BIOMARIN PHARMACEUTICAL INC
Form S-3
November 06, 2001

As filed with the Securities and Exchange Commission on November 6, 2001

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BioMarin Pharmaceutical Inc.
(Exact name of registrant as specified in its charter)

Delaware	68-0397820
(State or other jurisdiction of incorporation or organization)	(I.R.S.Employer Identification No.)

371 Bel Marin Keys Boulevard, Suite 210
Novato, California 94949
(415) 884-6700
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Raymond W. Anderson
Chief Financial Officer
BioMarin Pharmaceutical Inc.
371 Bel Marin Keys Boulevard, Suite 210
Novato, California 94949
(415) 884-6700
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:
Siobhan McBreen Burke
Paul, Hastings, Janofsky & Walker LLP
555 South Flower Street, 23rd Floor
Los Angeles, California 90071-2371
(213) 683-6000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. |_|

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. |X|

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. |_|

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement

for the same offering. |_|

If delivery of the prospectus is expected to be made pursuant to Rule 434 under the Securities Act, please check the following box.|_|

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share (1)	Proposed Maximum Aggregate Offering Price (1)
Common Stock	814,647	$10.83	$8,822,627

(1) Estimated solely for the purpose of computing the registration fee required pursuant to Section 6(b) of the Securities Act and computed pursuant to Rule 457(c) of the Securities Act, based on the average of the high and low prices of the Common Stock on November 1, 2001 as reported on the NASDAQ National Market.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

SUBJECT TO COMPLETION DATED NOVEMBER 6, 2001

PRELIMINARY PROSPECTUS

814,647 Shares of Common Stock
par value $.001

BioMarin Pharmaceutical Inc.

This prospectus relates to an aggregate of 814,647 shares of common stock of BioMarin Pharmaceutical Inc. that may be offered for sale by three entities who have acquired such shares in a private transaction. We have registered the aggregate number of shares under the Securities Act of 1933 on behalf of these stockholders so that they can sell them in a public offering or other distribution. We will not receive any of the proceeds from the offer and sale of the shares.

Our common stock currently trades on the Nasdaq National Market and the Swiss SWX New Market under the symbol "BMRN."

See "Risk Factors" beginning on page 4 to read about risks that you should

consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____ ___, 2001

TABLE OF CONTENTS

WHERE YOU CAN FIND MORE INFORMATION

We are a reporting company and file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy these reports, proxy statements and other information at the SEC's public reference rooms in Washington, D.C., New York, NY and Chicago, IL. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the public reference rooms. Our SEC filings are also available at the SEC's Web site at "http://www.sec.gov." In addition, you can read and copy our SEC filings at the office of the National Association of Securities Dealers, Inc. at 1735 K Street, Washington, D.C. 20006.

The SEC allows us to "incorporate by reference" information that we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. Further, all filings we make under the Securities Exchange Act of 1934 after the date of the initial registration statement and prior to effectiveness of the registration statement shall be deemed to be incorporated by reference into this prospectus. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934:

1. Our Annual Report on Form 10-K for the year ended December 31, 2000;

2. Our Definitive Proxy Statement dated April 3, 2001 filed in connection with our 2001 Annual Meeting of Stockholders;

3. Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001 and June 30, 2001;

4. Our Current Reports on Form 8-K, as filed on May 18, 2001, June 25, 2001, August 16, 2001, September 6, 2001, September 11, 2001, October 10, 2001, October 26, 2001 and two reports filed on November 2, 2001; and

5. The description of our common stock set forth in our Amendment No. 4 to our Registration Statement on Form S-1, filed with the SEC on July 22, 1999.

We will provide to you at no cost a copy of any and all of the information incorporated by reference into the registration statement of which this prospectus is a part. You may make a request for copies of this information in writing or by telephone. Requests should be directed to:

BioMarin Pharmaceutical Inc.
Attention: Jeremy Price
371 Bel Marin Keys Boulevard, Suite 210
Novato, CA 94949
(415) 884-6777

SUMMARY

This prospectus contains forward looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors appearing under "Risk Factors" and elsewhere in this prospectus.

The following summary does not contain all the information that may be important to you. You should read the entire prospectus, including the financial

statements and other information incorporated by reference in this prospectus, before making an investment decision.

We develop enzyme therapies for debilitating, life-threatening, chronic genetic diseases and other diseases and conditions. In September 1998, we established a joint venture with Genzyme for the worldwide development and commercialization of our lead drug product, Aldurazyme(TM), for the treatment of mucopolysaccharidosis I or MPS I, a serious genetic disease. Aldurazyme has received fast track designation for the treatment of the more severe forms of MPS I. The U.S. Food and Drug Administration (FDA) has granted Aldurazyme for the treatment of MPS I an orphan drug designation giving us exclusive rights to market Aldurazyme to treat MPS I for seven years from the date of FDA approval if Aldurazyme is the first product to be approved by the FDA for the treatment of MPS I. In addition, the European Commission has designated Aldurazyme for the treatment of MPS I as an orphan medical product in the European Community, giving us similar market exclusivity in Europe for 10 years.

MPS I is a life-threatening genetic disease caused by the lack of a sufficient quantity of the enzyme (alpha)-L-iduronidase, which affects about 3,400 patients in developed countries, including approximately 1,000 in the United States and Canada. Patients with MPS I have multiple debilitating symptoms resulting from the buildup of carbohydrate residues in all tissues in the body. These symptoms include delayed physical and mental growth, enlarged livers and spleens, skeletal and joint deformities, airway obstruction, heart disease, reduced endurance and pulmonary function, and impaired hearing and vision. Most children with MPS I will die from complications associated with the disease before adulthood.

Aldurazyme is a specific form of recombinant human (alpha)-L-iduronidase that replaces a genetic deficiency of (alpha)-L-iduronidase in MPS I patients. In April 1999, we completed a twelve-month patient evaluation for the initial clinical trial of Aldurazyme. This trial treated and evaluated ten patients with MPS I at six medical centers in the United States. The results of the trial were presented at the American Society for Human Genetics in October 1999. Based on data collected during the initial twelve-month evaluation period, Aldurazyme met the primary endpoints set forth in the investigational new drug application. In addition, Aldurazyme demonstrated efficacy according to various secondary endpoints in each of the patients. We continue to collect data from the ongoing treatment of the surviving original patients (two have died from causes unrelated to our enzyme replacement therapy). We recently released the data from the two-year follow-up evaluation, which continued to suggest the efficacy of Aldurazyme.

In collaboration with Genzyme, we initiated a six-month Phase III clinical trial of Aldurazyme in December 2000 with the intention to file a Biologics License Application (BLA) with the FDA, pending the successful outcome of the Phase III trial. The treatment phase of this trial was completed in August 2001 and, in accordance with the trial protocol, we released the preliminary results of this trial in November 2001. Patients were evaluated at defined intervals to assess progress in meeting two primary end points. The preliminary data analysis showed an increase in pulmonary capacity and demonstrated a positive trend in endurance, as measured by a six minute walk test. Based on the results of the trial, we plan to meet with U.S., Canadian, and European regulatory authorities to discuss applications to market Aldurazyme.

In August 2000, our Galli Drive manufacturing facility and a smaller clinical manufacturing facility in our Bel Marin Keys Boulevard facility were both subjected to an extensive inspection by the State of California Food and Drug Branch and were granted licenses to produce clinical product.

We submitted an Investigational New Drug Application for recombinant human N-acetylgalactosamine-4-sulfatase also known as arylsulfatase B or rhASB and received FDA acceptance to begin a Phase I/II clinical trial in enzyme replacement therapy for MPS VI, which was initiated on October 11, 2000. We released the results of this trial in September 2001. The trial met its primary objective of demonstrating the safety of treatment with rhASB. RhASB was well tolerated by all of the patients and there were no drug-related serious adverse events during the study. Additionally, the trial demonstrated the efficacy of rhASB based on various secondary endpoints.

MPS VI, also known as Maroteaux-Lamy syndrome, is similar in its clinical symptoms to MPS I. However, MPS VI does not appear to have the central nervous system involvement and mental retardation characteristics of the most severe form of MPS I. We are manufacturing clinical bulk rhASB in our Bel Marin Keys Boulevard clinical manufacturing facility. RhASB for the treatment of MPS VI has received fast track and orphan drug designations from the FDA. In addition, the European Commission has designated rhASB for the treatment of MPS VI as an orphan medical product in the European Community.

We have successfully conducted preclinical studies of our burn enzyme, Vibriolysin Topical, for use in burn debridement and grafting in pigs and mice. In June 2001, we filed a Clinical Trial Exemption application with the Medicines Control Agency in the United Kingdom for permission to begin a clinical trial for Vibriolysin Topical. We began a Phase I clinical trial in October 2001 in the United Kingdom.

On October 31, 2001 we completed the acquisition of the pharmaceutical assets of IBEX Technologies Inc. and its subsidiaries. These assets include the development programs related to IBEX's two lead product candidates, NeutralaseTM and Phenylase. Neutralase is an injectable heparinase that reverses the anti-coagulation effects in blood of heparin, new low molecular weight heparins and a new pentasaccharide anticoagulant. Phenylase is an orally active enzyme with the potential to treat phenylketonuria (PKU), a genetic disease affecting approximately 50,000 patients in North America and Europe. Phenylase is currently in a preclinical development stage.

Neutralase is a carbohydrate-modifying enzyme that cleaves heparin in a manner similar to the action of Aldurazyme and rhASB on specific glycosaminoglycan (carbohydrate) structures. There are approximately 300,000 coronary artery

bypass graft procedures and 725,000 angioplasties each year in the United States that could potentially benefit from heparin reversal with Neutralase. We believe that Neutralase may have several benefits over the only current commercially available heparin reversal product, protamine, in that Neutralase has demonstrated a lower occurrence of associated adverse effects in the clinical trials conducted to date. Also, we believe, based on initial laboratory testing, that Neutralase, unlike protamine, may be effective in reversing the anti-coagulant effects of low molecular weight heparins and a new pentasaccharide drug, currently under development. We expect to initiate a Phase III clinical trial of Neutralase for use in coronary artery bypass graft surgery in 2002.

