;

WHEREAS, it is the desire of the Board of Directors of the Corporation, pursuant to its authority as aforesaid and as set forth in this Certificate of Designations of Preferences, Powers, Rights and Limitations of Series A Preferred Stock, to designate the rights, preferences, restrictions and other matters relating to the Series A Preferred Stock, which will consist of up to 5,000 shares of the Preferred Stock which the Corporation has the authority to issue, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby provide for the issuance of a series of Preferred Stock for cash or exchange of other securities, rights or property and does hereby fix and determine the powers, rights, preferences, restrictions and other matters relating to such series of Preferred Stock as follows:

I. Terms of Preferred Stock.

A. Designation and Amount. A series of Preferred Stock is hereby designated as the Corporation’s Series A Preferred Stock, par value of \$0.01 per share (the “**Series A**”

Preferred Stock”), the number of shares of which so designated are 5,000 shares of Series A Preferred Stock; which Series A Preferred Stock will not be subject to increase without any consent of the holders of the Series A Preferred Stock (each a “**Holder**” and collectively, the “**Holders**”) that may be required by applicable law.

B. Ranking and Voting.

1. Ranking. The Series A Preferred Stock will, with respect to dividend rights and rights upon liquidation, winding-up or dissolution, rank: (a) senior to the Corporation’s Common Stock, \$0.01 par value per share (“**Common Stock**”); (b) senior to any other series of the Preferred Stock, or senior, pari passu or junior with respect to Preferred Stock issued in a Strategic Transaction, as set forth in the Certificate of Designations of Preferences, Powers, Rights and Limitations with respect to such Preferred Stock; and (c) junior to all existing and future indebtedness of the Corporation. Except with respect to Preferred Stock issued in a Strategic Transaction, without the prior written consent of the Holders of a majority of the outstanding shares of Series A Preferred Stock (voting separately as a single class), the Corporation may not issue any additional shares of Series A Preferred Stock, or any other Preferred Stock that is pari passu or senior to the Series A Preferred Stock with respect to any rights for a period of 6 months after the earlier of such date (i) a registration statement is effective and available for the resale of all Conversion Shares, or (ii) Securities Act Rule 144 is available for the immediate unrestricted resale of all Conversion Shares.

2. Voting. Except as required by applicable law or as set forth herein, the holders of shares of Series A Preferred Stock will have no right to vote on any matters, questions or proceedings of this Corporation including, without limitation, the election of directors except: (a) during a period where a dividend (or part of a dividend) is in arrears; (b) on a proposal to reduce the Company’s share capital; (c) on a resolution to approve the terms of a buy-back agreement; (d) on a proposal to wind up the Company; (e) on a proposal for the disposal of the Company’s property, business and undertaking; and (f) during the winding-up of the entity. Where a holder of Series A Preferred Shares has a right to vote under this clause 2, they shall have one vote per holder on a resolution on a show of hands and one vote per share of Series A Preferred Stock on a resolution conducted on a poll.

C. Dividends.

1. Commencing on the date of the issuance of any such shares of Series A Preferred Stock (each respectively an “**Issuance Date**”), each outstanding share of Series A Preferred Stock will accrue cumulative dividends (“**Dividends**”), at a rate equal to 8.0% per annum, subject to adjustment as provided in this Certificate of Designations (“**Dividend Rate**”), of the Face Value. Dividends will be payable with respect to any shares of Series A Preferred Stock upon any of the following: (a) upon redemption of such shares in accordance with **Section I.F**; (b) upon conversion of such shares in accordance with **Section I.G**; and (c) when, as and if otherwise declared by the board of directors of the Corporation.

2. Dividends, as well as any applicable Conversion Premium payable hereunder, will be paid: (a) in the Corporation’s sole and absolute discretion, immediately in cash; or (b) if Corporation notifies Holder it will not pay all or any portion in cash, or to the

extent cash is not paid and received as soon as practicable, and in any event within 3 Trading Days after the Notice Date for any reason whatsoever, in shares of Common Stock valued at (i) if there is no Trigger Event, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the Common Stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less \$0.05 per share of Common Stock, not to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less \$0.05 per share of Common Stock (ii) following any Trigger Event, (A) 80.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less \$0.10 per share of Common Stock, not to exceed (B) 80.0% of the lowest sales price on the last day of any Measurement Period, less \$0.10 per share of Common Stock. In no event will the value of Common Stock pursuant to the foregoing be below the par value per share. All amounts that are required or permitted to be paid in cash pursuant to this Certificate of Designations will be paid by wire transfer of immediately available funds to an account designated by Holder.

3. So long as any shares of Series A Preferred Stock are outstanding, the Company will not repurchase shares of Common Stock other than as payment of the exercise or conversion price of a convertible security or payment of withholding tax, and no dividends or other distributions will be paid, declared or set apart with respect to any Common Stock, except for Purchase Rights.

D. Protective Provision.

1. So long as any shares of Series A Preferred Stock are outstanding, the Corporation will not, without the affirmative approval of the Holders of a majority of the shares of the Series A Preferred Stock then outstanding (voting separately as one class), (i) alter or change adversely the powers, preferences or rights given to the Series A Preferred Stock or alter or amend this Certificate of Designations, (ii) except with respect to any securities issued in a Strategic Transaction, authorize or create any class of stock ranking as to distribution of dividends senior to the Series A Preferred Stock, (iii) amend its certificate of incorporation or other charter documents in breach of any of the provisions hereof, (iv) increase the authorized number of shares of Series A Preferred Stock or (v) enter into any agreement with respect to the foregoing.

2. A “**Deemed Liquidation Event**” will mean: (a) a merger or consolidation in which the Corporation is a constituent party or a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of the surviving or resulting corporation or if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; (b) a Strategic Transaction in which Company issues securities that are senior to the Series A Preferred Stock in any respect, (c) Holder does not receive the number of Conversion Shares stated in a Conversion Notice with 5 Trading Days of the Notice Date; (d)

trading of the Common Stock is halted or suspended by the Trading Market or any U.S. governmental agency for 5 or more consecutive trading days; (e) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

3. The Corporation will not have the power to close or effect a voluntary Deemed Liquidation Event unless the agreement or plan of merger or consolidation for such transaction provides that the consideration payable to the stockholders of the Corporation will be allocated among the holders of capital stock of the Corporation in accordance with **Section I.E**, and the required amount is paid to Holder prior to or upon closing, effectuation or occurrence of the Deemed Liquidation Event.

E. Liquidation.

1. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment or provision for payment of debts and other liabilities of the Corporation, pari passu with any distribution or payment made to the holders of Preferred Stock and Common Stock by reason of their ownership thereof, the Holders of Series A Preferred Stock will be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders an amount with respect to each share of Series A Preferred Stock equal to \$10,000.00 (“**Face Value**”), plus an amount equal to any accrued but unpaid Dividends thereon (collectively with the Face Value, the “**Liquidation Value**”). If, upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the amounts payable with respect to the shares of Series A Preferred Stock are not paid in full, the holders of shares of Series A Preferred Stock will share equally and ratably with the holders of shares of Preferred Stock and Common Stock in any distribution of assets of the Corporation in proportion to the liquidation preference and an amount equal to all accumulated and unpaid Dividends, if any, to which each such holder is entitled.

2. If, upon any liquidation, dissolution or winding up of the Corporation, the assets of the Corporation will be insufficient to make payment in full to all Holders, then the assets distributable to the Holders will be distributed among the Holders at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

F. Redemption.

1. **Corporation’s Redemption Option.** On the Dividend Maturity Date, the Corporation may redeem any or all shares of Series A Preferred Stock by paying Holder in cash an amount per share equal to 100% of the Liquidation Value for the shares redeemed.

2. **Early Redemption.** Prior to the Dividend Maturity Date, the Corporation will have the right at any time (i) prior to or upon closing, effectuation or occurrence of a

Deemed Liquidation Event or a Strategic Transaction, or (ii) provided no Triggering Event has occurred, upon 30 days prior written notice, in its sole and absolute discretion, to redeem all or any portion of the shares of Series A Preferred Stock then outstanding by paying Holder in cash an amount per share of Series A Preferred Stock (the “**Early Redemption Price**”) equal to the sum of the following: (a) 100% of the Face Value, plus (b) the Conversion Premium, minus (c) any Dividends that have been paid, for each share of Series A Preferred Stock redeemed.

3. Credit Risk Adjustment.

a. The Dividend Rate will adjust downward by an amount equal to the Decreasing Spread Adjustment for each amount, if any, equal to the Adjustment Factor that the Measuring Metric rises above the Maximum Triggering Level, down to a minimum of 0.0%.

b. The Dividend Rate will adjust upward by an amount equal to the Increasing Spread Adjustment for each amount, if any, equal to the Adjustment Factor that the Measuring Metric falls below the Minimum Triggering Level, up to a maximum of 15.0%. In addition, the Dividend Rate will adjust upward by 10.0% upon the occurrence of any Trigger Event.

c. The adjusted Dividend Rate used for calculation of the Liquidation Value, Conversion Premium, Early Redemption Price and Dividend, as applicable, and the amount of Dividends owed will be calculated and determined based upon the Measuring Metric at close of the Trading Market immediately prior to the Notice Date.

4. Mandatory Redemption. If the Corporation determines to liquidate, dissolve or wind-up its business and affairs, or upon closing or occurrence of any Deemed Liquidation Event, the Corporation will prior to or concurrently with the closing, effectuation or occurrence any such action, redeem the Series A Preferred Stock for cash, by wire transfer of immediately available funds to an account designated by Holder, at the Early Redemption Price set forth in **Section I.F.2** if the event is prior to the Dividend Maturity Date, or at the Liquidation Value if the event is on or after the Dividend Maturity Date.

5. Mechanics of Redemption. In order to redeem any of the Holders’ Series A Preferred Stock then outstanding, the Corporation must deliver written notice (each, a “**Redemption Notice**”) to each Holder setting forth (a) the number of shares of Series A Preferred Stock that the Corporation is redeeming, (b) the applicable Dividend Rate, Liquidation Value and Early Redemption Price, and (c) the calculation of the amount paid. Upon receipt of payment in cash, each Holder will promptly submit to the Corporation such Holder’s Series A Preferred Stock certificates. In connection with a mandatory redemption, the notice will be delivered as soon as the number of shares can be determined, and in all other instances at least 30 Trading Days prior to payment. For the avoidance of doubt, the delivery of a Redemption Notice shall not affect Holder’s rights under **Section I.G** until after receipt of cash payment by Holder.

G. Conversion.

1. Mechanics of Conversion.

a. One or more shares of the Series A Preferred Stock may be converted, in part or in whole, into shares of Common Stock, at any time or times after the Issuance Date, in the sole and absolute discretion of Holder or, subject to the terms and conditions hereof, the Corporation; (i) if at the option of Holder, by delivery of one or more written notices to the Corporation or its transfer agent (each, a “**Holder Conversion Notice**”), of the Holder’s election to convert any or all of its Series A Preferred Stock; or (ii) if at the option of the Corporation, if the Equity Conditions are met, delivery of written notice to Holder (each, a “**Corporation Conversion Notice**,” with the Holder Conversion Notice, each a “**Conversion Notice**,” and with the Redemption Notice, each a “**Notice**”), of the Corporation’s election to convert the Series A Preferred Stock. Each Notice will set forth the number of shares of Series A Preferred Stock being converted, the minimum number of Conversion Shares and the amount of Dividends and any applicable Conversion Premium due as of the time the Notice is given (the “**Notice Date**”), and the calculation thereof.

b. If the Corporation notifies Holder by 10:00 a.m. Eastern time on the Trading Day after the Notice Date that it is paying all or any portion of Dividends or Conversion Premium for the shares in the Conversion Notice in cash, and actually pays in cash no later than close of the 3rd Trading Day after the Notice Date, time being of the essence, the amount of Dividends and Conversion Premium due as of the Notice Date, no further amount will be due with respect to any such Dividends and Conversion Premium.

c. As soon as practicable, and in any event within 1 Trading Day of the Notice Date, time being of the essence, the Corporation will do all of the following: (i) transmit the Delivery Notice by facsimile or electronic mail to the Holder, and to the Corporation’s transfer agent (the “**Transfer Agent**”) with instructions to comply with the Delivery Notice; (ii) either (A) if the Corporation is approved through The Depository Trust Corporation (“**DTC**”), authorize and instruct the credit by the Transfer Agent of such aggregate number of Conversion Shares to which Holder is then entitled, as set forth in the Delivery Notice, to Holder’s or its designee’s balance account with the DTC Fast Automated Securities Transfer (FAST) Program, through its Deposit/Withdrawal at Custodian (DWAC) system, or (B) only if the Corporation is not approved through DTC, issue and surrender to a common carrier for overnight delivery to the address as specified in the Delivery Notice a certificate bearing no restrictive legend, registered in the name of Holder or its designee, for the number of Conversion Shares to which Holder is then entitled, as set forth in the Delivery Notice; and (iii) at all times thereafter diligently take or cause to be taken all actions reasonably necessary to cause the Conversion Shares to be issued as soon as practicable.