Our principal executive offices are located at 371 Bel Marin Keys Boulevard, Suite 210, Novato, CA 94949 and our telephone number is (415) 884-6700.

FORWARD LOOKING STATEMENTS

This prospectus contains forward looking statements. These statements relate to future events or our future financial performance. We have identified forward looking statements in this prospectus using words such as "anticipates", "believes," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of such terms or other comparable terminology. These statements are based on our beliefs as well as assumptions we made using information currently available to us. Because these statements reflect our current views concerning future events, these statements involve risks, uncertainties, and assumptions. These risks, uncertainties, assumptions and other factors, including the risks outlined under "Risk Factors," that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from future results, levels of actual activity, performance or achievements expressed or implied by such forward looking statements.

Although we believe that the expectations reflected in the forward looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of such statements. We are under no duty to update any of the forward looking statements after the date of this prospectus to conform such statements to actual results, unless required by law.

RISK FACTORS

An investment in our common stock involves a high degree of risk. We operate in a dynamic and rapidly changing industry that involves numerous risks and uncertainties. Before purchasing these securities, you should carefully consider the following risk factors, as well as other information contained in this prospectus or incorporated by reference into this prospectus, to evaluate an investment in the securities offered by this prospectus. The risks and uncertainties described below are not the only ones we face. Other risks and uncertainties, including those that we do not currently consider material, may impair our business. If any of the risks discussed below actually occur, our business, financial condition, operating results or cash flows could be materially adversely affected. This could cause the trading price of our common stock to decline, and you may lose all or part of your investment.

If we continue to incur operating losses for a period longer than anticipated, we may be unable to continue our operations at planned levels and be forced to reduce or discontinue operations.

We are in an early stage of development and have operated at a net loss since we were formed. Since we began operations in March 1997, we have been engaged primarily in research and development. We have no sales revenues from any of our drug products. As of September 30, 2001, we had an accumulated deficit of approximately $113 million. We expect to continue to operate at a net loss at least through 2002. Our future profitability depends on our receiving regulatory approval of our drug candidates and our ability to successfully manufacture and market any approved drugs, either by ourselves or jointly with others. The extent of our future losses and the timing of profitability are highly uncertain. If we fail to become profitable or are unable to sustain profitability on a continuing basis, then we may be unable to continue our operations.

Because of the relative small size and scale of our wholly-owned subsidiary, Glyko, Inc., profits from its products and services will be insufficient to offset the expenses associated with our pharmaceutical business.

If we fail to obtain the capital necessary to fund our operations, we will be unable to complete our product development programs.

In the future, we may need to raise substantial additional capital to fund operations. We cannot be certain that any financing will be available when needed. If we fail to raise additional financing as we need it, we will have to delay or terminate some or all of our product development programs.

We expect to continue to spend substantial amounts of capital for our operations for the foreseeable future. Activities that will require additional expenditures include:

- Research and development programs
- Preclinical studies and clinical trials
- Process development, including quality systems for product manufacture
- Regulatory processes in the United States and international jurisdictions
- Clinical and commercial scale manufacturing capabilities
- Expansion of sales and marketing activities

The amount of capital we will need depends on many factors, including:

- The progress, timing and scope of our research and development programs
- The progress, timing and scope of our preclinical studies and clinical trials
- The time and cost necessary to obtain regulatory approvals
- The time and cost necessary to develop commercial manufacturing processes, including quality systems
- The time and cost necessary to build our manufacturing facilities and obtain the necessary regulatory approvals for those facilities
- The availability and cost of contract manufacturing capability
- The time and cost necessary to respond to technological and market developments
- Any changes made or new developments in our existing collaborative, licensing and other commercial relationships
- Any new collaborative, licensing and other commercial relationships that we may establish
- Any obligations to make payments to third parties (including

contingency, royalty, and milestone payments)

Moreover, our fixed expenses such as rent, license payments and other contractual commitments are substantial and will increase in the future. These fixed expenses will increase because we may enter into:

- Additional leases for new facilities and capital equipment
- Additional licenses and collaborative agreements
- Additional contracts for consulting, maintenance and administrative services

- Additional contracts for product manufacturing

We believe that the cash, cash equivalents and short-term investment securities balances at September 30, 2001, will be sufficient to meet our operating and capital requirements at least through the next 12 months. This estimate is based on assumptions and estimates, which may prove to be wrong. As a result, we may need or choose to obtain additional financing during that time.

If we fail to obtain regulatory approval to commercially manufacture or sell any of our future drug products, or if approval is delayed, we will be unable to generate revenue from the sale of our products.

We must obtain regulatory approval before marketing or selling our drug products in the U.S. and in foreign jurisdictions. In the United States, we must obtain FDA approval for each drug that we intend to commercialize. The FDA approval process is typically lengthy and expensive, and approval is never certain. Products distributed abroad are also subject to foreign government regulation. None of our drug products has received regulatory approval to be commercially marketed and sold. If we fail to obtain regulatory approval, we will be unable to market and sell our drug products. Because of the risks and uncertainties in biopharmaceutical development, our drug products could take a significantly longer time to gain regulatory approval than we expect or may never gain approval. If regulatory approval is delayed, our management's credibility, the value of our company and our operating results will be adversely affected.

To obtain regulatory approval to market our products, preclinical studies and costly and lengthy clinical trials may be required and the results of the studies and trials are highly uncertain.

As part of the regulatory approval process, we must conduct, at our own expense, preclinical studies in the laboratory on animals, and clinical trials on humans for each drug product. We expect the number of preclinical studies and clinical trials that the regulatory authorities will require will vary depending on the drug product, the disease or condition the drug is being developed to address and regulations applicable to the particular drug. We may need to perform multiple preclinical studies using various doses and formulations before we can begin clinical trials, which could result in delays in our ability to market any of our drug products. Furthermore, even if we obtain favorable results in preclinical studies on animals, the results in humans may be significantly different.

After we have conducted preclinical studies in animals, we must demonstrate that our drug products are safe and efficacious for use on the target human patients in order to receive regulatory approval for commercial sale. Adverse or inconclusive clinical results would stop us from filing for regulatory approval of our drug products. Additional factors that can cause delay or termination of our clinical trials include:

- Slow patient enrollment
- Slow recruitment of, and completion of necessary institutional approvals at, clinical sites
- Longer treatment time required to demonstrate efficacy
- Lack of sufficient supplies of the drug candidate
- Adverse medical events or side effects in treated patients
- Lack of effectiveness of the drug candidate being tested
- Regulatory requests for additional clinical trials

Typically, if a drug product is intended to treat a chronic disease, safety and efficacy data must be gathered over an extended period of time, which can range from six months to three years or more. In addition, clinical trials on humans

are typically conducted in three phases. The FDA generally requires two pivotal clinical trials that demonstrate substantial evidence of safety and efficacy and appropriate dosing in a broad patient population at multiple sites to support an application for regulatory approval. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, fewer clinical trials may be sufficient to prove safety and efficacy under the FDA's Modernization Act of 1997.

In April 1999, we completed a twelve-month patient evaluation for the initial clinical trial of our lead drug product, Aldurazyme, for the treatment of MPS I. The results were presented at the American Society for Human Genetics in October 1999. We continue to collect data from the ongoing treatment of the surviving original patients. The initial clinical trial treated ten patients with MPS I at six medical centers in the United States. Two of the original ten patients enrolled in the first clinical trial of Aldurazyme died in 2000. Based on medical data collected from clinical investigative sites, neither case directly implicated treatment with Aldurazyme as the cause of death. The data suggest that one patient died due to a combination of systemic viral illness, residual MPS I coronary disease, and external factors. This patient had received 103 weeks of Aldurazyme administration. For the other patient, the data suggest that the patient died due to complications following posterior spinal fusion for scoliosis. This patient had received 127 weeks of Aldurazyme administration.

The fast track designation for our product candidates may not actually lead to a faster review process.

Although Aldurazyme and rhASB have obtained fast track designations, we cannot guarantee a faster review process or faster approval compared to the normal FDA procedures.

We will not be able to sell our products if we fail to comply with manufacturing regulations.

Before we can begin commercial manufacture of our products, we must obtain regulatory approval of our manufacturing facility and process. In addition, manufacture of our drug products must comply with the FDA's current Good Manufacturing Practices regulations, commonly known as cGMP. The cGMP regulations govern quality control and documentation policies and procedures. Our manufacturing facilities are continuously subject to inspection by the FDA, the State of California and foreign regulatory authorities, before and after product approval. Our Galli Drive and our Bel Marin Keys Boulevard manufacturing facilities have been inspected and licensed by the State of California for clinical pharmaceutical manufacture. We cannot guarantee that these facilities will pass federal or international regulatory inspection. We cannot guarantee that we, or any potential third-party manufacturer of our drug products, will be able to comply with cGMP regulations.

We must pass Federal, state and European regulatory inspections, and we must manufacture three process qualification batches (five process qualification batches for Europe) to final specifications under cGMP controls for each of our drug products before the marketing applications can be approved. Although we have completed process qualification batches for Aldurazyme, these batches may be rejected by the regulatory authorities and we may be unable to manufacture the process qualification batches for our other products or pass the inspections in a timely manner, if at all.

If we fail to obtain orphan drug exclusivity for some of our products, our competitors may sell products to treat the same conditions and our revenues will be reduced.

As part of our business strategy, we intend to develop drugs that may be eligible for FDA and European Community orphan drug designation. Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is a drug intended to treat a rare disease or condition, defined as a patient population of less than 200,000 in the United States. The company that obtains the first FDA approval for a designated orphan drug for a given rare disease receives marketing exclusivity for use of that drug for the stated condition for a period of seven years. However, different drugs can be approved for the same condition. Similar regulations are available in the European Community with a ten-year period of market exclusivity.

Because the extent and scope of patent protection for our drug products is limited, orphan drug designation is particularly important for our products that are eligible for orphan drug designation. We plan to rely on the exclusivity period under the orphan drug designation to maintain a competitive position. If we do not obtain orphan drug exclusivity for our drug products, which do not have patent protection, our competitors may then sell the same drug to treat the same condition.

We received orphan drug designation from the FDA for Aldurazyme for the treatment of MPS I in September 1997. In February 1999, we received orphan drug designation from the FDA for rhASB for the treatment of MPS VI. In February 2001, we received orphan drug designation from the European Community for both products. IBEX obtained orphan drug designation for Phenylase from the FDA in March 1995. The rights to this designation were transferred to us in connection with our acquisition of the Phenylase program.

Even though we have obtained orphan drug designation for these drugs and even if we obtain orphan drug designation for other products we develop, we cannot guarantee that we will be the first to obtain marketing approval for any orphan indication or that exclusivity would effectively protect the product from competition. Orphan drug designation neither shortens the development time or regulatory review time of a drug so designated nor gives the drug any advantage in the regulatory review or approval process.

Because the target patient populations for some of our products are small we must achieve significant market share and obtain high per patient prices for our products to achieve profitability.

Two of our lead drug candidates, Aldurazyme and rhASB, target diseases with small patient populations. As a result, our per patient prices must be high enough to recover our development costs and achieve profitability. Aldurazyme and rhASB, target patients with MPS I and MPS VI, respectively. We estimate that there are approximately 3,400 patients with MPS I and 1,100 patients with MPS VI

in the developed world. We believe that we will need to market worldwide to achieve significant market share. In addition, we are developing other drug candidates to treat conditions, such as other genetic diseases and serious burn wounds, with small patient populations. We cannot be certain that we will be able to obtain sufficient market share for our drug products at a price high enough to justify our product development efforts.

If we fail to obtain an adequate level of reimbursement for our drug products by third-party payers, there would be no commercially viable markets for our products.

The course of treatment for patients with MPS I using Aldurazyme and for patients with MPS VI using rhASB is expected to be expensive. We expect patients to need treatment throughout their lifetimes. We expect that most families of patients will not be capable of paying for this treatment themselves. There will be no commercially viable market for Aldurazyme or rhASB without reimbursement from third-party payers.

Third-party payers, such as government or private health care insurers, carefully review and increasingly challenge the price charged for drugs. Reimbursement rates from private companies vary depending on the third-party payer, the insurance plan and other factors. Reimbursement systems in international markets vary significantly by country and by region, and reimbursement approvals must be obtained on a country-by-country basis. We cannot be certain that third-party payers will pay for the costs of our drugs and the courses of treatment. Even if we are able to obtain reimbursement from third-party payers, we cannot be certain that reimbursement rates will be enough to allow us to profit from sales of our drugs or to justify our product development expenses.

We currently have no expertise obtaining reimbursement. We expect to rely on the expertise of our joint venture partner Genzyme to obtain reimbursement for the

costs of Aldurazyme. We cannot predict what the reimbursement rates will be. In addition, we will need to develop our own reimbursement expertise for future drug candidates unless we enter into collaborations with other companies with the necessary expertise.

We expect that in the future, reimbursement will be increasingly restricted both

in the United States and internationally. The escalating cost of health care has led to increased pressure on the health care industry to reduce costs. Governmental and private third-party payers have proposed health care reforms and cost reductions. A number of federal and state proposals to control the cost of health care, including the cost of drug treatments have been made in the United States. In some foreign markets, the government controls the pricing which would affect the profitability of drugs. Current government regulations and possible future legislation regarding health care may affect our future revenues from sales of our drugs and may adversely affect our business and prospects.

If we are unable to protect our proprietary technology, we may not be able to compete as effectively.

Where appropriate, we seek patent protection for certain aspects of our technology. Meaningful patent protection may not be available for some of the enzymes we are developing, including Aldurazyme and rhASB. If we must spend significant time and money protecting our patents, designing around patents held by others or licensing, for large fees, patents or other proprietary rights held by others, our business and financial prospects may be harmed.

The patent positions of biotechnology products are complex and uncertain. The scope and extent of patent protection for some of our products are particularly uncertain because key information on some of the enzymes we are developing has existed in the public domain for many years. Other parties have published the structure of the enzymes, the methods for purifying or producing the enzymes or the methods of treatment. The composition and genetic sequences of animal and/or human versions of many of our enzymes, including those for Aldurazyme and rhASB, have been published and are believed to be in the public domain. The composition and genetic sequences of other MPS enzymes that we intend to develop as products have also been published. Publication of this information may prevent us from obtaining composition-of-matter patents, which are generally believed to offer the strongest patent protection. For enzymes with no prospect of composition-of-matter patents, we will depend on orphan drug status to provide us a competitive advantage.

We own or license patents and patent applications to certain of our product candidates, including Vibriolysin and Neutralase. However, these patents and patent applications do not ensure the protection of our intellectual property for a number of other reasons:

- We do not know whether our patent applications will result in issued patents. For example, we may not have developed a method for treating a disease before others developed similar methods.

- Competitors may interfere with our patent process in a variety of ways. Competitors may claim that they invented the claimed invention prior to us. Competitors may also claim that we are infringing on their patents and therefore cannot practice our technology as claimed under our patent. Competitors may also contest our patents by showing the patent examiner that the invention was not original, was not novel or was obvious. In litigation, a competitor could claim that our issued patents are not valid for a number of reasons. If a court agrees, we would lose that patent. As a company, we have no meaningful experience with competitors interfering with our patents or patent applications.

- Enforcing patents is expensive and may absorb significant time of our management. Management would spend less time and resources on developing products, which could increase our research and development expense and delay product programs.

- Receipt of a patent may not provide much practical protection. If we receive a patent with a narrow scope, then it will be easier for competitors to design products that do not infringe on our patent.

In addition, competitors also seek patent protection for their technology. There are many patents in our field of technology, and we cannot guarantee that we do not infringe on those patents or that we will not infringe on patents granted in the future. If a patent holder believes our product infringes on their patent, the patent holder may sue us even if we have received patent protection for our technology. If someone else claims we infringe on their technology, we would face a number of issues, including:

- Defending a lawsuit takes significant time and can be very expensive.

- If the court decides that our product infringes on the competitor's patent, we may have to pay substantial damages for past infringement.

- The court may prohibit us from selling or licensing the product unless the patent holder licenses the patent to us. The patent holder is not required to grant us a license. If a license is available, we may have to pay substantial royalties or grant cross-licenses to our patents.

- Redesigning our product so it does not infringe may not be possible or could require substantial funds and time.

It is also unclear whether our trade secrets will provide useful protection. While we use reasonable efforts to protect our trade secrets, our employees or consultants may unintentionally or willfully disclose our information to competitors. Enforcing a claim that someone else illegally obtained and is using our trade secrets, like patent litigation, is expensive and time consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Our competitors may independently develop equivalent knowledge, methods and know-how.

We may also support and collaborate in research conducted by government organizations or by universities. We cannot guarantee that we will be able to acquire any exclusive rights to technology or products derived from these collaborations. If we do not obtain required licenses or rights, we could encounter delays in product development while we attempt to design around other patents or even be prohibited from developing, manufacturing or selling products requiring these licenses. There is also a risk that disputes may arise as to the

rights to technology or products developed in collaboration with other parties.

The United States Patent and Trademark Office recently issued two patents that related to (alpha)-L-iduronidase. If Aldurazyme infringes on these patents and we are not able to successfully challenge it, we may be prevented from producing Aldurazyme unless and until we obtain a license.

The United States Patent and Trademark Office recently issued two patents that include claims related to (alpha)-L-iduronidase. Our lead drug product, Aldurazyme, may infringe on these patents. We believe that these patents are invalid on a number of grounds. Two patents making the same claims were filed in Europe and have been rejected and cannot be refiled. Our challenges to the U.S. patents may be unsuccessful, but the rejection of the European applications supports our strategy to challenge the validity of the U.S. patents. Even if we are successful, challenging the U.S. patents may be expensive, require our management to devote significant time to this effort and may delay commercialization of Aldurazyme in the United States.

The patent holder has granted an exclusive license for products relating to these patents to one of our competitors. If we are unable to successfully challenge the patents, we may be unable to produce Aldurazyme in the United States unless we can obtain a sub-license from the current licensee. The current licensee is not required to grant us a license and even if a license is available, we may have to pay substantial license fees, which could adversely affect our business and operating results.

If our joint venture with Genzyme were terminated, we could be barred from commercializing Aldurazyme or our ability to commercialize Aldurazyme would be delayed or diminished.

We are relying on Genzyme to apply the expertise it has developed through the launch and sale of Ceredase(R) and Cerezyme(R) enzymes for Gaucher disease, a rare genetic disease, to the marketing of our initial drug product, Aldurazyme. Because it is our initial product, our operations are substantially dependent upon the development of Aldurazyme. We have no experience selling, marketing or obtaining reimbursement for pharmaceutical products. In addition, without Genzyme we would be required to pursue foreign regulatory approvals. We have no experience in seeking foreign regulatory approvals.

We cannot guarantee that Genzyme will devote the resources necessary to

successfully market Aldurazyme. In addition, either party may terminate the joint venture for specified reasons, including if the other party is in material breach of the agreement or has experienced a change of control or has declared bankruptcy and also is in breach of the agreement. Either party may also terminate the agreement upon one-year prior written notice for any reason. Furthermore, we may terminate the joint venture if Genzyme fails to fulfill its contractual obligation to pay us $12.1 million in cash upon the approval of the BLA for Aldurazyme.