d. If during the Measurement Period the Holder is entitled to receive additional Conversion Shares with regard to a Conversion Notice as a result of the recalculation of the number of Conversion Shares due to a decrease in the value of the Common Stock following the initial Notice Date, Holder may at any time deliver one or more additional written notice to the Corporation or its transfer agent (each, an “**Additional Notice**” and with the Conversion Notice, each a “**Delivery Notice**”) setting forth the additional number of Conversion Shares to be delivered, and the calculation thereof.

e. If the Corporation for any reason does not issue or cause to be issued to the Holder within 3 Trading Days after the date of a Delivery Notice, the number of Conversion Shares to which the Holder is entitled as stated in the Delivery Notice, then, in addition to all other remedies available to the Holder, as liquidated damages and not as a penalty, the Corporation will pay in cash to the Holder on each day after such 3rd Trading Day that the issuance of such Conversion Shares is not timely effected an amount equal to 2% of the product of (i) the aggregate number of Conversion Shares not issued to the Holder on a timely basis and to which the Holder is entitled and (ii) the highest Closing Price of the Common Stock between the date on which the Corporation should have issued such shares to the Holder and the actual date of receipt of Conversion Shares by Holder. It is intended that the foregoing will serve to reasonably compensate Holder for any delay in delivery of Conversion Shares, and not as punishment for any breach by the Corporation. The Corporation acknowledges that the actual damages likely to result from delay in delivery are difficult to estimate and would be difficult for Holder to prove.

f. Notwithstanding any other provision: all of the requirements of **Section I.F** and this **Section I.G** are each independent covenants; the Corporation's obligations to issue and deliver Conversion Shares upon any Conversion Notice are absolute, unconditional and irrevocable; any breach or alleged breach of any representation or agreement, or any violation or alleged violation of any law or regulation, by any party or any other person will not excuse full and timely performance of any of the Corporation's obligations under these sections; and under no circumstances may the Corporation seek or obtain any temporary, interim or preliminary injunctive or equitable relief to prevent or interfere with any issuance of Conversion Shares to Holder.

g. No fractional shares of Common Stock are to be issued upon conversion of Series A Preferred Stock, but rather the Corporation will issue to Holder scrip or warrants registered on the books of the Corporation (certificated or uncertificated) which will entitle Holder to receive a full share upon the surrender of such scrip or warrants aggregating a full share. The Holder will not be required to deliver the original certificates for the Series A Preferred Stock in order to effect a conversion hereunder. The Corporation will pay any and all taxes which may be payable with respect to the issuance and delivery of any Conversion Shares.

h. If for any reason whatsoever Holder does not timely receive the number of Conversion Shares stated in any Notice, Holder will be entitled to a compulsory remedy from the Court of Chancery of immediate specific performance, temporary, interim and, preliminary and final injunctive relief requiring Corporation and its transfer agent, attorneys, officers and directors to immediately issue and deliver the number of Conversion Shares stated by Holder, which requirement will not be stayed for any reason, without the necessity of posting any bond, and which Corporation may not seek to stay or appeal.

2. Holder Conversion. In the event of a conversion of any Series A Preferred Stock pursuant to a Holder Conversion Notice, the Corporation will (a) satisfy the payment of Dividends and Conversion Premium as provided in **Section I.C.2**, and (b) issue to

the Holder of such Series A Preferred Stock a number of Conversion Shares equal to (i) the Face Value multiplied by (ii) the number of such Series A Preferred Stock subject to the Holder Conversion Notice divided by (iii) the applicable Conversion Price with respect to such Series A Preferred Stock; all in accordance with the procedures set forth in **Section I.G.1**.

3. Corporation Conversion. The Corporation will have the right to send the Holder a Corporation Conversion Notice at any time in its sole and absolute discretion, if the Equity Conditions are met as of the time such Corporation Conversion Notice is given. Upon any conversion of any Series A Preferred Stock pursuant to a Corporation Conversion Notice, the Corporation will on the date of such notice (a) satisfy the payment of Dividends and Conversion Premium as provided in **Section I.C.2**, and (b) issue to the Holder of such Series A Preferred Stock a number of Conversion Shares equal to (i) the Face Value multiplied by (ii) the number of such Series A Preferred Stock subject to the Holder Conversion Notice divided by (iii) the applicable Conversion Price with respect to such Series A Preferred Stock; all in accordance with the procedures set forth in **Section I.G.1**.

4. Stock Splits. If the Corporation at any time on or after the filing of this Certificate of Designations subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the applicable Conversion Price, Adjustment Factor, Maximum Triggering Level, Minimum Triggering Level, and other share based metrics in effect immediately prior to such subdivision will be proportionately reduced and the number of shares of Common Stock issuable will be proportionately increased. If the Corporation at any time on or after such Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the applicable Conversion Price, Adjustment Factor, Maximum Triggering Level, Minimum Triggering Level, and other share based metrics in effect immediately prior to such combination will be proportionately increased and the number of Conversion Shares will be proportionately decreased. Any adjustment under this Section will be made in accordance with any applicable Nasdaq and ASX listing rules, and become effective at the close of business on the date the subdivision or combination becomes effective.

5. Rights. In addition to any adjustments pursuant to **Section I.G.4**, if at any time the Corporation grants, issues or sells any options, convertible securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "**Purchase Rights**"), then Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which Holder could have acquired if Holder had held the number of shares of Common Stock acquirable upon conversion of all Preferred Stock held by Holder immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

6. Notices. The holders of shares of Series A Preferred Stock are entitled to the same rights as the holders of Common Stock with respect to rights to receive notices, reports and audited accounts from the Company and with respect to attending stockholder meetings.

7. Definitions. The following terms will have the following meanings:

a. “Adjustment Factor” means \$0.05 per share of Common Stock.

b. “Closing Price” means, for any security as of any date, the last closing bid price for such security on the Trading Market, or, if the Trading Market begins to operate on an extended hours basis and does not designate the closing bid price, then the last bid price of such security prior to 4:00 p.m., Eastern time, or, if the Trading Market is not the principal securities exchange or trading market for such security, the last closing bid price of such security on the principal securities exchange or trading market where such security is listed or traded, or if the foregoing do not apply, the last closing bid price of such security in the over-the-counter market on the electronic bulletin board for such security, or, if no closing bid price is reported for such security, the average of the bid prices of any market makers for such security as reported in the “pink sheets” by Pink Sheets LLC (formerly the National Quotation Bureau, Inc.).

c. “Conversion Premium” for each share of Series A Preferred Stock means the Face Value, multiplied by the product of (i) the applicable Dividend Rate, and (ii) the number of whole years between the Issuance Date and the Dividend Maturity Date.

d. “Conversion Price” means a price per share of Common Stock equal to \$1.00 per share of Common Stock, subject to adjustment as otherwise provided herein.

e. “Conversion Shares” means all shares of Common Stock that are required to be or may be issued upon conversion of Series A Preferred Stock.

f. “Decreasing Spread Adjustment” means 100 basis points.

g. “Dividend Maturity Date” means the date that is 7 years after the Issuance Date.

h. “Equity Conditions” means on each day during the Measurement Period, (i) the Common Stock is not under chill or freeze from DTC, the Common Stock is designated for trading on a Nasdaq market and shall not have been suspended from trading on such market, and delisting or suspension by the Trading Market has not been threatened or pending, either in writing by such market or because Company has fallen below the then effective minimum listing maintenance requirements of such market; (ii) the Corporation has delivered Conversion Shares upon all conversions or redemptions of the Series A Preferred Stock in accordance with their terms to the Holder on a timely basis; (iii) the Corporation will have no knowledge of any fact that would cause both of the following (A) a registration statement not to be effective and available for the resale of all Conversion Shares, and (B) Section 3(a)(9) under the Securities Act of 1933, as amended, not to be available for the issuance of all Conversion Shares, or Securities Act Rule 144 not to be available for the resale of all the Conversion Shares underlying the Series A Preferred Stock without restriction; (iv) there has been a minimum of \$20 million, or 5 times the Face Value of Preferred Share being converted, whichever is lower; in aggregate trading volume in the prior 20 Trading Days; (v) all shares of Common Stock to which Holder is entitled have been timely received into Holder’s designated account in electronic form fully cleared for trading; (vi) the Corporation otherwise shall have

been in compliance with and shall not have breached any provision, covenant, representation or warranty of any Transaction Document; (vii) the Measuring Metric is at least \$0.50; and (viii) no Trigger Event shall have occurred.

i. **“Increasing Spread Adjustment”** means 150 basis points.

j. **“Measurement Period”** means the period beginning on the Issuance Date and ending, if no Trigger Event has occurred 3 Trading Days, and if a Trigger Event has occurred 30 Trading Days, after the number of Conversion Shares stated in the initial Notice have actually been received into Holder’s designated brokerage account in electronic form and fully cleared for trading; provided that for each day during the Measurement Period on which less than all of the conditions set forth in **Section I.G.6.h** exist, 1 Trading Day will be added to what otherwise would have been the end of the Measurement Period.

k. **“Measuring Metric”** means the volume weighted average price of the Common Stock on any Trading Day following the Issuance Date of the Series A Preferred Stock.

l. **“Maximum Triggering Level”** means \$1.50 per share of Common Stock.

m. **“Minimum Triggering Level”** means \$0.70 per share of Common Stock.

n. **“Stock Purchase Agreement”** means the Stock Purchase Agreement or other agreement pursuant to which any share of Series A Preferred Stock is issued, including all exhibits thereto and all related Transaction Documents as defined therein.

o. **“Strategic Transaction”** means a strategic transaction with one or more of the potential categories of companies or firms described to Investor in writing prior to the Effective Date in connection with the review of strategic alternatives that was announced by Company on September 2, 2015 or any bridge financing in connection therewith.

p. **“Trading Day”** means any day on which the Common Stock is traded on the Trading Market.

q. **“Trading Market”** means at the applicable time, the principal U.S. trading exchange or market for the Common Stock. All Trading Market data will be measured as provided by the appropriate function of the Bloomberg Professional service of Bloomberg Financial Markets or its successor performing similar functions.

7. Issuance Limitation. Notwithstanding any other provision, at no time may the Corporation issue shares of Common Stock to Holder which, when aggregated with all other shares of Common Stock then deemed beneficially owned by Holder, would result in Holder owning more than 4.99% of all Common Stock outstanding immediately after giving effect to such issuance, as determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder; provided, however, that Holder may increase such amount to 9.99% upon not less than 61 days’ prior notice to the Corporation. No provision of this paragraph may be waived by Holder or the Corporation.

8. Conversion at Maturity. On the Dividend Maturity Date, all remaining outstanding Series A Preferred Stock will automatically be converted into shares of Common Stock.

9. Principal Market Regulation. Company will not issue any shares of Common Stock pursuant to this Certificate of Designations if the issuance of such shares, collectively with certain additional shares of Common Stock issued or issuable pursuant other Company's transactions that are aggregated under the Nasdaq Rules, would exceed the aggregate number of shares of Common Stock the Company may issue upon conversion of the Series A Preferred Stock without breaching Company's obligations under Nasdaq Listing Rule 5635(d), except that such limitation will not apply (1) following shareholder approval in accordance with the requirements of Nasdaq Listing Rule 5635(d) or a waiver from Nasdaq of Listing Rule 5635(d) or (2) if Investor or Company obtains a written opinion from counsel that such approval is not required.