Upon termination of the joint venture one party must buy out the other party's interest in the joint venture. The party who buys out the other will then also obtain, exclusively, all rights to Aldurazyme and any related intellectual property and regulatory approvals.

If the joint venture is terminated by Genzyme for a breach on our part, Genzyme would be granted, exclusively, all of the rights to Aldurazyme and any related intellectual property and regulatory approvals and would be obligated to buy out our interest in the joint venture. We would then effectively be unable to develop and commercialize Aldurazyme. If we terminated the joint venture for a breach by Genzyme, we would be obligated to buy out Genzyme's interest in the joint venture and, we would then be granted all of these rights to Aldurazyme exclusively. While we could then continue to develop Aldurazyme, that development would be slowed because we would have to divert substantial capital to buy out Genzyme's interest in the joint venture. We would then either have to search for a new partner to commercialize the product and to obtain foreign regulatory approvals or have to develop these capabilities ourselves.

If the joint venture is terminated by us without cause, Genzyme would have the option, exercisable for one year, to immediately buy out our interest in the joint venture and obtain all rights to Aldurazyme exclusively. If the agreement is terminated by Genzyme without cause, we would have the option, exercisable for one year, to immediately buy out Genzyme's interest in the joint venture and obtain these exclusive rights. In the event of termination of the buy out option without exercise by the non-terminating party as described above, all right and title to Aldurazyme is to be sold to the highest bidder, with the proceeds to be split equally between Genzyme and us.

If the joint venture is terminated by us because Genzyme fails to make the $12.1 million payment to us upon FDA approval of the BLA for Aldurazyme, we would be obligated to buy Genzyme's interest in the joint venture and would obtain all rights to Aldurazyme exclusively. If the joint venture is terminated by either party because the other declared bankruptcy and is also in breach of the agreement, the terminating party would be obligated to buy out the other and would obtain all rights to Aldurazyme exclusively. If the joint venture is terminated by a party because the other party experienced a change of control, the terminating party shall notify the other party, the offeree, of its intent to buy out the offeree's interest in the joint venture for a stated amount set by the terminating party at its discretion. The offeree must then either accept this offer or agree to buy the terminating party's interest in the joint venture on those same terms. The party who buys out the other would then have exclusive rights to Aldurazyme.

If we were obligated, or given the option, to buy out Genzyme's interest in the joint venture, and gain exclusive rights to Aldurazyme, we may not have sufficient funds to do so and we may not be able to obtain the financing to do so. If we fail to buy out Genzyme's interest we may be held in breach of the

agreement and may lose any claim to the rights to Aldurazyme and the related intellectual property and regulatory approvals. We would then effectively be prohibited from developing and commercializing the product.

Termination of the joint venture in which we retain the rights to Aldurazyme could cause us significant delays in product launch in the United States, difficulties in obtaining third-party reimbursement and delays or failure to obtain foreign regulatory approval, any of which could hurt our business and results of operations. Since Genzyme funds 50% of the joint venture's operating expenses, the termination of the joint venture would double our financial burden and reduce the funds available to us for other product programs.

If we are unable to manufacture our drug products in sufficient quantities and at acceptable cost, we may be unable to meet demand for our products and lose potential revenues or have reduced margins.

With the exception of Aldurazyme, we have no experience manufacturing drug products in volumes that will be necessary to support commercial sales. Our manufacturing processes may not meet initial expectations as to schedule, reproducibility, yields, purity, costs, quality, and other measurements of performance. Improvements in manufacturing processes typically are very difficult to achieve and are often very expensive. We cannot know with certainty how long it might take to make improvements if it became necessary to do so. If we contract for manufacturing services with an unproven process, our contractor is subject to the same uncertainties, high standards and regulatory controls.

The manufacture of Neutralase involves the fermentation of a bacterial species. We have never used a bacterial production process for the production of any clinical or commercial production. IBEX contracted with a third party for the manufacture of the Neutralase used in prior clinical trials.

The availability of suitable contract manufacturing at scheduled or optimum times is not certain. The cost of contract manufacturing is greater than internal manufacturing and therefore our manufacturing processes must be of higher productivity to yield equivalent margins.

If we are unable to establish and maintain commercial scale manufacturing within our planned time and cost parameters, sales of our products and our financial performance will be adversely affected.

Although we have successfully manufactured Aldurazyme at commercial scale within our cost parameters, we cannot guarantee that we will be able to manufacture rhASB, Neutralase, Vibriolysin, Phenylase or any future drug product successfully with a commercially viable process or at a scale large enough to support their respective commercial markets or at acceptable margins.

We may encounter problems with any of the following if we attempt to increase the scale or size or improve the commercial viability of our manufacturing processes:

- Design, construction and qualification of manufacturing facilities that meet regulatory requirements
- Production yields
- Purity
- Quality control and assurance systems
- Shortages of qualified personnel
- Compliance with regulatory requirements

We have built-out approximately 67,000 square feet at our Novato facilities for manufacturing capability for Aldurazyme and rhASB including related quality control laboratories, materials capabilities, and support areas. We expect to complete an expansion of the Galli Drive facility in the 4th quarter of 2001 and possibly add additional capabilities in stages over time, which creates additional operational complexity and challenges. We expect that the manufacturing process of all of our new drug products, including rhASB and Neutralase, will require significant time and resources before we can begin to manufacture them (or have them manufactured by third parties) in commercial quantity at acceptable cost. Even if we can establish the necessary capacity, we cannot be certain that manufacturing costs will be commercially reasonable, especially if contract manufacturing is employed or if third-party reimbursement is substantially lower than expected.

In order to achieve our product cost targets we must develop efficient manufacturing processes either by:

- Improving the product yield from our current cell lines, colonies of cells which have a common genetic make-up,
- Improving the manufacturing processes licensed from others, or

- Developing more efficient, lower cost recombinant cell lines and production processes.

A recombinant cell line is a cell line with foreign DNA inserted that is used to produce a protein that it would not have otherwise produced. The development of a stable, high production cell line for any given enzyme is risky, expensive and unpredictable and may not result in adequate yields. In addition, the development of protein purification processes is difficult and may not produce the high purity required with acceptable yield and costs or may not result in adequate shelf-lives of the final products. If we are not able to develop efficient manufacturing processes, the investment in manufacturing capacity sufficient to satisfy market demand will be much greater and will place heavy financial demands upon us. If we do not achieve our manufacturing cost targets, we will have lower margins and reduced profitability in commercial production and larger losses in manufacturing start-up phases.

If we are unable to increase our marketing and distribution capabilities or to enter into agreements with third parties to do so, our ability to generate revenues will be diminished.

If we cannot increase our marketing capabilities either by developing our sales and marketing organization or by entering into agreements with others, we may be unable to successfully sell our products. If we are unable to effectively sell our drug products, our ability to generate revenues will be diminished.

To increase our distribution and marketing for both our drug candidates and our Glyko, Inc. products, we will have to increase our current sales force and/or enter into third-party marketing and distribution agreements. We cannot guarantee that we will be able to hire in a timely manner, the qualified sales and marketing personnel we need, if at all. Nor can we guarantee that we will be able to enter into any marketing or distribution agreements on acceptable terms, if at all. If we cannot increase our marketing capabilities as we intend, either by increasing our sales force or entering into agreements with third parties, sales of our products may be adversely affected.

Under our joint venture with Genzyme, Genzyme is responsible for marketing and distributing Aldurazyme. We cannot guarantee that we will be able to establish sales and distribution capabilities or that the joint venture, any future collaborators or we will successfully sell any of our drug products.

With our acquisition of Neutralase from IBEX Technologies Inc., we have an enzyme product that has a significantly larger potential patient populations than Aldurazyme and rhASB and will be marketed and sold to different target audiences with different therapeutic and financial requirements and needs. As a result, we will be competing with other pharmaceutical companies with experienced and well-funded sales and marketing operations targeting these specific physician and institutional audiences. We may not be able to develop our own sales and marketing force at all, or of a size that would be able to compete with these other companies. If we elect to enter into third-party marketing and distribution agreements in order to sell into these markets, we

may not be able to enter into these agreements on acceptable terms, if at all. If we cannot compete effectively in these specific physician and institutional markets, it would adversely affect sales of Neutralase.

If we fail to compete successfully, our revenues and operating results will be adversely affected.

Our competitors may develop, manufacture and market products that are more effective or less expensive than ours. They may also obtain regulatory approvals for their products faster than we can obtain them, including those products with orphan drug designation, or commercialize their products before we do. If our competitors successfully commercialize a product, which treats a given rare genetic disease before we do, we will effectively be precluded from developing a product to treat that disease because the patient populations of the rare genetic diseases are so small. If our competitor gets orphan drug exclusivity, we could be precluded from marketing our version for seven years. However, different drugs can be approved for the same condition. These companies also compete with us to attract qualified personnel and organizations for acquisitions, joint ventures or other collaborations. They also compete with us to attract academic research institutions as partners and to license these institutions' proprietary technology. If our competitors successfully enter into partnering arrangements or license agreements with academic research institutions, we will then be precluded from pursuing those specific opportunities. Since each of these opportunities is unique, we may not be able to find a substitute. Several pharmaceutical and biotechnology companies have already established themselves in the field of enzyme therapeutics, including Genzyme, our joint venture partner. These companies have already begun many drug development programs, some of which may target diseases that we are also targeting, and have already entered into partnering and licensing arrangements with academic research institutions, reducing the pool of available opportunities.

Universities and public and private research institutions are also competitors. While these organizations primarily have educational or basic research objectives, they may develop proprietary technology and acquire patents that we may need for the development of our drug products. We will attempt to license this proprietary technology, if available. These licenses may not be available to us on acceptable terms, if at all. We also directly compete with a number of these organizations to recruit personnel, especially scientists and technicians.

We believe that established technologies provided by other companies, such as laboratory and testing services firms, compete with Glyko, Inc.'s products and services. For example, Glyko's FACE(R) Imaging System competes with alternative carbohydrate analytical technologies, including capillary electrophoresis, high-pressure liquid chromatography, mass spectrometry and nuclear magnetic resonance spectrometry. These competitive technologies have established customer bases and are more widely used and accepted by scientific and technical personnel because they can be used for non-carbohydrate applications. Companies competing with Glyko may have greater financial, manufacturing and marketing resources and experience.

If we fail to manage our growth or fail to recruit and retain personnel, our product development programs may be delayed.

Our rapid growth has strained our managerial, operational, financial and other resources. We expect this growth to continue. We have entered into a joint venture with Genzyme. If we receive FDA approval to market Aldurazyme, the joint

venture will be required to devote additional resources to support the commercialization of Aldurazyme.

To manage expansion effectively, we need to continue to develop and improve our research and development capabilities, manufacturing and quality capacities, sales and marketing capabilities and financial and administrative systems. We cannot guarantee that our staff, financial resources, systems, procedures or controls will be adequate to support our operations or that our management will be able to manage successfully future market opportunities or our relationships with customers and other third parties.

Our future growth and success depend on our ability to recruit, retain, manage and motivate our employees. The loss of key scientific, technical and managerial personnel may delay or otherwise harm our product development programs. Any harm to our research and development programs would harm our business and prospects.

Because of the specialized scientific and managerial nature of our business, we rely heavily on our ability to attract and retain qualified scientific, technical and managerial personnel. In particular, the loss of Fredric D. Price, our Chairman and Chief Executive Officer, or Christopher M. Starr, Ph.D., our Vice President for Research and Development, could be detrimental to us if we cannot recruit suitable replacements in a timely manner. While Mr. Price and Dr. Starr are parties to employment agreements with us, we cannot guarantee that they will remain employed with us in the future. In addition, these agreements do not restrict their ability to compete with us after their employment is terminated. The competition for qualified personnel in the biopharmaceutical field is intense. We cannot be certain that we will continue to attract and retain qualified personnel necessary for the development of our business.

If we fail to effectively integrate the recently acquired Neutralase and Phenylase programs into our current operations, the efficient execution of these product programs could be delayed and our operating and research and development expenditures could increase beyond anticipated levels.

Our recent acquisition of assets from IBEX Technologies Inc., including the Neutralase and Phenylase product programs, will need to be integrated with our current operations. This will include several technical and administrative challenges, including managing the information transfer, integrating certain of IBEX's former technical staff into our research and development structure and managing multiple operations in different countries. If we do not accomplish this integration effectively, our programs could be delayed and our operating

and research and development expenditures could increase beyond anticipated levels. Additionally, the integration could require a significant time commitment from our senior management.

Changes in methods of treatment of disease could reduce demand for our products.

Even if our drug products are approved, doctors must use treatments that require using those products. If doctors elect a different course of treatment from that which includes our drug products, this decision would reduce demand for our drug products.

Examples include the potential use in the future of effective gene therapy for the treatment of genetic diseases. The use of gene therapy could theoretically reduce or eliminate the use of enzyme replacement therapy in MPS diseases. The time required instituting such new therapies and their degree of efficacy is highly uncertain. Sometimes, this change in treatment method can be caused by the introduction of other companies' products or the development of new technologies or surgical procedures which may not directly compete with ours, but which have the effect of changing how doctors decide to treat a disease. For example, Neutralase is being developed for heparin reversal in coronary artery bypass graft procedures ("CABG"). It is possible that more doctors will use angioplasty procedures instead of CABG procedures. If so, then the demand for Neutralase would likely decrease.

If product liability lawsuits are successfully brought against us, we may incur substantial liabilities.

We are exposed to the potential product liability risks inherent in the testing, manufacturing and marketing of human pharmaceuticals. The BioMarin/Genzyme LLC maintains product liability insurance for our clinical trials of Aldurazyme. We have obtained insurance against product liability lawsuits for the clinical trials for rhASB. We may be subject to claims in connection with our current clinical trials for Aldurazyme and rhASB for which the joint venture's or our insurance coverages are not adequate. We cannot be certain that if Aldurazyme receives FDA approval, the product liability insurance the joint venture will need to obtain in connection with the commercial sales of Aldurazyme will be available in meaningful amounts or at a reasonable cost. In addition, we cannot be certain that we can successfully defend any product liability lawsuit brought

against us. If we are the subject of a successful product liability claim which exceeds the limits of any insurance coverage we may obtain, we may incur substantial liabilities which would adversely affect our earnings and financial

condition.

Our stock price may be volatile and an investment in our stock could suffer a decline in value.

Our valuation and stock price since the beginning of trading after our initial public offering have had no meaningful relationship to current or historical earnings, asset values, book value or many other criteria based on conventional measures of stock value. The market price of our common stock will fluctuate due to factors including:

- Progress of Aldurazyme, rhASB, Neutralase and our other lead drug products through the regulatory process, especially regulatory actions in the United States related to Aldurazyme
- Results of clinical trials, announcements of technological innovations or new products by us or our competitors
- Government regulatory action affecting our drug products or our competitors' drug products in both the United States and foreign countries
- Developments or disputes concerning patent or proprietary rights
- General market conditions and fluctuations for the emerging growth and biopharmaceutical market sectors
- Economic conditions in the United States or abroad
- Actual or anticipated fluctuations in our operating results
- Broad market fluctuations in the United States or in Europe may cause the market price of our common stock to fluctuate
- Changes in company assessments or financial estimates by securities analysts

In addition, the value of our common stock may fluctuate because it is listed on both the Nasdaq National Market and the Swiss Exchange's SWX New Market. Listing on both exchanges may increase stock price volatility due to:

- Trading in different time zones
- Different ability to buy or sell our stock
- Different market conditions in different capital markets
- Different trading volume

In the past, following periods of large price declines in the public market price of a company's securities, securities class action litigation has often been initiated against that company. Litigation of this type could result in substantial costs and diversion of management's attention and resources, which would hurt our business. Any adverse determination in litigation could also subject us to significant liabilities.

If all or a substantial portion of the shares of our common stock offered for sale by this prospectus are sold in a short period of time, our stock price may be adversely affected. Our stock price may also be adversely affected by the perception that such sales could occur.

The shares of common stock offered for sale by this prospectus represents approximately 2% of our outstanding common stock. Although we have an agreement with the selling stockholders that they will not dispose of their shares in a manner that would unduly prejudice the trading price of our common stock, we cannot control when the selling stockholders will sell their shares. If all or a substantial portion of the shares of common stock offered for sale by this prospectus are sold in a short period of time, the common stock available for sale may exceed the demand and the stock price may be adversely affected. In addition, the mere perception that such sales could occur may depress the price of our common stock.

If our officers, directors and largest stockholder elect to act together, they may be able to control our management and operations, acting in their best interests and not necessarily those of other stockholders.

Our directors and officers control approximately 35% of the outstanding shares of our common stock. Glyko Biomedical Ltd. owns approximately 26% of the outstanding shares of our capital stock. The president and chief executive officer of Glyko Biomedical and a significant shareholder of Glyko Biomedical serve as two of our directors. As a result, due to their concentration of stock ownership, directors and officers, if they act together, may be able to control our management and operations, and may be able to prevail on all matters requiring a stockholder vote including:

- The election of all directors;
- The amendment of charter documents or the approval of a merger, sale of assets or other major corporate transactions; and
- The defeat of any non-negotiated takeover attempt that might otherwise benefit the public stockholders.

Anti-takeover provisions in our charter documents and under Delaware law may

make an acquisition of us, which may be beneficial to our stockholders, more difficult.

We are incorporated in Delaware. Certain anti-takeover provisions of Delaware law and our charter documents as currently in effect may make a change in control of our company more difficult, even if a change in control would be beneficial to the stockholders. Our anti-takeover provisions include provisions in the certificate of incorporation providing that stockholders' meetings may only be called by the board of directors and a provision in the bylaws providing that the stockholders may not take action by written consent. Additionally, our board of directors has the authority to issue 1,000,000 shares of preferred stock and to determine the terms of those shares of stock without any further action by the stockholders. The rights of holders of our common stock are subject to the rights of the holders of any preferred stock that may be issued. The issuance of preferred stock could make it more difficult for a third party to acquire a majority of our outstanding voting stock. Delaware law also prohibits corporations from engaging in a business combination with any holders of 15% or more of their capital stock until the holder has held the stock for three years unless, among other possibilities, the board of directors approves the transaction. Our board of directors may use these provisions to prevent changes in the management and control of our company. Also, under applicable Delaware law, our board of directors may adopt additional anti-takeover measures in the future.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of the shares offered and sold for the accounts of the selling stockholders.

The selling stockholders will not pay any of the expenses that are incurred in connection with the registration of the shares, but they will pay all commissions, discounts and any other compensation to any securities broker dealers through whom they sell any of the shares.

SELLING STOCKHOLDERS

The following table sets forth the names of each selling stockholder, the aggregate number of shares of common stock beneficially owned by each selling stockholder as of October 31, 2001, and the aggregate number of shares of common stock that each selling stockholder may offer and sell pursuant to this prospectus. Because each selling stockholder may offer all or a portion of the shares of common stock offered by this prospectus at any time and from time to time after the later of the date hereof or the date that certificates representing issued shares are delivered, no estimate can be made of the number of shares that each selling stockholder may retain upon completion of this offering. However, assuming all of the shares offered by this prospectus are sold by the selling stockholders then, unless otherwise noted, after completion of this offering, none of the selling stockholders will own more than one percent of the shares of common stock outstanding.