H. Trigger Events. Any occurrence of any one or more of the following shall constitute a "**Trigger Event**":

1. Holder does not timely receive Conversion Shares for any reason whatsoever following a Conversion Notice, including without limitation the issuance of restricted shares if counsel for Corporation or Holder provides a legal opinion that shares may be issued without restrictive legend;

2. Any material breach or failure to timely perform any covenant or provision of this Certificate of Designations, the Stock Purchase Agreement, or any Transaction Document, related to payment of cash, registration or delivery of Conversion Shares, time being of the essence;

3. Any material breach or failure to perform any covenant or provision of this Certificate of Designations, the Stock Purchase Agreement, or any Transaction Document, which in the case of a default that is curable, is not related to payment of cash, registration or delivery of Conversion Shares, and has not occurred before, is not cured within 5 Trading Days of written notice thereof;

4. Any representation or warranty made in the Stock Purchase Agreement or any Transaction Document shall be untrue or incorrect in any material respect as of the date when made or deemed made;

5. The occurrence of any default or event of default under any material agreement, lease, document or instrument to which the Corporation or any subsidiary is obligated, including without limitation of an aggregate of at least \$500,000 of indebtedness, provided that the foregoing shall not include trade payables incurred in the ordinary course of business unless there is a final judgment entered by a court with respect to such default;

6. While any Registration Statement is required to be maintained effective, the effectiveness of the Registration Statement lapses for any reason, including, without limitation, the issuance of a stop order, or the Registration Statement, or the prospectus contained therein, is unavailable to Holder sale of all Conversion Shares for any 5 or more Trading Days, which may be non-consecutive;

7. The suspension from trading or the failure of the Common Stock to be trading or listed on the NASDAQ Global Market or New York Stock Exchange, other than a temporary suspension from trading of not more than two days upon the request of the Company or the applicable Trading Market in connection with the dissemination of material news;

8. The Corporation's written notice to Holder, including without limitation, by way of public announcement or through any of its agents, of its intention not to comply, as required, with a Conversion Notice at any time, including without limitation any objection or instruction to its transfer agent not to comply with any notice from Holder;

9. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for the relief of debtors shall be instituted by or against the Corporation or any subsidiary and, if instituted against the Corporation or any subsidiary by a third party, an order for relief is entered or the proceedings are not be dismissed within 30 days of their initiation;

10. The appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, or other similar official of the Corporation or any subsidiary or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the execution of a composition of debts, or the occurrence of any other similar federal, state or foreign proceeding, or the admission by it in writing of its inability to pay its debts generally as they become due, the taking of corporate action by the Corporation or any Subsidiary in furtherance of any such action or the taking of any action by any person to commence a foreclosure sale or any other similar action under any applicable law;

11. A judgment or judgments for the payment of money aggregating in excess of \$500,000 are rendered against the Corporation or any of its subsidiaries and are not stayed or satisfied within 45 days of entry;

12. The Corporation does not for any reason timely comply with the reporting requirements of the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder, including without limitation timely filing when first due all periodic reports;

13. Any regulatory, administrative or enforcement proceeding is initiated against Corporation or any subsidiary (except to the extent an adverse determination would not have a material adverse effect on the Company's business, properties, assets, financial condition or results of operations or prevent the performance by the Company of any material obligation under the Transaction Documents); or

14. Any material provision of this Certificate of Designations shall at any time for any reason, other than pursuant to the express terms thereof, cease to be valid and binding on or enforceable against the parties thereto, or the validity or enforceability thereof shall be

contested by any party thereto, or a proceeding shall be commenced by the Corporation or any subsidiary or any governmental authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or the Corporation or any subsidiary denies that it has any liability or obligation purported to be created under this Certificate of Designations.

I. Stock Register. The Corporation will keep at its principal office, or at the offices of the transfer agent, a register of the Series A Preferred Stock, which will be prima facie indicia of ownership of all outstanding shares of Series A Preferred Stock. Upon the surrender of any certificate representing Series A Preferred Stock at such place, the Corporation, at the request of the record Holder of such certificate, will execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of shares as is requested by the Holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

II. Miscellaneous.

A. Notices. Any and all notices to the Corporation will be addressed to the Corporation's Chief Executive Officer at the Corporation's principal place of business on file with the Secretary of State of the State of Delaware. Any and all notices or other communications or deliveries to be provided by the Corporation to any Holder hereunder will be in writing and delivered personally, by electronic mail or facsimile, sent by a nationally recognized overnight courier service addressed to each Holder at the electronic mail, facsimile telephone number or address of such Holder appearing on the books of the Corporation, or if no such electronic mail, facsimile telephone number or address appears, at the principal place of business of the Holder. Any notice or other communication or deliveries hereunder will be deemed given and effective on the earliest of (1) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail prior to 5:30 p.m. Eastern time, (2) the date after the date of transmission, if such notice or communication is delivered via facsimile or electronic mail later than 5:30 p.m. but prior to 11:59 p.m. Eastern time on such date, (3) the second business day following the date of mailing, if sent by nationally recognized overnight courier service, or (4) upon actual receipt by the party to whom such notice is required to be given, regardless of how sent.

B. Lost or Mutilated Preferred Stock Certificate. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered Holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series A Preferred Stock, and in the case of any such loss, theft or destruction upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the Holder is a financial institution or other institutional investor its own agreement will be satisfactory) or in the case of any such mutilation upon surrender of such certificate, the Corporation will, at its expense, execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

C. Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designations and will not be deemed to limit or affect any of the provisions hereof.

RESOLVED, FURTHER, that the chairman, chief executive officer, chief financial officer, president or any vice-president, and the secretary or any assistant secretary, of the Corporation be and they hereby are authorized and directed to prepare and file a Designation of Preferences, Rights and Limitations of Series A Preferred Stock in accordance with the foregoing resolution and the provisions of Delaware law.

IN WITNESS WHEREOF, the undersigned have executed this Certificate this 6th day of November 2015.

Signed: _____
Name: _____
Title: _____

Signed: _____
Name: _____
Title: _____

Exhibit 3

Form of Transfer Agent Instructions

[Letterhead of Unilife Corporation]

November 9, 2015

Jeanette Rocha
Assistant Vice President, Client Services
Computershare Inc.
480 Washington Blvd, 29th Floor
Jersey City, NJ 07310

Re: Unilife Corporation

Ladies and Gentlemen:

In accordance with the Stock Purchase Agreement (“**Agreement**”), dated November 9, 2015, by and between Unilife Corporation, a Delaware corporation (“**Company**”), and (“**Investor**”), pursuant to which Company is required to reserve, issue and deliver shares (“**Shares**”) of Company’s Common Stock (“**Common Stock**”) upon conversion of shares of the Series A Preferred Stock purchased by Investor, this will serve as our irrevocable, absolute and unconditional instruction, authorization and direction to you to (a) immediately reserve 60 million Shares for issuance to Investor, (b) upon receipt of written notice, from either Company or from Investor with a copy to Company, reserve any additional Shares requested to be reserved by either Company or Investor, and (c) whenever either Company or Investor delivers written instructions to you with a copy of a Delivery Notice, immediately issue the Shares requested by either Company or Investor. Capitalized terms used herein without definition will have the respective meanings ascribed to them in the Agreement.

The Shares will remain in the created reserve until the earlier of their issuance or such date as both Investor and Company provide written instructions that the Shares or any part of them may be taken out of the reserve and will no longer be subject to the terms of these instructions.

Upon your receipt of an instruction from either Company or Investor, you are to immediately process the instruction in accordance with your rush procedures, and use your commercially reasonable best efforts to issue and deliver to Investor the number of Shares set forth in the Delivery Notice as soon as reasonably practicable, and in any event within 3 trading days after receipt of the instruction, either: (a) only if you receive written notice that the Registration Statement is not effective and neither Company nor Investor provides an opinion of counsel to the effect that the Shares may be issued without restrictive legend, by delivering by overnight carrier to the address specified in the notice a physical certificate bearing a restrictive legend; (b) only if Company is not approved through DTC, and either Company or Investor

provides an opinion of counsel to the effect that the Shares may be issued without restrictive legend, by delivering by overnight carrier to the address specified in the notice a physical certificate bearing no restrictive legend, by delivering by overnight carrier to the address specified in the notice a physical certificate bearing no restrictive legend; or (c) if Company is DTC eligible and either Company or Investor provides an opinion of counsel to the effect that the Shares may be issued without restrictive legend, by issuing pursuant to the DTC Fast Automated Securities Transfer (FAST) Program, crediting to Investor's or its designee's balance account with DTC through its Deposit Withdrawal At Custodian (DWAC) system, and notifying Investor to cause its bank or broker to initiate the transaction through the DWAC system.

Company hereby confirms that the Shares should not be subject to any stop-transfer restrictions and will, unless bearing a restrictive legend, be freely transferable on the books and records of Company, and if the Shares are certificated, the certificates will not bear any legend restricting transfer of the Shares represented thereby, if a legal opinion is provided as set forth in the preceding paragraph.

Company hereby confirms that no instructions other than as contemplated herein will or may be given to you by Company with respect to the Shares. Company may not instruct you to disregard any reserve or Delivery Notice and you may not do so. You are to comply promptly with any Delivery Notice or share reservation notice received from Investor, notwithstanding any contrary instructions from Company.

Company will not replace you as Company's transfer agent, until a reputable registered transfer agent has agreed in writing to serve as Company's transfer agent and to be bound by all terms and conditions of this letter agreement. In the event that you resign as Company's transfer agent, Company will engage a suitable replacement reputable registered transfer agent that will agree to serve as transfer agent for Company and be bound by the terms and conditions of these irrevocable instructions as soon as practicable and in any event within 3 Trading Days. You may not disclose any information, deliver any documents, or transfer any files to any successor transfer agent until after Investor acknowledges in writing that a suitable successor transfer agent has agreed in writing to be bound by the terms and conditions of these instructions.

Company must keep its bill current with you. If Company is not current and is on suspension, Investor will have the right to pay Company's outstanding bill, in order for you to act upon these instructions.

Company and you hereby acknowledge and confirm that complying with the terms of these instructions does not and will not prohibit you from satisfying any and all fiduciary responsibilities and duties you may owe to Company.

Company will indemnify you and your officers, directors, principals, partners, advisors, attorneys, agents and representatives, and hold each of them harmless from and against any and all loss, cost, liability, damage, claim or expense (including the reasonable fees and disbursements of attorneys) incurred by or asserted against you or any of them arising out of or in connection with complying with any Delivery Notice or any other instruction from Investor, except that Company will not be liable hereunder for any failure by you to comply with a

Delivery Notice or any other instructions from Investor, or as to amounts in respect of which it is finally determined by a court of competent jurisdiction to be due solely to your fraud, willful misconduct or gross negligence. You are entitled to indemnity and will have no liability to Company in respect of any action taken in compliance with any Delivery Notice or instruction from Investor, notwithstanding any contrary instructions from Company. Accordingly, you shall have no duty or obligation to confirm the accuracy of any calculations or information set forth in any Delivery Notice. You shall also be entitled hereunder to all of the other protections, immunities and rights that you are entitled to as transfer agent under your transfer agency agreement with the Company as if expressly set forth herein.

Investor is intended to be and is a third party beneficiary hereof, and no amendment or modification to the instructions set forth herein may be made without the prior written consent of Investor. The above instructions cannot be revoked, cancelled or modified without prior written approval of Investor. Notwithstanding the foregoing, you shall not be liable to the Investor, and the Investor has no rights against you, under or with respect to this letter, the Transfer Agency and Service Agreement between the Company and you or any instruction given to you under or with respect to either thereof, except that Investor shall have the right to obtain injunctive relief in an action against Company directing Company to abide by the above instructions and that you agree to abide by any lawful court order in an injunctive action against the Company by Investor.

The Board of Directors of Company has approved the foregoing irrevocable instructions and does hereby extend Company's irrevocable agreement to indemnify your firm for all loss, liability or expense in carrying out the authority and direction herein contained on the terms herein set forth. You have not previously received contrary instructions from Company or its agents, nor are you aware of any facts or circumstances that would make the transaction improper or illegal under applicable laws or regulations.

The terms of this letter shall be governed by the laws of the State of Delaware without regard to the conflicts of laws principles thereof, and any action arising out of or relating to these instructions by be filed in Delaware Chancery Court or the U.S. District Court for the District of Delaware.

IN WITNESS WHEREOF, the parties have caused this letter agreement regarding Transfer Agent Instructions to be duly executed and delivered as of the date first written above.

Unilife Corporation

By: _____
Name: _____
Title: _____

Exhibit 4

Form of Legal Opinion

1. The Company is a corporation validly existing and in good standing under the laws of the state of its incorporation.
2. The Company has the requisite corporate power and authority to execute and deliver the Purchase Agreement and the other Transaction Documents to which it is a party and perform its obligations thereunder, to sell and issue the Preferred Shares under the Purchase Agreement and to issue the Conversion Shares.
3. The Preferred Shares to be issued pursuant to the Purchase Agreement have been duly authorized by the Company, and when issued as contemplated by the Purchase Agreement will be validly issued, fully paid and nonassessable and will not have been issued in violation of any preemptive rights pursuant to law or in the Company's Certificate of Incorporation or to our knowledge, contractual preemptive rights of any stockholder of the Company. The Conversion Shares issuable upon conversion of the Shares have been duly authorized and reserved for issuance, and, assuming no change in the applicable law or the pertinent facts, upon issuance and delivery upon conversion thereof in accordance with the terms of the Certificate of Designations, will be validly issued, fully paid and nonassessable. The rights and preferences of the Shares and the qualifications, limitations or restrictions of such preferences and rights are as stated in the Certificate of Designations. Such issuance of the Shares and the Conversion Shares will not be subject to any statutory or, to our knowledge, contractual preemptive rights of any stockholder of the Company, in each case, existing as of the date hereof.
4. The execution and delivery of the Transaction Documents to which the Company is a party and performance by the Company of its obligations thereunder have been duly authorized by all necessary corporate action on the part of the Company, and the Transaction Documents to which it is a party have been duly executed and delivered by the Company.
5. Each Transaction Document constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms.
6. The execution and delivery by the Company of the Purchase Agreement and the other Transaction Documents to which it is a party and the performance of its obligations thereunder will not (a) violate the Certificate of Incorporation or the Bylaws, each as in effect on the date hereof, (b) violate in any material respect any Applicable Law (as hereinafter defined) (c) violate any judgment, order or decree of any state or federal court or governmental or administrative authority binding on the Company of which we have knowledge (except to the extent such violation would not have a material adverse effect on the Company's business, properties, assets, financial condition or results of operations or prevent the performance by the Company of any material obligation under the Transaction Documents).
7. To our knowledge, no consent, approval, waiver, license or authorization or other action by, or filing with, any governmental authority is required to be obtained or made by or on

behalf of the Company under any Applicable Law in connection with the execution and delivery by the Company of the Purchase Agreement, the consummation by the Company of the Transactions or the performance by the Company of its obligations thereunder, except, except (i) as have been, or will be prior to the Closing, duly obtained or made, including the filing of the Certificate of Designations with the Secretary of State of Company's state of incorporation, (ii) any filings which may be required under applicable federal securities, state securities or blue sky laws, and (iii) the filing and effectiveness of a proxy statement to obtain the Approval and the Registration Statement, except to the extent failure to be so obtained or made would not have a material adverse effect on the Company's business, properties, assets, financial condition or results of operations or its ability to consummate the transactions contemplated under the Transaction Documents.

8. The Company is not an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

9. To our knowledge, there is no litigation, proceeding, or governmental investigation pending or threatened in writing against the Company that challenges the validity or enforceability of, or seeks to enjoin the performance of, the Transaction Documents.

10. The Registration Statement filed with the Commission, which registers the sale of the Shares to Investor has become effective under the Securities Act, and we are not aware of any stop order suspending the effectiveness of the Registration Statement.

[Separate Negative Assurance]

Subject to the foregoing, we confirm to you that, on the basis of the information we gained in the course of performing the services referred to above (the "Legal Services"), no facts have come to the attention of the Primary Lawyer Group (as hereinafter defined) which cause us to believe that the Registration Statement, at the effective time thereof or the Prospectus Supplement, as of its date or as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case other than the financial statements and the related notes thereto, the financial statement schedules and the other financial, statistical, quantitative and accounting data included therein or which should be included therein, as to which we express no view). "Primary Lawyer Group" means any lawyer in this firm who (i) signs this letter on behalf of the firm or (ii) actively renders Legal Services. In connection with delivering this letter, the lawyers in the Primary Lawyer Group, with your consent, have not made any inquiry of other lawyers practicing law with this firm or any review of files maintained by this firm.

Exhibit 5

Form of Officer's Certificate

Unilife Corporation

November 9, 2015

The undersigned hereby certifies that:

The undersigned is the duly appointed Chief Executive Officer of Unilife Corporation, a Delaware corporation ("**Company**").

This Officer's Certificate ("**Certificate**") is being delivered to _____ ("**Investor**"), by Company, to fulfill the requirement under the Stock Purchase Agreement, dated November 9, 2015, between Investor and Company ("**Agreement**"). Terms used and not defined in this Certificate have the meanings set forth in the Agreement.

The representations and warranties of Company set forth in the Agreement are true and correct in all material respects as if made on the above date (except for any representations and warranties that are expressly made as of a particular date, in which case such representations and warranties will be true and correct as of such particular date), and no default has occurred under the Agreement, or any other agreement with Investor or any Affiliate of Investor.

Company is not, and will not be as a result of the Closing, in default of the Agreement, any other agreement with Investor or any Affiliate of Investor.

All of the conditions to the Closing required to be satisfied by Company prior to the Closing have been satisfied in their entirety.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate as of the date set forth above.

Signed: _____
Name: _____
Title: _____

Exhibit 6

Form of Secretary's Certificate

November 9, 2015

The undersigned hereby certifies that:

The undersigned is the duly appointed Secretary of Unilife Corporation, a Delaware corporation (the "**Company**").

This Secretary's Certificate ("**Certificate**") is being delivered to (**Investor**), by Company, to fulfill the requirement under the Stock Purchase Agreement, dated November 9, 2015, between Investor and Company ("**Agreement**"). Terms used and not defined in this Certificate have the meanings set forth in the Agreement.

Attached hereto as **Exhibit "A"** is a true, correct and complete copy of the Certificate of Incorporation of Company, as in effect on the Effective Date.

Attached hereto as **Exhibit "B"** is a true, correct and complete copy of the Bylaws of Company, as in effect on the Effective Date.

Attached hereto as **Exhibit "C"** is a true, correct and complete copy of the resolutions of the Board of Directors of Company authorizing the Agreement, the Transaction Documents, and the transactions contemplated thereby. Such resolutions have not been amended or rescinded and remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Secretary's Certificate as of the date set forth above.

Signed: _____

Name: _____

Title: _____

Disclosure Schedules to Discover/Unilife Stock Purchase Agreement

Pursuant to Article III of the Stock Purchase Agreement dated as of November 9, 2015 (the “Purchase Agreement”), by and between Unilife Corporation, a Delaware corporation (the “Company”) and Discover Growth Fund, a Cayman Islands exempted mutual fund (“Investor”), the Company hereby provides to Investor this Disclosure Schedule (this “Disclosure Schedule”).

This Disclosure Schedule is part of the Purchase Agreement and is incorporated by reference therein. The section and subsection numbers in this Disclosure Schedule correspond to the section or subsection of the Purchase Agreement to which the disclosures relate regardless of whether a reference to this Disclosure Schedule is made in such section or subsection of the Purchase Agreement, and disclosure of any matter in this Disclosure Schedule pursuant to one section of the Purchase Agreement shall be deemed disclosure pursuant to any other section of the Purchase Agreement to the extent the applicability of such disclosure to such other section is reasonably apparent from a reading of such disclosure or to the extent there is a specific cross-reference.

Nothing in this Disclosure Schedule is intended to expand or diminish (other than as an exception to a representation, warranty, covenant or other obligation in the Purchase Agreement) the scope of any representation, warranty, covenant or other obligation of the Company contained in the Purchase Agreement or to create any covenant or other obligation on the part of the Company. Inclusion of any item in this Disclosure Schedule (i) except to the extent expressly stated in this Disclosure Schedule, does not represent a determination by the Company that such item is “material,” nor shall it be deemed to establish a standard of materiality; (ii) does not represent a determination by the Company that such item did not arise in the ordinary course of business; and (iii) shall not constitute or be deemed to be an admission to any third party concerning any item set forth herein.

Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Purchase Agreement. Except as otherwise limited herein, all information and disclosures in this Disclosure Schedule are made as of the date hereof.

Section III.A.2 – The Company will need to obtain the Approval.

In addition, see the “Risk Factors” and “Recent Developments” sections of the Prospectus Supplement, dated November 6, 2015, a copy of which is attached hereto (the “Prospectus Supplement”).

Section III.A.3 and III.A.5 – Prior to execution of the Transaction Documents, the Company was required to obtain the consent of Lincoln Park Capital Fund, LLC (“LPC”) pursuant to the Purchase Agreement dated July 29, 2015 (the “LPC Purchase Agreement”). Such consent has been obtained.

The Company’s ability to issue the any shares in excess of approximately 18% of the currently issued and outstanding is conditioned upon the approval by the Company’s shareholders of Proposal No. 4 in the Company’s definitive proxy statement filed on October 2, 2015.

On September 14, 2015 the Company was served with a purported injunctive action filed in the Superior Court of the State of Connecticut by Bidel, Inc. seeking to temporarily enjoin the Company from

entering into a transaction that will jeopardize the Company's ability to perform its obligations under the Company's agreement with Bidel and a claim for damages under the Connecticut Unfair Trade Practices Act. On September 30, 2015 the Company filed a motion to dismiss the complaint in its entirety for failure to state a legally cognizable claim and that Bidel's claims for relief are meritless, and that motion is currently pending. The Company believes that Bidel's claims and demands for relief are wholly without merit and the Company is vigorously defending the action.

In addition, see the "Risk Factors" and "Recent Developments" sections of the Prospectus Supplement.

Section III.A.7 – Information included in the Prospectus Supplement, a copy of which has been provided and will be filed on the Effective Date, contains material non-public information, which may be adverse.

Section III.A.8 – For purposes of Nasdaq Rule 5635, the shares issued in the shares issuable pursuant to the Agreement will be integrated with the shares issued by the Company to LPC pursuant to the Purchase Agreement; and the Company will not issue any further shares to LPC under the Purchase Agreement unless and until the Company has received shareholder approval. By way of clarification, in order to obtain consent from LPC for the Transaction Documents, the Company is issuing the LPC Warrant (as defined below) to LPC. The shares issuable upon exercise of the LPC Warrant will not be integrated with the Transaction Documents.

In addition, see the "Risk Factors" and "Recent Developments" sections of the Prospectus Supplement.

Section III.A.9 – The Company has and will continue to incur trade accounts payable and accrued expenses that are 60 or more days past due. The Company may also incur additional debt with its current lender or through a bridge financing in connection with a Strategic Transaction.

In addition, see the "Risk Factors" and "Recent Developments" sections of the Prospectus Supplement.

Section III.B.1 – The Company will continue to issue options, shares or awards under its Amended and Restated 2009 Stock Incentive Plan, as amended from time to time including, without limitation, an aggregate of approximately one million shares of common stock to employees, contingent upon their respective continued service.

The Company will issue five-year warrants to purchase 900,000 shares of common stock to LPC, with an exercise price of \$1.00 (the "LPC Warrant").

In addition, see the "Risk Factors" and "Recent Developments" sections of the Prospectus Supplement.

Section III.B.4 – The Company has and will continue to incur accounts payable that are 60 or more days past due their normal payment terms.

The Company is past due with respect to certain payments to the general contractor and sub-contractors related to building and clean room expansion activities as well as deposits with certain vendors for machinery and equipment accounted for as construction in progress as of September 30, 2015. The general contractor and certain sub-contractors have filed mechanics liens against the Company's property in connection with the amounts past due in the amount of approximately \$5.6 million.

In addition, see the “Risk Factors” and “Recent Developments” sections of the Prospectus Supplement.

Section III.B.10 – The Company is past due with respect to certain payments to the general contractor and sub-contractors related to building and clean room expansion activities as well as deposits with certain vendors for machinery and equipment accounted for as construction in progress as of September 30, 2015. The general contractor and certain sub-contractors have filed mechanics liens against the Company’s property in connection with the amounts past due in the amount of approximately \$5.6 million.

In addition, see the “Risk Factors” and “Recent Developments” sections of the draft Prospectus Supplement attached hereto.

Section III.B.17 – If the Company’s common stock continues to trade below \$1, the Company could be subject to delisting from Nasdaq.

In addition, see the “Risk Factors” and “Recent Developments” sections of the Prospectus Supplement.

WAIVER AND CONSENT AGREEMENT

This waiver and consent agreement (this “Agreement”), dated as of November 9, 2015, is entered into by and between **UNILIFE CORPORATION**, a Delaware corporation (the “Company”), and **LINCOLN PARK CAPITAL FUND, LLC**, an Illinois limited liability company (the “Investor”), and relates to that certain Purchase Agreement, dated as of July 29, 2015, between the Company and the Investor (the “Purchase Agreement”). Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Purchase Agreement.