On October 31, 2001 we delivered certificates representing 224,750 shares of our common stock to two of the selling stockholders and became obligated to deliver certificates representing an additional 589,897 shares of our common stock to a third selling stockholder on December 3, 2001. The shares constitute partial consideration for various pharmaceutical assets we acquired from them and their affiliates. We will not receive any additional compensation for the delivery of the certificates representing 589,897 shares of common stock on December 3, 2001. These assets included the Neutralase and Phenylase product programs described in the "Summary" section of this prospectus. In addition to the shares of common stock we also paid the selling stockholders an aggregate of $2.0 million in cash and agreed to make contingent future payments of approximately $5.9 million and approximately $3.6 million upon the approval of a New Drug Application by the U.S. Food and Drug Administration for the marketing of Neutralase and Phenylase respectively. We are registering all of the shares of common stock offered for sale pursuant to this prospectus as required by the asset purchase agreements related to the acquisition of these assets.

In the following table, we have calculated shares of common stock beneficially owned based upon 44,216,795 shares of common stock outstanding on October 31, 2001, together with options, warrants or other convertible securities that are exercisable, or other rights to acquire common stock, within 60 days of October 31, 2001 for each selling stockholder. Under the rules of the Securities and Exchange Commission, beneficial ownership includes shares over which the named stockholder exercises voting and/or investment power. Unless otherwise indicated in the footnotes below, we believe that the persons and entities named in the table have sole voting and investment power with respect to all shares beneficially owned, subject to applicable community property laws. The information with respect to beneficial ownership of common stock held by each person is based upon record ownership data provided by our transfer agent, information as supplied or confirmed by selling stockholders, based upon statements filed with the Securities and Exchange Commission or based upon our actual knowledge.

Except for the acquisition described above, within the past three years, none of the selling stockholders have held any position or office with us or entered into a material relationship with us.

Name	Number of Shares Beneficially Owned Prior to Offering	Number of Shares Offered Hereby
IBEX Pharmaceuticals Inc. (1).....	814,647	59,750
IBEX Technologies Corp.....	165,000	165,000
IBEX Technologies Delaware Corp.....	589,897	589,897

(1) IBEX Pharmaceuticals Inc., as the parent corporation of IBEX Technologies Corp. and IBEX Technologies Delaware Corp., beneficially owns the 165,000 shares of our common stock held by IBEX Technologies Corp. and the 589,897 shares of our common stock held by IBEX Technologies Delaware Corp.

Plan of Distribution

We are registering the shares of common stock offered for sale by this prospectus on behalf of the selling stockholders. As used in this section, "selling stockholders" includes donees, pledgees, distributees, transferees or other successors-in-interest, including, without limitation, their respective affiliates, members and limited or general partners, all of which are referred to as a group below as transferees, or certain counterparties to derivative transactions with the selling stockholders or transferees. The selling stockholders will act independently of us in making decisions with respect to the timing, manner and size of each sale. We will pay all costs, expenses and fees in connection with the registration of the shares. The selling stockholders will pay all brokerage commissions, underwriting discounts, commissions, transfer taxes and other similar selling expenses, if any, associated with the sale of the shares of common stock by them.

An aggregate of 814,647 shares of common stock was originally issued to and purchased by the selling stockholders, as partial consideration for certain assets acquired from the selling stockholders and their affiliates by two of our

subsidiaries. All of these shares of common stock were issued and sold pursuant to an exemption from the registration requirements of the Securities Act as provided by Rule 506 of Regulation D promulgated under the Securities Act.

Shares of common stock may be sold by the selling stockholders from time to time in one or more types of transactions (which may include block transactions) on the Nasdaq National Market or on any other market on which our common stock may from time to time be trading, in the over-the-counter market, in privately negotiated transactions, through put or call options transactions relating to the shares, through short sales of such shares, or a combination of such methods of sale, at market prices prevailing at the time of sale, fixed prices, varying prices determined at the time of sale or at negotiated prices. The selling stockholders will have the sole discretion not to accept any purchase offer or make any sale of shares if they deem the purchase price to be unsatisfactory at any particular time. Such transactions may or may not involve brokers or dealers. To the best of our knowledge, none of the selling stockholders have entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their securities, nor is there an underwriter or coordinating broker acting in connection with the proposed sale of shares of common stock offered by this prospectus; however, the selling stockholders may enter into agreements, understandings or arrangements with an underwriter or broker-dealer regarding the sale of their shares in the future.

The selling stockholders may effect such transactions by selling shares of common stock directly to purchasers or to or through broker-dealers, which may act as agents or principals, or other agents. Such broker-dealers or other agents may receive compensation in the form of discounts, concessions, or commissions from the selling stockholders and/or the purchasers of shares of common stock for whom such broker-dealers or other agents may act as agents or to whom they sell as principal, or both (which compensation as to a particular broker-dealer or other agent might be in excess of customary commissions). Market makers and block purchasers purchasing the shares will do so for their own account and at their own risk. It is possible that a selling stockholder will attempt to sell shares of common stock in block transactions to market makers or other purchasers at a price per share which may be below the then market price. There can be no assurance that all or any part of the shares offered hereby will be sold by the selling stockholders.

The selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions with respect to the shares. In connection with these transactions, broker-dealers or other financial institutions may engage in short sales of the shares in the course of hedging the positions they assume with the selling stockholders. The selling stockholders may also sell the shares short and redeliver the shares to close out the short positions. The selling

stockholders may also enter into option or other transactions with broker-dealers or other financial institutions that require the delivery to the broker-dealer or other financial institutions of the shares. The selling stockholders may also loan or pledge the shares to a financial institution or a broker-dealer and the financial institution or the broker-dealer may sell the shares loaned or upon a default the financial institution or the broker-dealer may effect sales of the pledged shares.

The selling stockholders and any brokers, dealers or agents that participate in connection with the sale of shares of common stock might be deemed to be "underwriters" within the meaning of the Securities Act of 1933 (the "Securities Act"), and any commissions received by such brokers, dealers or agents and any profit on the resale of the shares sold by them while acting as principals might be deemed to be underwriting discounts or commissions under the Securities Act. We have agreed to indemnify the selling stockholders against certain liabilities, including liabilities arising under the Securities Act. The selling stockholders may agree to indemnify any agent, dealer, broker-dealer or underwriter that participates in transactions involving sales of the shares of common stock offered pursuant to this prospectus against certain liabilities, including liabilities arising under the Securities Act.

Because the selling stockholders may be deemed to be "underwriters" within the meaning of the Securities Act, the selling stockholders will be subject to the prospectus delivery requirements of the Securities Act and the rules promulgated thereunder and they may be subject to certain statutory liabilities under the Securities Act, including, but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Securities Exchange Act of 1934 (the "Securities Exchange Act"). In addition, the selling stockholders and any other person participating in the offering will be subject to applicable provisions of the Securities Exchange Act and the rules and regulations thereunder, including Regulation M under the Securities Exchange Act, which may limit the timing of purchases and sales. These restrictions may affect the marketability of the common stock and the ability of any person to engage in market-making activities with respect to the common stock.

Commencing on November 1, 2002, some of the shares of common stock covered by this prospectus may qualify for resale pursuant to Rule 144 under the Securities Act and such shares may be sold under Rule 144 rather than under the terms of this prospectus. In addition, subject to applicable state and foreign laws, the selling stockholders may sell their common stock outside the United States pursuant to Rules 903 and 904 of Regulation S under the Securities Act.

To comply with the securities laws of certain jurisdictions, the shares of common stock offered by this prospectus may need to be offered or sold only through registered or licensed brokers or dealers. In addition, in certain jurisdictions, the shares of common stock may not be offered or sold unless they have been registered or qualified for sale or an exemption is available and complied with.

If a selling stockholder notifies us that any material arrangement has been entered into with a broker-dealer for the sale of shares of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker, dealer or underwriter, we will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Securities Act.

In addition, to the extent required, we will amend or supplement this prospectus to disclose other material arrangements regarding the plan of distribution.

LEGAL MATTERS

For the purpose of this offering, Paul, Hastings, Janofsky & Walker LLP, Los Angeles, California is giving an opinion of the validity of the issuance of the securities offered in this prospectus.

EXPERTS

The financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2000, incorporated by reference in this prospectus and elsewhere in the registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in giving said report

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the costs and expenses to be paid by the registrant in connection with the sale of the common stock being registered:

Securities and Exchange Commission registration fee.....	$ 2,206
Legal fees and expenses.....	$10,000
Accountants' fees and expenses.....	$2,000
Miscellaneous.....	$4,000
Total.....	$18,206

The foregoing items, except for the Securities and Exchange Commission registration fee, are estimated.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Reference is made to the Amended and Restated Certificate of Incorporation with the Registrant; the Bylaws of the Registrant; Section 145 of the Delaware General Corporation Law; which, among other things, and subject to certain conditions, authorize the Registrant to indemnify, or indemnify by their terms, as the case may be, the directors and officers of the Registrant against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being such a director or officer. Pursuant to this authority, the Registrant has entered into an indemnification agreement with each director and executive officer, whereby the Registrant has agreed to cover the indemnification obligations.

The Registrant maintains directors' and officers' insurance providing indemnification against certain liabilities for certain of the Registrant's directors, officers, affiliates, partners or employees.

The indemnification provisions in the Registrant's Bylaws, and the indemnification agreements entered into between the Registrant and its directors and executive officers, may be sufficiently broad to permit indemnification of the Registrant's officers and directors for liabilities arising under the Act.

Reference is made to the following documents incorporated by reference into this Registration Statement regarding relevant indemnification provisions described above and elsewhere herein: (1) the Amended and Restated Certificate of Incorporation, filed as Exhibit 3.1B to Registrant's Amendment No. 2 to Registration Statement on Form S-1 filed with the Securities and Exchange Commission on July 6, 1999; (2) the Registrant's Bylaws filed as Exhibit 3.1 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001, and (3) the form of Indemnification Agreement entered into by the Registrant with each of its directors and executive officers filed as Exhibit 10.1 to Registrant's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on May 4, 1999, each incorporated by reference into this Registration Statement.