WHEREAS, Section 5(q) of the Purchase Agreement prohibits the Company from effecting or entering into an agreement to effect any issuance by the Company or any of its Subsidiaries of Common Stock or Common Stock Equivalents (or a combination of units thereof) involving a Variable Rate Transaction, other than in connection with an Exempt Issuance, until the Maturity Date (irrespective of any earlier termination of the Purchase Agreement);

WHEREAS, the Company has advised the Investor that it intends to consummate a Variable Rate Transaction with Discover Fund that would involve the issuance by the Company of up to \$7,500,000 of Common Stock or Common Stock Equivalents (the “Subject Transaction”) and that it is seeking the Investor’s waiver of the prohibition thereof set forth in Section 5(q) of the Purchase Agreement and the Investor’s consent to the Company’s consummation of the Subject Transaction;

WHEREAS, pursuant to Section 12(o) of the Purchase Agreement, the Investor may waive any provision of the Purchase Agreement by written instrument signed by the Investor;

WHEREAS, in consideration of the Investor’s waiver and consent herein, the Company shall issue to the Investor a warrant to purchase up to 900,000 shares of Common Stock, at an exercise price of \$1.00 (, exercisable after the six-month anniversary of the date of issuance of such warrant and for a period of five years after the warrant first becomes exercisable, in the form set forth in Exhibit A hereto (the “Warrant”); and

WHEREAS, the Investor is willing to provide the waiver and consent herein provided upon the terms set forth herein;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Investor and the Company hereby agree as follows.

1. Waiver and Consent. The Investor hereby waives the application of Section 5(q) of the Purchase Agreement to the Subject Transaction and hereby consents to the consummation of the Subject Transaction by the Company; provided, however, that such waiver and consent shall apply only to the Subject Transaction involving the issuance by the Company to Discover Fund of up to a maximum of \$7,500,000 of Common Stock or Common Stock Equivalents in one single transaction only, and the Company and the Investor hereby acknowledge and agree that such waiver and consent shall not be deemed to waive the application of Section 5(q) of the

Purchase Agreement or to consent to any other issuance of Common Stock or Common Stock Equivalents or any other securities by the Company to Discover Fund or to any other Person in any other transaction or series of transactions.

2. Issuance of Warrant. In consideration of the Investor's waiver and consent provided in Section 1 of this Agreement, the Company shall issue the Warrant to the Investor on the date hereof.

3. Ratifications. Except as otherwise expressly provided in Section 1 of this Agreement with respect to the Subject Transaction only, the Transaction Documents are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, including, without limitation, Section 5(q) of the Purchase Agreement.

4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, legal representatives, successors and assigns.

5. Miscellaneous. Sections 12(a)-(h), 12(j) and 12(l)-(o) of the Purchase Agreement are incorporated herein *mutatis mutandis*.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

THE COMPANY:

UNILIFE CORPORATION

By: /s/ Alan Shortall

Name: Alan Shortall

Title: Chief Executive Officer

INVESTOR:

LINCOLN PARK CAPITAL FUND, LLC

BY: LINCOLN PARK CAPITAL, LLC

BY: ALEX NOAH INVESTORS, INC.

By: /s/ Jonathan Cope

Name: Jonathan Cope

Title: President

EXHIBIT A

Form of Warrant

[to be attached]

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES. THE NUMBER OF SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT MAY BE LESS THAN THE AMOUNTS SET FORTH ON THE FACE HEREOF PURSUANT TO SECTION 1(a) OF THIS WARRANT.

UNILIFE CORPORATION

WARRANT TO PURCHASE COMMON STOCK

Warrant No.:

Date of Issuance: November 9, 2015 (“**Issuance Date**”)

UNILIFE CORPORATION, a Delaware corporation (the “**Company**”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LINCOLN PARK CAPITAL FUND, LLC, an Illinois limited liability company, the registered holder hereof or its permitted assigns (the “**Holder**”), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, upon exercise of this Warrant to Purchase Common Stock (including any Warrants to Purchase Common Stock issued in exchange, transfer or replacement hereof, the “**Warrant**”), at any time or times on or after the six (6) month and one (1) day anniversary of the Issuance Date (the “**Initial Exercise Date**”), but not after 11:59 p.m., New York time, on the Expiration Date (as defined below), 900,000 (subject to adjustment as provided herein) fully paid and non-assessable shares of Common Stock (as defined below) (the “**Warrant Shares**”). Except as otherwise defined herein, capitalized terms in this Warrant shall have the meanings set forth in Section 16.

1. EXERCISE OF WARRANT.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof (including, without limitation, the limitations set forth in Section 1(f)), this Warrant may be exercised by the Holder on any day on or after the Initial Exercise Date, in whole or in part, by delivery (whether via e-mail, facsimile or otherwise) of a written notice, in the form attached hereto as **Exhibit A**

(the “**Exercise Notice**”), of the Holder’s election to exercise this Warrant. On or before the first (1st) Trading Day following the date on which the Company has received an Exercise Notice, the Holder shall deliver payment to the Company of an amount equal to the Exercise Price in effect on the date of such exercise multiplied by the number of Warrant Shares as to which this Warrant was so exercised (the “**Aggregate Exercise Price**”) in cash or via wire transfer of immediately available funds if the Holder did not notify the Company in such Exercise Notice that such exercise was made pursuant to a Cashless Exercise (as defined in Section 1(d)). The Holder shall not be required to deliver the original of this Warrant in order to effect an exercise hereunder. Execution and delivery of an Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original of this Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares. Execution and delivery of an Exercise Notice for all of the then-remaining Warrant Shares shall have the same effect as cancellation of the original of this Warrant after delivery of the Warrant Shares in accordance with the terms hereof. On or before the first (1st) Trading Day following the later of the date on which the Company has received an Exercise Notice or, only if such exercise is not a Cashless Exercise, the date that the Aggregate Exercise Price was delivered to the Company, the Company shall transmit by e-mail or facsimile an acknowledgment of confirmation of receipt of such Exercise Notice, in the form attached hereto as **Exhibit B**, to the Company’s transfer agent (the “**Transfer Agent**”). On or before the third (3rd) Trading Day following the date on which the Company has received such Exercise Notice, the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company (“**DTC**”) Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder’s or its designee’s balance account with DTC through its Deposit/Withdrawal at Custodian system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the Holder or, at the Holder’s instruction pursuant to the Exercise Notice, the Holder’s agent or designee, in each case, sent by reputable overnight courier to the address as specified in the applicable Exercise Notice, a certificate, registered in the Company’s share register in the name of the Holder or its designee (as indicated in the applicable Exercise Notice), for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of an Exercise Notice and payment of the Aggregate Exercise Price (if applicable), the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date such Warrant Shares are credited to the Holder’s DTC account or the date of delivery of the certificates evidencing such Warrant Shares (as the case may be). If this Warrant is submitted in connection with any exercise pursuant to this Section 1(a) and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then, at the request of the Holder, the Company shall as soon as practicable and in no event later than three (3) Business Days after any exercise and at its own expense, issue and deliver to the Holder (or its designee) a new Warrant (in accordance with Section 7(d)) representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. No fractional shares of Common Stock are to be issued upon the exercise of this Warrant, but rather the number of shares of Common Stock to be issued shall be rounded up to the nearest whole number. The Company shall pay any and all taxes and fees which may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant.

(b) Exercise Price. For purposes of this Warrant, “**Exercise Price**” means \$1.00, subject to adjustment as provided herein.

(c) Company’s Failure to Timely Deliver Securities. If the Company shall fail, for any reason or for no reason, to issue to the Holder within three (3) Trading Days after receipt of the applicable Exercise Notice and payment of the Aggregate Exercise Price (if applicable), a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company’s share register or to credit the Holder’s balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise of this Warrant (as the case may be), then, in addition to all other remedies available to the Holder, the Company shall pay in cash to the Holder on each Trading Day after such third (3rd) Trading Day that the issuance of such shares of Common Stock is not timely effected an amount equal to 1% of the product of (A) the aggregate number of shares of Common Stock not issued to the Holder on a timely basis and to which the Holder is entitled and (B) the Closing Sale Price of the Common Stock on the Trading Day immediately preceding the last possible date on which the Company could have issued such shares of Common Stock to the Holder without violating Section 1(a). In addition to the foregoing, if within three (3) Trading Days after the Company’s receipt of the applicable Exercise Notice and payment of the Aggregate Exercise Price, the Company shall fail to issue and deliver a certificate to the Holder and register such shares of Common Stock on the Company’s share register or credit the Holder’s balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise hereunder (as the case may be), and if on or after such third (3rd) Trading Day the Holder (or any other Person in respect, or on behalf, of the Holder) purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock, issuable upon such exercise that the Holder so anticipated receiving from the Company, then, in addition to all other remedies available to the Holder, the Company shall, within three (3) Business Days after the Holder’s request and in the Holder’s discretion, either (i) pay cash to the Holder in an amount equal to the Holder’s total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including, without limitation, by any other Person in respect, or on behalf, of the Holder) (the “**Buy-In Price**”), at which point the Company’s obligation to so issue and deliver such certificate or credit the Holder’s balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise hereunder (as the case may be) (and to issue such shares of Common Stock) shall terminate, or (ii) promptly honor its obligation to so issue and deliver to the Holder a certificate or certificates representing such shares of Common Stock or credit the Holder’s balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon the Holder’s exercise hereunder (as the case may be) and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock multiplied by (B) the lowest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date of the applicable Exercise Notice and ending on the date of such issuance and payment under this clause (ii).

(d) Cashless Exercise. Notwithstanding anything contained herein to the contrary (other than Section 1(f) below), if at the time of exercise hereof a registration statement is not effective (or the prospectus contained therein is not available for use) for the resale by the Holder of all of the Warrant Shares, then the Holder may, in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Aggregate Exercise Price, elect instead to receive upon such exercise the “Net Number” of shares of Common Stock determined according to the following formula (a “**Cashless Exercise**”):

$$\text{Net Number} = \frac{(A \times B) - (A \times C)}{B}$$

For purposes of the foregoing formula:

A= the total number of shares with respect to which this Warrant is then being exercised.

B= the VWAP of the Common Stock on the Trading Day immediately preceding the date of the applicable Exercise Notice.

C= the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

(e) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the number of Warrant Shares to be issued pursuant to the terms hereof, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 13.

(f) Limitations on Exercises.

(i) Beneficial Ownership. Notwithstanding anything to the contrary contained in this Warrant, this Warrant shall not be exercisable by the Holder hereof to the extent (but only to the extent) that the Holder or any of its affiliates would beneficially own in excess of 4.99% (the “**Maximum Percentage**”) of the Common Stock. To the extent the above limitation applies, the determination of whether this Warrant shall be exercisable (vis-à-vis other convertible, exercisable or exchangeable securities owned by the Holder or any of its affiliates) and of which such securities shall be exercisable (as among all such securities owned by the Holder) shall, subject to such Maximum Percentage limitation, be determined on the basis of the first submission to the Company for conversion, exercise or exchange (as the case may be). No prior inability to exercise this Warrant pursuant to this paragraph shall have any effect on the applicability of the provisions of this paragraph with respect to any subsequent determination of exercisability. For the purposes of this paragraph, beneficial ownership and all determinations and calculations (including, without limitation, with respect to calculations of percentage ownership) shall be determined in accordance with Section 13(d) of the 1934 Act. The provisions of this paragraph shall be implemented in a manner otherwise than in strict conformity with the terms of this paragraph to correct this paragraph (or any portion hereof) which may be

defective or inconsistent with the intended Maximum Percentage beneficial ownership limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such Maximum Percentage limitation. The limitations contained in this paragraph shall apply to a successor Holder of this Warrant. The holders of Common Stock shall be third party beneficiaries of this paragraph and the Company may not amend or waive this paragraph without the consent of holders of a majority of its Common Stock. For any reason at any time, upon the written or oral request of the Holder, the Company shall within one (1) Business Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding, including by virtue of any prior conversion or exercise of convertible or exercisable securities into Common Stock, including, without limitation, pursuant to this Warrant. At any time the Holder may increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% as specified in a written notice by the Holder to the Company; provided that any such increase will not be effective until the 61st day after such notice is delivered to the Company.