ITEM 16. EXHIBITS

Exhibit Number	Description of Document
5.1	Opinion of Paul, Hastings, Janofsky & Walker LLP.
10.1	Canadian Asset Purchase Agreement dated October 9, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Pharmaceutical Nova Scotia Company, IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.2	United States Asset Purchase Agreement dated October 9, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Enzymes Inc., IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.3	Amendment to Canadian Asset Purchase Agreement dated October 31, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Pharmaceutical Nova Scotia Company, IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.4	Amendment to United States Asset Purchase Agreement dated October 31, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Enzymes Inc., IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc., and IBEX Technologies Delaware Corp.
23.1	Consent of Paul, Hastings, Janofsky & Walker LLP (Included with 5.1).

23.2	Consent of Arthur Andersen LLP.
24.1	Power of Attorney (Included with signature page).

ITEM 17. UNDERTAKINGS

Insofar as indemnification for liabilities arising under the Securities Act of 1933, may be permitted to directors, officers, and controlling persons of the Registrant pursuant to the provisions described in Item 15 or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made pursuant to this registration statement: (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933; (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective

amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; (iii) to include any material information with respect to the distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned Registrant undertakes that: (1) for purpose of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of the registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of the registration statement as of the time it was declared effective; and (2) for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Novato, State of California, this 6th day of November, 2001.

BIOMARIN PHARMACEUTICAL INC.

By: /s/ Fredric D. Price

Fredric D. Price
Chairman, Chief Executive Officer and
Director (Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Fredric D. Price and Raymond W. Anderson as such persons' true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and any other regulatory authority, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or such persons' substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement on Form S-3 has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title
/s/ Fredric D. Price	Chairman, Chief Executive Officer and Director

Fredric D. Price	(Principal Executive Officer)
/s/ Raymond W. Anderson Raymond W. Anderson	Chief Financial Officer, Chief Operating Officer, Secretary, and Vice President Finance and Administration (Principal Financial and Accounting Officer)
/s/ Grant W. Denison, Jr. Grant W. Denison, Jr.	Director
/s/ Phyllis I. Gardner, M.D. Phyllis I. Gardner, M.D.	Director
/s/ Erich Sager Erich Sager	Director
/s/ Gwynn R. Williams Gwynn R. Williams	Director

Exhibit Index

Exhibit Number	Description of Document
5.1	Opinion of Paul, Hastings, Janofsky & Walker LLP.
10.1	Canadian Asset Purchase Agreement dated October 9, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Pharmaceutical Nova Scotia Company, IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.2	United States Asset Purchase Agreement dated October 9, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Enzymes

	Inc., IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.3	Amendment to Canadian Asset Purchase Agreement dated October 31, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Pharmaceutical Nova Scotia Company, IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc.
10.4	Amendment to United States Asset Purchase Agreement dated October 31, 2001 by and among BioMarin Pharmaceutical Inc., BioMarin Enzymes Inc., IBEX Technologies Inc., IBEX Pharmaceutical Inc., IBEX Technologies LLC, IBEX Technologies Corp. and Technologies IBEX R&D Inc., and IBEX Technologies Delaware Corp.
23.1	Consent of Paul, Hastings, Janofsky & Walker LLP (Included with 5.1).
23.2	Consent of Arthur Andersen LLP.
24.1	Power of Attorney (Included with signature page).

EXHIBIT 5.1

November 5, 2001

BioMarin Pharmaceutical Inc.
371 Bel Marin Keys Boulevard, Suite 210
Novato, CA 94949

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We are furnishing this opinion of counsel to BioMarin Pharmaceutical Inc., a Delaware corporation (the "Company"), for filing as Exhibit 5.1 to the Registration Statement on Form S-3 (the "Registration Statement") to be filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended, relating to the resale of up to 814,647 shares (the "Shares") of the Company's Common Stock, $.001 par value per share ("Common Stock").

In connection with this opinion, we have examined and relied upon the Registration Statement and related prospectus, the Company's Amended and Restated Certificate of Incorporation, the Company's Restated Bylaws, and the originals or copies certified to our satisfaction of such documents, records, certificates, memoranda and other instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below. We have assumed the genuineness and authenticity of all documents submitted to us as copies thereof, and the due execution and delivery of all documents where due execution and delivery are a prerequisite to the effectiveness thereof. We have also assumed that, at the time the Shares are issued, the Company will have sufficient authorized and unissued shares of Common Stock.

On the basis of the foregoing, and in reliance thereon, we are of the opinion that the Shares, when issued and paid for in accordance with the Registration Statement, will be validly issued, fully paid, and nonassessable.

We express no opinion with respect to the applicability or effect of the laws of any jurisdiction other than the Delaware General Corporation Law, as in effect as of the date hereof.

We hereby consent to being named as counsel to the Company in the Registration Statement, to the references therein to our firm under the caption "Legal Matters" and to the inclusion of this opinion as an exhibit to the Registration Statement. This opinion is rendered to you in connection with the Registration Statement and is solely for your benefit. This opinion may not be relied upon by you for any other purpose, or relied upon by any other person, firm or other entity for any purpose, without our prior written consent.

Very truly yours,

/s/ Paul, Hastings, Janofsky & Walker LLP
PAUL, HASTINGS, JANOFSKY & WALKER LLP

EXHIBIT 10.1

BIOMARIN PHARMACEUTICAL INC.

- and -

BIOMARIN PHARMACEUTICAL NOVA SCOTIA COMPANY

- and -

IBEX TECHNOLOGIES INC.

- and -

IBEX PHARMACEUTICALS INC.

- and -

IBEX TECHNOLOGIES LLC

- and -

IBEX TECHNOLOGIES CORP.

- and -

TECHNOLOGIES IBEX R&D INC.

CANADIAN ASSET PURCHASE AGREEMENT

CASSELS BROCK & BLACKWELL LLP
Barristers & Solicitors
Scotia Plaza
Suite 2100
40 King Street West
Toronto, Ontario
M5H 3C2

THIS ASSET PURCHASE AGREEMENT made as of the 9th day of October, 2001.

AMONG:

BIOMARIN PHARMACEUTICAL INC.
a corporation incorporated pursuant to the laws of Delaware

("BioMarin")

OF THE FIRST PART

- and -

BIOMARIN PHARMACEUTICAL NOVA SCOTIA COMPANY
a corporation incorporated pursuant to the laws of the Province of Nova Scotia

("BioMarin NS")

OF THE SECOND PART

- and -

IBEX TECHNOLOGIES INC.
a corporation incorporated pursuant to the laws of Canada

("IBEX")

OF THE THIRD PART

- and -

IBEX PHARMACEUTICALS INC.
a corporation incorporated pursuant to the laws of Canada

("IBEX Pharma")

OF THE FOURTH PART

- and -

IBEX TECHNOLOGIES LLC
a limited liability company organized under the laws of Delaware

("IBEX LLC")

OF THE FIFTH PART

- and -

IBEX TECHNOLOGIES CORP.
a corporation incorporated pursuant to the laws of Delaware

("IBEX Corp.")

OF THE SIXTH PART

- and -

TECHNOLOGIES IBEX R&D INC.
a corporation incorporated pursuant to the laws of the Province of Quebec

("IBEX R&D")

OF THE SEVENTH PART

WHEREAS IBEX, IBEX Pharma and IBEX R&D (collectively, the "Vendors") are in the business of the research and development of enzymes for diagnostic and therapeutic use in a variety of tissue repair and cardiovascular and genetic diseases and the Vendors wish to sell and BioMarin NS wishes to purchase certain Canadian assets pertaining to the operation of the therapeutic portion of such business in Canada in connection with the IBEX Pharma Products (as hereinafter defined) and BioMarin NS wishes to assume only certain liabilities in connection therewith, all on and subject to the terms and conditions hereinafter set forth and the parties hereto are therefore desirous of entering into this Agreement;

AND WHEREAS BioMarin joins in this Agreement to make certain representations and warranties as well as covenants, including without limitation, with respect to the BioMarin Canadian Transaction Shares (as hereinafter defined);

AND WHEREAS contemporaneous herewith the parties hereto (exclusive of BioMarin NS) together with BioMarin US (as defined below) are executing and delivering the U.S. Purchase Agreement (as hereinafter defined);

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, agreements and premises herein contained and for other good and valuable consideration (the receipt and sufficiency whereof being hereby

acknowledged by each party), the Parties do hereby covenant and agree as follows:

1. DEFINITIONS AND SCHEDULES

1.1 Definitions. In this Agreement:

"Acquisition Proposal" means any proposal (other than a proposal made with respect to the Canadian Transaction) regarding: (i) any merger, consolidation, share exchange, business combination or other similar transaction or series of related transactions involving the members of the IBEX Group or any of their Affiliates which would or could defeat the purchase by BioMarin NS or BioMarin US, as the case may be, of all of the IBEX Pharma Canadian Assets and/or the Worldwide Assets (as defined in the U.S. Purchase Agreement) and/or all of the IBEX Pharma Canadian Business and/or all of the Worldwide Business (as defined in the U.S. Purchase Agreement) and/or the hiring of all of the

Therapeutic Asset Employees; (ii) any sale, lease, license, exchange, transfer or other disposition of any of the IBEX Pharma Canadian Assets, the Worldwide Assets and/or any of the Therapeutic Asset Employees and/or any portion of the IBEX Pharma Canadian Business and/or the IBEX Group Worldwide Business; or (iii) any other substantially similar transaction or series of related transactions that would or could hinder the consummation of the Canadian Transaction, the Worldwide Transaction or otherwise defeat the purposes of this Agreement or the U.S. Purchase Agreement.

"Action" has the meaning ascribed thereto in section 10.1.

"Actual Knowledge" means such knowledge as the current officers of the members of the IBEX Group would have after diligent inquiry of the current officers and employees of the members of the IBEX Group of the matter in question.

"Affiliate" of a Person means any Person that directly or indirectly controls, is controlled by or is under control with the indicated Person.