(ii) Principal Market Regulation. The Company shall not issue any shares of Common Stock upon the exercise of this Warrant if the issuance of such shares of Common Stock would exceed the aggregate number of shares of Common Stock which the Company may issue upon exercise of this Warrant without breaching the Company's obligations under the rules or regulations of the Principal Market and the Australian Securities Market (the "ASX") (the number of shares which may be issued without violating such rules and regulations, the "**Exchange Cap**"), except that such limitation shall not apply in the event that the Company (A) obtains the approval of its stockholders as required by the applicable rules of the Principal Market and ASX for issuances of shares of Common Stock in excess of such amount or (B) obtains a written opinion from outside counsel to the Company that such approval is not required, which opinion shall be reasonably satisfactory to the Holder. Until such approval or such written opinion is obtained, the Holder shall not be issued in the aggregate, upon exercise of the Warrant, shares of Common Stock in an amount greater than the Exchange Cap. In the event that the Company is prohibited from issuing any shares of Common Stock pursuant to this Section 1(f)(ii) (the "**Exchange Cap Shares**"), in lieu of issuing and delivering such Exchange Cap Shares to the Holder, the Company shall pay cash to the Holder in exchange for the cancellation of such portion of this Warrant exercisable into such Exchange Cap Shares (the "**Exchange Cap Payment Amount**") at a price equal to the sum of (x) the product of (A) such number of Exchange Cap Shares and (B) the greatest Closing Sale Price of the Common Stock on any Trading Day during the period commencing on the date the Holder delivers the applicable Exercise Notice with respect to such Exchange Cap Shares to the Company and ending on the date of such payment under this Section 1(f)(ii) and (y) to the extent the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of Exchange Cap Shares, any brokerage commissions and other out-of-pocket expenses, if any, of the Holder incurred in connection therewith.

(g) Insufficient Authorized Shares. The Company shall at all times keep reserved for issuance under this Warrant a number of shares of Common Stock as shall be necessary to satisfy the Company's obligation to issue shares of Common Stock hereunder (without regard to any

limitation otherwise contained herein with respect to the number of shares of Common Stock that may be acquirable upon exercise of this Warrant). If, notwithstanding the foregoing, and not in limitation thereof, at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of this Warrant at least a number of shares of Common Stock equal to the number of shares of Common Stock as shall from time to time be necessary to effect the full exercise of this Warrant (the “**Required Reserve Amount**”) (an “**Authorized Share Failure**”), then the Company shall immediately take all action necessary to increase the Company’s authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for this Warrant. Without limiting the generality of the foregoing sentence, the Company shall use its commercially reasonable efforts to hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock as soon as practicable after the occurrence of such Authorized Share Failure. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its commercially reasonable efforts to solicit its stockholders’ approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve such proposal.

(h) Automatic Exercise upon Expiration. In the event that the VWAP of the Common Stock on the Trading Day immediately preceding the Expiration Date is greater than the Exercise Price in effect on such date, then this Warrant shall automatically be deemed on and as of the Expiration Date to be exercised pursuant to a Cashless Exercise as to all Warrant Shares for which this Warrant shall not previously have been exercised or converted, and the Company shall promptly deliver a certificate representing the Warrant Shares issued upon such automatic Cashless Exercise to the Holder.

2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES; EXCHANGE RIGHT. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 2.

(a) Stock Dividends and Splits. Without limiting any provision of Section 4, if the Company, at any time on or after the Issuance Date, (i) pays a stock dividend on one or more classes of its then outstanding shares of Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock or if there is a pro-rata bonus issue to the holders of outstanding shares of Common Stock, the number of Warrant Shares to be issued upon exercise of the Warrants will be increased by the number of Warrant Shares which the holder of the Warrants would have received if the Warrants had been exercised before the record date for the bonus issue or dividend; (ii) subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its then outstanding shares of Common Stock into a larger number of shares the number of Warrant Shares issuable upon exercise of the Warrant immediately prior to such subdivision or to the issuance of such stock dividend will be sub-divided in the same ratio as the outstanding shares of Common Stock and the Exercise Price will be amended in inverse proportion to that ratio. In the event that the Company; (iii) combines (by combination, reverse stock split or otherwise) one or more classes of its then outstanding shares of Common Stock into a smaller number of shares, then the number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such combination will be combined in the same proportion as

the outstanding shares of Common Stock and the Exercise Price will be amended in inverse proportion to that ratio; (iv) returns capital to the holders of Common Stock, the number of Warrants must remain the same, and the Exercise Price of each Warrant must be reduced by the same amount as the amount of cash or value of shares, securities, or other property returned in relation to each share of Common Stock; (v) reduces its capital by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled, the number of Warrant Shares and the Exercise Price of each Warrant must remain unaltered; (vi) conducts a pro-rata cancellation of capital, the number of Warrant Shares must be reduced in the same ratio as outstanding shares of Common Stock on issue and the Exercise Price will be amended in inverse proportion to that ratio. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) to (vi) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Calculations. All calculations under Section 2(a) shall be made by rounding to the nearest one-hundred thousandth of a cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

3. RIGHTS UPON DISTRIBUTION OF ASSETS. In addition to any adjustments pursuant to Section 2 above and subject to the ASX Listing Rules, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to all or substantially all of the holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a “**Distribution**”), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Maximum Percentage) immediately before the date on which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder’s right to participate in any such Distributions would result in the Holder exceeding the Maximum Percentage, then the Holder shall not be entitled to participate in such Distribution to such extent (or the beneficial ownership of any such shares of Common Stock as a result of such Distribution to such extent) and such Distribution to such extent shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Maximum Percentage).

4. PURCHASE RIGHTS; FUNDAMENTAL TRANSACTIONS.

(a) Purchase Rights. In addition to any adjustments pursuant to Section 2 above, if at any time the Company grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to all or substantially all of the

record holders of any class of shares of Common Stock (the “**Purchase Rights**”), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Maximum Percentage) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which such record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder’s right to participate in any such Purchase Right would result in the Holder exceeding the Maximum Percentage, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Maximum Percentage).

(b) Black Scholes Value. Notwithstanding anything to the contrary contained herein, upon the consummation of any Fundamental Transaction, the Company or the Successor Entity (as the case may be) shall purchase this Warrant from the Holder on the date of the consummation of such Fundamental Transaction by paying to the Holder cash in an amount equal to the Black Scholes Value.

(c) Application. The provisions of this Section 4 shall apply similarly and equally to successive Fundamental Transactions and Corporate Events and shall be applied as if this Warrant (and any such subsequent warrants) were fully exercisable and without regard to any limitations on the exercise of this Warrant (provided that the Holder shall continue to be entitled to the benefit of the Maximum Percentage, applied however with respect to shares of capital stock registered under the 1934 Act and thereafter receivable upon exercise of this Warrant (or any such other warrant)).

5. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of its certificate of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, so long as this Warrant is outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of this Warrant, the maximum number of shares of Common Stock as shall from time to time be necessary to effect the exercise of this Warrant (without regard to any limitations on exercise).

6. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, the Holder, solely in its capacity as a holder of this Warrant, shall

not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in its capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 6, the Company shall provide the Holder with copies of the same notices and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders.

7. REISSUANCE OF WARRANTS.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 7(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 7(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary and reasonable form and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 7(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 7(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender; provided, however, no warrants for fractional shares of Common Stock shall be given.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 7 (a) or Section 7(c), the Warrant Shares designated by the Holder

which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights and conditions as this Warrant.

8. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in writing and will be deemed to have been delivered: (i) upon receipt when delivered personally; (ii) upon receipt when sent by facsimile or email (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) promptly upon each adjustment of the Exercise Price and the number of Warrant Shares, setting forth in reasonable detail, and certifying, the calculation of such adjustment(s) and (ii) at least ten (10) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to all or substantially all of the holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder. It is expressly understood and agreed that the time of execution specified by the Holder in each Exercise Notice shall be definitive and may not be disputed or challenged by the Company.

9. AMENDMENT AND WAIVER. Except as otherwise expressly set forth herein, the provisions of this Warrant (other than Section 1(f)(i)) may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder. Except as otherwise expressly set forth herein, no waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

10. SEVERABILITY. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

11. GOVERNING LAW. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of Delaware. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in Chicago, Illinois, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall (i) be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder or to enforce a judgment or other court ruling in favor of the Holder or (ii) limit, or be deemed to limit, any provision of Section 13. **THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

12. CONSTRUCTION; HEADINGS. This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.

13. DISPUTE RESOLUTION.

(a) Disputes Over the Exercise Price, Closing Sale Price, Bid Price, Black Scholes Value or Fair Market Value.

(i) In the case of a dispute relating to the Exercise Price, the Closing Sale Price, the Bid Price, Black Scholes Value or fair market value (as the case may be) (including, without limitation, a dispute relating to the determination of any of the foregoing), the Company or the Holder (as the case may be) shall submit the dispute via e-mail or facsimile (I) within twenty (20) Business Days after delivery of the applicable notice giving rise to such dispute to the Company or the Holder (as the case may be) or (II) if no notice gave rise to such dispute, at any time after the Holder learned of the circumstances giving rise to such dispute. If the Holder and the Company are unable to resolve such dispute relating to the Exercise Price, the Closing Sale Price, the Bid Price, Black Scholes Value or fair market value (as the case may be) by 5:00 p.m. (New York time) on the third (3rd) Business Day following such delivery by the Company or the Holder (as the case may be) of such dispute to the Company or the Holder (as the case may be), then the Holder shall select an independent, reputable investment bank reasonably acceptable to the Company to resolve such dispute.

(ii) The Holder and the Company shall each deliver to such investment bank (x) a copy of the initial dispute submission so delivered in accordance with the first sentence of this Section 13(a) and (y) written documentation supporting its position with respect to such dispute, in each case, no later than 5:00 p.m. (New York time) by the fifth (5th) Business Day immediately following the date on which the Holder selected such investment bank (the “**Dispute Submission Deadline**”) (the documents referred to in the immediately preceding clauses (x) and (y) are collectively referred to herein as the “**Required Dispute Documentation**”) (it being understood and agreed that if either the Holder or the Company fails to so deliver all of the Required Dispute Documentation by the Dispute Submission Deadline, then the party who fails to so submit all of the Required Dispute Documentation shall no longer be entitled to (and hereby waives its right to) deliver or submit any written documentation or other support to such investment bank with respect to such dispute and such investment bank shall resolve such dispute based solely on the Required Dispute Documentation that was delivered to such investment bank prior to the Dispute Submission Deadline). Unless otherwise agreed to in writing by both the Company and the Holder or otherwise requested by such investment bank, neither the Company nor the Holder shall be entitled to deliver or submit any written documentation or other support to such investment bank in connection with such dispute (other than the Required Dispute Documentation).

(iii) The Company and the Holder shall cause such investment bank to determine the resolution of such dispute and notify the Company and the Holder of such resolution no later than ten (10) Business Days immediately following the Dispute Submission Deadline. The fees and expenses of such investment bank shall be borne equally by the Holder and the Company, and such investment bank’s resolution of such dispute shall be final and binding upon all parties absent manifest error.

(b) Disputes Over Arithmetic Calculation of Warrant Shares.

(i) In the case of a dispute as to the arithmetic calculation of the number of Warrant Shares, the Company or the Holder (as the case may be) shall submit the disputed arithmetic calculation via e-mail or facsimile (i) within twenty (20) Business Days after delivery of the applicable notice giving rise to such dispute to the Company or the Holder (as the case may be) or (ii) if no notice gave rise to such dispute, at any time after the Holder learned of the circumstances giving rise to such dispute. If the Holder and the Company are unable to resolve such disputed arithmetic calculation of the number of Warrant Shares by 5:00 p.m. (New York time) on the third (3rd) Business Day following such delivery by the Company or the Holder (as the case may be) of such disputed arithmetic calculation of the number of Warrant Shares to the Company or the Holder (as the case may be), then the Holder shall select an independent, reputable accountant or accounting firm reasonably acceptable to the Company to perform such disputed arithmetic calculation of the number of Warrant Shares.

(ii) The Holder and the Company shall each deliver to such accountant or accounting firm (as the case may be) (x) a copy of the initial dispute submission so delivered in accordance with the first sentence of this Section 13(b) and (y) written documentation supporting its position with respect to such disputed arithmetic calculation

of the number of Warrant Shares, in each case, no later than 5:00 p.m. (New York time) by the fifth (5th) Business Day immediately following the date on which the Holder selected such accountant or accounting firm (as the case may be) (the “**Submission Deadline**”) (the documents referred to in the immediately preceding clauses (x) and (y) are collectively referred to herein as the “**Required Documentation**”) (it being understood and agreed that if either the Holder or the Company fails to so deliver all of the Required Documentation by the Submission Deadline, then the party who fails to so submit all of the Required Documentation shall no longer be entitled to (and hereby waives its right to) deliver or submit any written documentation or other support to such accountant or accounting firm (as the case may be) with respect to such disputed arithmetic calculation of the number of Warrant Shares and such accountant or accounting firm (as the case may be) shall perform such disputed arithmetic calculation of the number of Warrant Shares based solely on the Required Documentation that was delivered to such accountant or accounting firm (as the case may be) prior to the Submission Deadline). Unless otherwise agreed to in writing by both the Company and the Holder or otherwise requested by such accountant or accounting firm (as the case may be), neither the Company nor the Holder shall be entitled to deliver or submit any written documentation or other support to such accountant or accounting firm (as the case may be) in connection with such disputed arithmetic calculation of the number of Warrant Shares (other than the Required Documentation).

(iii) The Company and the Holder shall cause such accountant or accounting firm (as the case may be) to perform such disputed arithmetic calculation and notify the Company and the Holder of the results no later than ten (10) Business Days immediately following the Submission Deadline. The fees and expenses of such accountant or accounting firm (as the case may be) shall be borne equally by the Holder and the Company, and such accountant’s or accounting firm’s (as the case may be) arithmetic calculation shall be final and binding upon all parties absent manifest error.

(c) Miscellaneous. The Company expressly acknowledges and agrees that (i) this Section 13 constitutes an agreement to arbitrate between the Company and the Holder (and constitutes an arbitration agreement) under the Illinois Uniform Arbitration Act, as amended, , (ii) the terms of this Warrant and each other applicable Transaction Document shall serve as the basis for the selected investment bank’s resolution of the applicable dispute, such investment bank shall be entitled (and is hereby expressly authorized) to make all findings, determinations and the like that such investment bank determines are required to be made by such investment bank in connection with its resolution of such dispute and in resolving such dispute such investment bank shall apply such findings, determinations and the like to the terms of this Warrant, (iii) the terms of this Warrant shall serve as the basis for the selected accountant’s or accounting firm’s performance of the applicable arithmetic calculation of the number of Warrant Shares, (iv) for clarification purposes and without implication that the contrary would otherwise be true, disputes relating to matters described in Section 13(a) shall be governed by Section 13(a) and not by Section 13(b), (v) the Holder (and only the Holder), in its sole discretion, shall have the right to submit any dispute described in this Section 13 to any state or federal court sitting in Chicago, Illinois in lieu of utilizing the procedures set forth in this Section 13 and (vi) nothing in this Section 13 shall limit the Holder from obtaining any injunctive relief or other equitable remedies (including, without limitation, with respect to any matters described in Section 13(a) or Section 13(b)).

14. REMEDIES, CHARACTERIZATION, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue damages for any failure by the Company to comply with the terms of this Warrant. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, exercises and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Warrant (including, without limitation, compliance with Section 2 hereof). The issuance of shares and certificates for shares as contemplated hereby upon the exercise of this Warrant shall be made without charge to the Holder or such shares for any issuance tax or other costs in respect thereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than the Holder or its agent on its behalf.

15. TRANSFER. This Warrant may be offered for sale, sold, transferred or assigned without the consent of the Company; provided, such sale, transfer or assignment is in compliance with applicable law.

16. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "**1934 Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(b) "**Bid Price**" means, for any security as of the particular time of determination, the bid price for such security on the Principal Market as reported by Bloomberg as of such time of determination, or, if the Principal Market is not the principal securities exchange or trading market for such security, the bid price of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg as of such time of determination, or if the foregoing does not apply, the bid price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg as of such time of determination, or, if no bid price is reported for such security by Bloomberg as of such time of determination, the average of the bid prices of any market makers for such security

as reported in the “pink sheets” by OTC Markets Group Inc. as of such time of determination. If the Bid Price cannot be calculated for a security as of the particular time of determination on any of the foregoing bases, the Bid Price of such security as of such time of determination shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 13. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during such period.

(c) “**Black Scholes Value**” means the value of the unexercised portion of this Warrant remaining on the date of consummation of a Fundamental Transaction pursuant to 4(b), which value is calculated using the Black Scholes Option Pricing Model obtained from the “OV” function on Bloomberg utilizing (i) an underlying price per share equal to the greatest of (1) the highest Closing Sale Price of the Common Stock during the period beginning on the Trading Day immediately preceding the earliest to occur of (x) the public disclosure of the applicable Fundamental Transaction, (y) the consummation of the applicable Fundamental Transaction and (z) the date on which the Holder first became aware of the applicable Fundamental Transaction and ending on the the Trading Day on which the Company makes payment in full to the Holder pursuant to Section 4(b) (2) the sum of the price per share being offered in cash in the applicable Fundamental Transaction (if any) plus the value of the non-cash consideration being offered in the applicable Fundamental Transaction (if any) and (3) without limiting clauses (1) and (2) above, if the applicable Fundamental Transaction results from a sale of all or substantially all of the assets of the Company or any of its Subsidiaries, a price per share equal to the quotient of (A) the sum of (X) the total consideration (including, without limitation, cash and non-cash consideration, the assumption of indebtedness and other amounts, earn-outs and contingent consideration) offered in the applicable Fundamental Transaction plus (Y) the aggregate amount of cash then held by the Company and its Subsidiaries divided by (B) the total number of shares of Common Stock outstanding on the date of consummation of the applicable Fundamental Transaction, (ii) a strike price equal to the Exercise Price in effect on the date of the Fundamental Transaction, (iii) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the greater of (1) the remaining term of this Warrant as of the date of the Fundamental Transaction and (2) the remaining term of this Warrant as of the date of consummation of the applicable Fundamental Transaction if such request is prior to the date of the consummation of the applicable Fundamental Transaction, (iv) zero for borrow cost and (v) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg (determined utilizing a 365 day annualization factor) as of the Trading Day immediately following the earliest to occur of (x) the public disclosure of the applicable Fundamental Transaction, (y) the consummation of the applicable Fundamental Transaction and (z) the date on which the Holder first became aware of the applicable Fundamental Transaction.

(d) “**Bloomberg**” means Bloomberg, L.P.

(e) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(f) “**Closing Sale Price**” means, for any security as of any date, the last trade price for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price, then the last trade price of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading market for such security, the last trade price of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing does not apply, the last trade price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no last trade price is reported for such security by Bloomberg, the average of the ask prices of any market makers for such security as reported in the “pink sheets” by OTC Markets Group Inc. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 13. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during such period.

(g) “**Common Stock**” means (i) the Company’s shares of common stock, \$0.01 par value per share, and (ii) any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock.

(h) “**Convertible Securities**” means any stock, note, debenture or other security (other than Options) that is, or may become, at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(i) “**Eligible Market**” means The New York Stock Exchange, the NYSE MKT, The NASDAQ Global Select Market, The NASDAQ Capital Market, the ASX or the Principal Market (including each successor to any of the foregoing).

(j) “**Expiration Date**” means the date that is the fifth (5th) anniversary of the Initial Exercise Date or, if such date falls on a day other than a Business Day or on which trading does not take place on the Principal Market (a “**Holiday**”), the next date that is not a Holiday.

(k) “**Fundamental Transaction**” means that (i) the Company or any of its Subsidiaries shall, directly or indirectly, in one or more related transactions, (1) consolidate or merge with or into (whether or not the Company or any of its Subsidiaries is the surviving corporation) any other Person, or (2) sell, lease, license, assign, transfer, convey or otherwise dispose of all or substantially all of its respective properties or assets to any other Person, or (3) allow any other Person to make a purchase, tender or exchange offer that is accepted by the holders of more than 51% of the outstanding shares of Common Stock (on a fully-diluted basis), or (4) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with any other Person whereby such other Person acquires more than 51% of the outstanding shares of Common Stock (on a fully diluted basis).

(l) “**Options**” means any rights, warrants or options to subscribe for, purchase or otherwise acquire any shares of Common Stock or Convertible Securities.

(m) “**Parent Entity**” of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(n) “**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(o) “**Principal Market**” means the NASDAQ Global Market or such other Eligible Market on which the Common Stock is then primarily traded.

(p) “**Successor Entity**” means the Person (or, if so elected by the Holder, the Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or the Person (or, if so elected by the Holder, the Parent Entity) with which such Fundamental Transaction shall have been entered into.

(q) “**Trading Day**” means, as applicable, (x) with respect to all price determinations relating to the Common Stock, any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded, provided that “Trading Day” shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00:00 p.m., New York time) unless such day is otherwise designated as a Trading Day in writing by the Holder or (y) with respect to all determinations other than price determinations relating to the Common Stock, any day on which The New York Stock Exchange (or any successor thereto) is open for trading of securities.

(r) “**Voting Stock**” of a Person means capital stock of such Person of the class or classes pursuant to which the holders thereof have the general voting power to elect, or the general power to appoint, at least a majority of the board of directors, managers or trustees of such Person (irrespective of whether or not at the time capital stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

(s) “**VWAP**” means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market (or, if the Principal Market is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded) during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg through its “Volume at Price” function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for

such security during the period beginning at 9:30:01 a.m., New York time, and ending at 4:00:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the “pink sheets” by OTC Markets Group Inc. If VWAP cannot be calculated for such security on such date on any of the foregoing bases, the VWAP of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved in accordance with the procedures in Section 13. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during such period.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set out above.

UNILIFE CORPORATION

By: /s/ Alan Shortall

Name: Alan Shortall

Title: Chief Executive Officer

EXERCISE NOTICE

TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK

UNILIFE CORPORATION

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock (“**Warrant Shares**”) of Unilife Corporation, a Delaware corporation (the “**Company**”), evidenced by Warrant to Purchase Common Stock No. _____ (the “**Warrant**”). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as:

_____ a “Cash Exercise” with respect to _____
Warrant Shares; and/or
_____ a “Cashless Exercise” with respect to _____
Warrant Shares.

In the event that the Holder has elected a Cashless Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the Holder hereby represents and warrants that (i) this Exercise Notice was executed by the Holder at [a.m.][p.m.] on the date set forth below and (ii) if applicable, the Bid Price as of such time of execution of this Exercise Notice was \$ _____.

2. Payment of Exercise Price. In the event that the Holder has elected a Cash Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the Holder shall pay the Aggregate Exercise Price in the sum of \$ _____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to Holder, or its designee or agent as specified below, Warrant Shares in accordance with the terms of the Warrant. Delivery shall be made to Holder, or for its benefit, to the following address:

Date: _____,

Name of Registered Holder

By: _____
Name:
Title:

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs _____ to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated _____, 20____, from the Company and acknowledged and agreed to by _____.

UNILIFE CORPORATION

By: _____
Name: _____
Title: _____



**Unilife Corporation Announces Financial Results
For the First Quarter of Fiscal Year 2016**

York, PA (November 9, 2015) Unilife Corporation (“Unilife” or “Company”) (NASDAQ:UNIS; ASX: UNS), a developer and supplier of injectable drug delivery systems, today announced its financial results for the first quarter of fiscal 2016 (ended September 30, 2015).

Morgan Stanley Process

In response to third-party initiated expressions of interest, Unilife engaged Morgan Stanley & Co. LLC as its financial advisor in September 2015 to conduct a review of strategic alternatives to maximize shareholder value. Unilife has received interest from several parties, and the Company hopes to announce a strategic transaction by December 31, 2015. Please see “Forward Looking Statements” below.

Additional Funding

Unilife today announced the direct sale to an institutional investor of 790 shares of newly designated Series A Redeemable Convertible Preferred Stock (“Series A Preferred Stock”) for an aggregate face amount of \$7.9 million. The face amount of the investment is convertible into shares of the Company’s common stock at a fixed conversion price of \$1.00 per share of common stock. Unilife is to receive approximately \$7.5 million in gross proceeds less expenses and accounting for an original issue discount. Additional common shares that the Company may issue, at its sole discretion in lieu of cash, as a conversion premium or in payment of dividends on such shares of Series A Preferred Stock is dependent on the dividend rate which can range from 0% to 15% depending on the Company’s underlying stock price at the time of conversion, subject to adjustment. See the Form 8-K filed on November 9, 2015 for other material terms relating to this transaction and for the terms of the Series A Preferred Stock.

Debt Financing Agreement with an Affiliate of OrbiMed

The Company announced on October 16, the signing of an agreement with an affiliate of OrbiMed for the provision of up to an additional \$10 million in debt financing. As of November 6, 2015, Unilife had received \$6.9 million under this amendment. The material terms are described in a Form 8-K filing made with the SEC on October 16, 2015.

On November 6, 2015, OrbiMed agreed to waive the covenant in the Amended Credit Agreement that requires Unilife to generate \$54.1 million in customer cash receipts from January 1, 2015 to December 31, 2015. There were no other changes to the terms of the Amended Credit Agreement or Amended Royalty Agreement in connection with such waiver.

Cost Reduction Initiatives

Following the development of the Imperium™ platform of insulin patch pumps announced last month, Unilife has now established a full portfolio of products and capabilities to serve customers across all target market segments. By completing the development stage of its strategy, the Company can now focus its resources entirely on the customization and commercialization of existing products under current and prospective customer supply agreements. To support this new stage of business operations and help preserve its

resources, Unilife previously announced the implementation of cost reduction and business realignment initiatives during September and October 2015 that included a reduction of its workforce of approximately 24% in the aggregate, and a decrease in compensation to executive officers and certain other senior management.

Compared to the annualized run rate for operating expenses in the fourth quarter of fiscal 2015, and excluding share-based compensation and depreciation expense, these measures are expected to decrease R&D expense by approximately 30% in fiscal 2016, and selling, general and administrative expense by approximately 20% in fiscal 2016. As a result of these measures, Unilife recorded a charge of approximately \$400,000 for severance and related costs during this first fiscal quarter, with an additional charge of approximately \$100,000 expected in the second quarter. The impact of these measures is expected to begin to be reflected during the second quarter of fiscal 2016, and become more meaningful during the second half of fiscal 2016.

Existing Customer Programs and Agreements

Unilife continues to execute according to the program schedules of various customers.

Wearable Injectors

Earlier this month, Unilife announced the signing of the first supply agreement under its November 2013 Master Development and Supply Agreement (“MDSA”) with MedImmune, the global biologics research and development arm of AstraZeneca. This supply agreement, executed on October 30, 2015, provides commercial terms, including minimum purchase volumes and unit pricing, for the long-term supply of a customized device from Unilife’s Precision-Therapy™ platform of wearable injectors for a monoclonal antibody in late-stage clinical studies in MedImmune’s pipeline.

The customization phase of the lead wearable injector program for MedImmune is now nearing completion, and device production has begun at Unilife. Additionally, Unilife is shipping wearable injectors to MedImmune this quarter. In addition to development and material fees already paid by MedImmune, Unilife will begin generating revenue from the sale of these devices in the current quarter of this fiscal year.

In addition to other ongoing customer programs, Unilife expanded its market opportunity in the wearable injector segment with the provision of a 1mL device variant designed to be preferable to disposable auto injectors across factors including patient comfort, reduced pain sensation, connectivity, drug warming and discretion.

Prefilled Syringes

Customer programs for the use of various Unilife products from the Unifill® platform of prefilled syringes continue to move forward. Device batches shipped to customers previously are being used for activities including drug stability studies and fill-finish integration. Additional manufacturing lines are scheduled to be installed over the coming months to further support the commercial rollout schedules of customers. Anticipated annual unit volume requirements for one strategic customer between calendar year 2015 and 2020 have increased significantly per year compared to original estimates.

Other Device Segments

Unilife also advanced various active programs with a number of pharmaceutical customers relating to products from device segments including ocular delivery systems, novel delivery systems and auto injectors during the fiscal quarter.

This quarter, Unilife delivered to a global biopharmaceutical customer customized electronic reusable auto injectors based on the LISA™ device platform on schedule for use in human factors studies. Unilife will recognize \$1.2 million in revenue in the second quarter of fiscal 2016 from the customer for completion of the LISA™ feasibility program in addition to payments received for earlier achieved milestones under the program. The exclusivity period for the LISA™ device platform granted by Unilife under the definitive global strategic agreement signed with the customer on January 15, 2015 commences with Unilife's completion of the deliverables under the feasibility program. The milestones tied to the exclusive period for the Unifill Finesse™ prefilled syringe have also been successfully completed. The parties are also working on agreements for other drug delivery systems, and the relationship between Unilife and the customer continues to be strong.

During September 2015, Unilife announced an amendment to a clinical supply agreement originally signed with Novartis in December 2013 to supply clinical products from one of its platforms of injectable drug delivery systems for use with one of Novartis' targeted early-stage pipeline drugs. Under this amendment to the agreement, Unilife will supply Novartis with additional batches of its customized delivery device to enable administration of a novel investigational Novartis drug into a targeted organ during an ongoing clinical drug trial. Unilife has granted Novartis an option for exclusivity under this agreement.

Commercial Development Pipeline

In addition to existing programs, Unilife continues to negotiate with various other pharmaceutical companies who are seeking access to products from across its portfolio of injectable drug delivery systems. More than a dozen pre-commercial engagements with customers are currently at various stages of negotiations, including several supply agreements with existing and prospective customers. Unilife may receive additional payments from customers, including in some cases exclusivity or access fees, if any of these agreements are finalized and executed.

Financial Results for the First Quarter of Fiscal Year 2016

Revenue for the first quarter of fiscal year 2016 was \$3.2 million, compared to \$1.4 million in the same period last year. Cash receipts from customers for the first quarter of fiscal 2016 was approximately \$2.3 million, compared to \$0.9 million in the same period as last year. Research and development expense for the first quarter of fiscal year 2016 was \$14.6 million, excluding share-based compensation expense, compared to \$10.4 million for the same period in the prior year. Selling, general and administrative expense for the first quarter of fiscal year 2016 was \$7.0 million, excluding share-based compensation expense, compared to \$6.9 million for the same period in the prior year.

The Company's net loss for the first fiscal quarter of 2016 was \$25.9 million, or \$0.21 per share, compared to a net loss of \$22.3 million, or \$0.21 per share, for the same period in the prior year. Adjusted net loss for the first fiscal quarter of 2016 was \$18.5 million, or \$0.15 per share, compared to \$15.9 million or \$0.15 per share for same period in the prior year. Adjusted net loss is a non-GAAP measure that excludes non-cash share-based compensation expense, depreciation and amortization, interest expense and the change in fair value of financial instruments. Please see "Non-GAAP Financial Measures" and "Reconciliation of Non-GAAP Financial Measure," below.

Unilife had \$7.9 million in total cash and cash equivalents, including restricted cash of \$2.1 million, as of September 30, 2015.

Conference Call Information

Management has scheduled a conference call for 4:30 p.m. EST on Monday, November 9, 2015 (Tuesday, November 10, 2015 at 8:30 a.m. AEDT), to review the Company's financial results, commercial partnerships, and future outlook. The conference call and accompanying slide presentation will be broadcast over the Internet as a "live" listen-only Webcast. An archive of the presentation and webcast will be available for 30 days after the call. To listen, please go to: <http://ir.unilife.com/events.cfm>.

About Unilife Corporation

Unilife Corporation (NASDAQ:UNIS / ASX: UNS) is a U.S. based developer and commercial supplier of injectable drug delivery systems. Unilife's broad portfolio of proprietary technologies includes prefilled syringes with automatic needle retraction, drug reconstitution delivery systems, auto-injectors, wearable injectors, insulin patch pumps, ocular delivery systems and novel systems. Each of these innovative and highly differentiated platforms can be customized to address specific customer, drug and patient requirements. Unilife's global headquarters and state-of-the-art manufacturing facilities are located in York, PA. For more information, please visit www.unilife.com or download the Unilife IRapp on your iPhone, iPad or Android device.

Forward-Looking Statements

This press release contains forward-looking statements. All statements that address operating results, performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including, but not limited to, expectations regarding reductions to the Company's selling, general and administrative expenses and its research and development expenses, estimates of employee headcount reductions, expenditures that may be incurred by the Company in connection with the reduction in force, expectations regarding cash receipts from customers or potential strategic transactions. These forward-looking statements are based on management's beliefs and assumptions and on information currently available to our management. Our management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described in "Item 1A. Risk Factors" and elsewhere in our Annual Report on Form 10-K, those described from time to time in other reports which we file with the Securities and Exchange Commission, and the following additional risks: that OrbiMed may, as permitted under the amended Credit Agreement with OrbiMed, exercise its discretion not to make additional loans to the Company; that we may not be successful in raising additional capital; that we may not be able to enter into or receive sufficient cash from customer agreements; that we may not be able to enter into or complete any strategic transaction in the stated timeframe or at all or that any such transaction will enhance stockholder value; that we may not be able to implement the reduction in force in various jurisdictions as planned; possible changes in the size and components of the expected costs and charges associated with the reduction in force; risks associated with the Company's ability to achieve the benefits of the reduction in force; and completion of quarter-end financial reporting processes and review.

Non-GAAP Financial Measures

U.S. securities laws require that when we publish any non-GAAP financial measure, we disclose the reason for using the non-GAAP measure and provide reconciliation to the most directly comparable GAAP measure. The presentation of research and development expense excluding share-based compensation expense, selling, general and administrative expense excluding share-based compensation expense, adjusted net income (loss) and adjusted net income (loss) per share are non-GAAP measures. Adjusted net income (loss) represents net income (loss) calculated in accordance with U.S. GAAP as adjusted for the impact of share-based compensation expense, depreciation and amortization, change in fair value of financial instruments and interest expense.

Management believes the presentation of research and development expense excluding share-based compensation expense, selling, general and administrative expense excluding share-based compensation expense, adjusted net income (loss) and adjusted net income (loss) per share provides useful information because these measures enhance its own evaluation, as well as investor's understanding, of the Company's core operating and financial results. Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. A reconciliation of net income (loss) to adjusted net income (loss) is included in the attached table.

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UNILIFE CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
(unaudited)

	<u>September 30, 2015</u>	<u>June 30, 2015</u>
	(in thousands, except share data)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 5,801	\$ 12,303
Restricted cash	2,092	2,400
Accounts receivable	1,413	1,530
Inventories	107	151
Prepaid expenses and other current assets	1,206	656
Total current assets	10,619	17,040
Property, plant and equipment, net	79,126	66,148
Goodwill	8,857	9,685
Other assets	1,205	1,256
Total assets	<u>\$ 99,807</u>	<u>\$ 94,129</u>
Liabilities and Stockholders' Deficit		
Current Liabilities:		
Accounts payable	\$ 9,090	\$ 4,042
Accrued expenses	19,087	5,074
Current portion of long-term debt	1,243	775
Deferred revenue	3,910	4,942
Total current liabilities	33,330	14,833
Long-term debt, less current portion	80,595	79,660
Deferred revenue	17,550	17,550
Total liabilities	<u>131,475</u>	<u>112,043</u>
Stockholders' Deficit:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized as of September 30, 2015; none issued or outstanding as of September 30, 2015 and June 30, 2015	—	—
Common stock, \$0.01 par value, 250,000,000 shares authorized as of September 30, 2015; 139,138,898 and 131,976,153 shares issued, and 139,110,228 and 131,947,483 shares outstanding as of September 30, 2015 and June 30, 2015, respectively	1,391	1,320
Additional paid-in-capital	377,672	364,817
Accumulated deficit	(410,444)	(384,580)
Accumulated other comprehensive (loss) income	(147)	669
Treasury stock, at cost, 28,670 shares as of September 30, 2015 and June 30, 2015	(140)	(140)
Total stockholders' deficit	<u>(31,668)</u>	<u>(17,914)</u>
Total liabilities and stockholders' deficit	<u>\$ 99,807</u>	<u>\$ 94,129</u>

UNILIFE CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations
(unaudited)

	Three Months Ended	
	September 30,	
	2015	2014
	(in thousands, except share data)	
Revenue	\$ 3,187	\$ 1,380
Research and development	16,004	10,976
Selling, general and administrative	9,228	8,200
Depreciation and amortization	1,543	1,100
Total operating expenses	<u>26,775</u>	<u>20,276</u>
Operating loss	(23,588)	(18,896)
Interest expense	1,684	1,109
Change in fair value of financial instruments	602	2,230
Other (income) expense, net	(10)	27
Net loss	<u>\$ (25,864)</u>	<u>\$ (22,262)</u>
Net loss per share:		
Basic and diluted net loss per share	<u>\$ (0.21)</u>	<u>\$ (0.21)</u>

UNILIFE CORPORATION AND SUBSIDIARIES
Reconciliation of Non-GAAP Measure
(unaudited)

	Three Months Ended September 30,	
	2015	2014
	(in thousands, except per share data)	
Net loss	\$ (25,864)	\$ (22,262)
Share-based compensation expense	3,584	1,888
Depreciation and amortization	1,543	1,100
Interest expense	1,684	1,109
Change in fair value of financial instruments	602	2,230
Adjusted net loss	<u>\$ (18,451)</u>	<u>\$ (15,935)</u>
Adjusted net loss per share – diluted	<u>\$ (0.15)</u>	<u>\$ (0.15)</u>

	Three Months Ended September 30,	
	2015	2014
	(in thousands)	
Research and development expense	\$ 16,004	\$ 10,976
Share-based compensation expense	(1,362)	(607)
Adjusted research and development expense	<u>\$ 14,642</u>	<u>\$ 10,369</u>

	Three Months Ended September 30,	
	2015	2014
	(in thousands)	
Selling, general and administrative expense	\$ 9,228	\$ 8,200
Share-based compensation expense	(2,222)	(1,281)
Adjusted selling, general and administrative expense	<u>\$ 7,006</u>	<u>\$ 6,919</u>