"Agreement", "this Agreement", "hereto" and "herein" means this Agreement and all schedules attached hereto, as may be amended from time to time.

"Best Knowledge" means such knowledge as the Party would have after diligent inquiry of the matter in question.

"BioMarin" means BioMarin Pharmaceutical Inc., a Delaware corporation.

"BioMarin Canadian Transaction Shares" means the number of shares of common stock of BioMarin equal to: (i) the Canadian Purchase Price divided by: (ii) the product of (A) the BioMarin Share Current Market Price and (B) the average value in Canadian dollars of one US dollar calculated at the average rate of exchange between Canadian dollars and US dollars (as reported in International Financial Statistics, published by the International Monetary Fund) for the 20 trading days ending on the trading day prior to the date of this Agreement.

"BioMarin Financial Statements" has the meaning ascribed thereto in section 6.1(k).

"BioMarin Group" means collectively, BioMarin and BioMarin NS.

"BioMarin NS" means BioMarin Pharmaceutical Nova Scotia Company, a Nova Scotia unlimited liability company.

"BioMarin Options" has the meaning ascribed thereto in section 11.1(d).

"BioMarin Share Current Market Price" means the daily volume weighted average price (based on a trading day from 9:30 a.m. to 4:00 p.m., Eastern Time) of the shares of common stock of BioMarin on the Nasdaq National Market for the 20 trading days ending on the trading day prior to the date of this Agreement (as reported by Bloomberg Financial LP using the AQR function).

"BioMarin US" means BioMarin Enzymes Inc., a Delaware corporation.

"BioMarin Year End" has the meaning ascribed thereto in section 6.1(k).

"Bulk Sales Carve-Out" means any non-compliance by members of the IBEX Group with Article 1767 ss of the Civil Code of the Province of Quebec in connection with: (i) that certain intercorporate transfer effected by agreement dated September 1, 1999, between IBEX and IBEX Pharma; and (ii) the Canadian Transaction.

"Business Day" means a day other than a Saturday or a Sunday or any other day which is a statutory holiday in the Province of Quebec or in the State of California.

"Canadian Assigned Rights" has the meaning ascribed thereto in section 12.1(m).

"Canadian Assigned Rights Consents" has the meaning ascribed thereto in section 12.1(m).

"Canadian Purchase Price" has the meaning ascribed thereto in section 3.1.

"Canadian Transaction" means the transaction contemplated by this Agreement.

"Capital Reorganization" has the meaning ascribed thereto in section 14.5.

"Claims" has the meaning ascribed thereto in the definition of Environmental Claims.

"Closing" means the consummation of the Canadian Transaction as herein contemplated.

"Closing Date" means October 31, 2001 or such earlier or later date which is five (5) Business Days following the satisfaction of all conditions to closing set forth in sections 11.1 and 12.1 or as may otherwise be agreed to in writing by the Parties and in no event shall be later than December 31, 2001.

"Closing Documents" means any document or undertaking delivered in relation to the Closing as provided in this Agreement.

"Commission" means the United States Securities and Exchange Commission.

"Confidential Information" has the meaning ascribed thereto in section 15.1.

"Contract" means any order, agreement, engagement, indenture, contract, bond, debenture, security agreement, lease, deed of trust, license, option, instrument or other legally binding commitment, whether written or oral.

"Control" means the ability to grant assignments, licenses or sub-licenses without violating the terms of any agreement or other arrangement with, or the rights of, any other Person.

"Employee Plan" means all pension, retirement, disability, medical, dental or other health insurance plans, life insurance or other death benefit plans, any stock option, bonus or other incentive plans, vacation benefit plans, severance plans or other employee benefit plans or arrangements to which IBEX is a party in connection with any Therapeutic Asset Employee or by which IBEX is bound in connection with any Therapeutic Asset Employee. "Employee Plan" does not include any government-sponsored employee benefit arrangements.

"Encumbrances" means any and all claims, liens, security interests, hypothecs, rights, prior claims, mortgages, pledges, pre-emptive rights, charges, options, equity interests, encumbrances, proxies, voting agreements, voting trusts, leases, tenancies, easements, reserves, conditional sale contracts, ownership or title retention agreements, or other interests of any nature or kind whatsoever, howsoever created.

"Environment" means surface waters, groundwaters, soil, subsurface strata and ambient air.

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, stop orders, investigations, injunctions, restrictions, control orders, liens, notices of noncompliance or violation, investigations, proceedings, consent orders or consent agreements (collectively, the "Claims"), relating in any way to Environmental Laws or Environmental Permits including without limitation: (i) any and all Claims by Governmental

Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to applicable Environmental Laws; and (ii) any and all Claims by any Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

"Environmental Condition" means a condition relating to or arising or resulting from a failure to comply with any Environmental Laws or Environmental Permits or a Release of a Hazardous Material into the Environment.

"Environmental Laws" means any Law, now or hereafter in effect and as amended and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to the Environment, health, safety or Hazardous Materials.

"Environmental Permits" means all permits, approvals, identification numbers, licenses and other authorizations required under applicable Environmental Laws.

"ETA" means the Excise Tax Act (Canada).

"Exchange Act" means the United States Exchange Act of 1934, as amended.

"Excluded Liabilities" means all liabilities of the Vendors that are not IBEX Pharma Canadian Assumed Liabilities and for greater certainty and without limitation, IBEX Pharma Canadian Assumed Liabilities do not include any liabilities of either IBEX R&D or IBEX or liabilities that relate to the IBEX Pharma Canadian Excluded Assets or the Retained Employees.

"Filter Technology" means the assets set forth on Schedule 2.1.

"Governmental Authority" means any Canadian federal, provincial, municipal or local or any other foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal or judicial or arbitral body, board, bureau or instrumentality.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"Hazardous Materials" means: (i) petroleum and petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain polychlorinated biphenyls and radon gas; (ii) any other chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants" or "pollutants" or words of similar import, under any applicable Environmental Law; and (iii) any other chemical, material or substance exposure to which is regulated by any Governmental Authority.

"IBEX" means IBEX Technologies Inc., a Canadian corporation.

"IBEX Corp" means IBEX Technologies Corp., a Delaware corporation.

"IBEX Financial Statements" has the meaning ascribed thereto in section 5.1(p).

"IBEX Group" means collectively, IBEX, IBEX Pharma, IBEX LLC, IBEX Corp. and IBEX R&D.

"IBEX LLC" means IBEX Technologies LLC, a Delaware limited liability company.

"IBEX Pharma" means IBEX Pharmaceuticals Inc., a Canadian corporation.

"IBEX Pharma Canadian Assets" means the Canadian assets of the Vendors set forth at Schedules 2.1(a), 2.1(b), 2.1(c), 2.1(d) and 2.1(e) used in connection with or related to the IBEX Pharma Canadian Business including without limitation, the IBEX Pharma Canadian Fixed Assets, the IBEX Pharma Canadian Inventory and the IBEX Pharma Canadian Intellectual Property.

"IBEX Pharma Canadian Assumed Liabilities" has the meaning ascribed thereto in section 2.2.

"IBEX Pharma Canadian Business" means the therapeutic portion (excluding the diagnostic portion retained by the IBEX Group and the diagnostic, reagent and limited therapeutic use portions licensed to the IBEX Group under the agreement set forth in Schedule 11.1(h)) of the research, development, manufacture, use, sale, production,

technology and marketing in Canada of the IBEX Pharma Products.

"IBEX Pharma Canadian Excluded Assets" has the meaning ascribed thereto in section 2.6.

"IBEX Pharma Canadian Fixed Assets" means all of the machinery, equipment, moveable property and other assets located in Canada and described in section 2.1(b), save and except for the Filter Technology.

"IBEX Pharma Canadian Intellectual Property" means all Intellectual Property owned or Controlled by the Vendors relating to or being used in connection with the IBEX Pharma Canadian Business including, without limitation, those identified in Schedule 2.1(c), but excluding the IBEX Pharma Canadian Excluded Assets.

"IBEX Pharma Canadian Inventory" means all inventories of and pertaining to the IBEX Pharma Canadian Business, including without limitation, clinical supply materials, packaging materials, raw,

semi-finished and finished products, work in progress, raw materials, all other materials and supplies on hand to be used or consumed in the production of products, work in progress, items purchased for resale and inventories in transit from suppliers if paid for or owned by any of the Vendors and all inventories of general stores and supplies (if any), likewise if paid for or owned by any of the Vendors, including without limitation, those described in Schedule 2.1(d), but excluding the IBEX Pharma Canadian Excluded Assets.

"IBEX Pharma Products" means: (i) Heparinase I in respect of its use in a biopharmaceutical human therapeutic business (i.e. Neutralase); (ii) Heparinase II; (iii) Heparinase III (i.e. Extravase); (iv) Chondroitinase AC (IBT9401) and Chondroitinase B; (v) Oralase Technology (including Phenylase); and (vi) Flavobacterium Production Technology with respect to Heparinase I, II and III.

"IBEX R&D" means Technologies IBEX R&D Inc., a Quebec company.

"IBEX Year End" has the meaning ascribed thereto in section 5.1(p).

"Indemnified Party" has the meaning ascribed thereto in section 10.3.

"Indemnitor" has the meaning ascribed thereto in section 10.3.

"Intellectual Property" means any or all of the following and all rights in, arising out of, or associated therewith: (i) all Canadian patents (including utility models, supplementary protection certificates and applications therefor) and all reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof and equivalent or similar rights in Canada in inventions and discoveries; (ii) all inventions (whether patentable or not), improvements, trade secrets, proprietary information, know-how, technology, technical data research notes, computer system architecture and customer lists and all documentation embodying or evidencing any of the foregoing; (iii) all copyrights, copyright registrations and applications therefor and all other rights corresponding thereto in Canada; (iv) all mask works, mask work registrations and applications therefor and any equivalent or similar rights in semiconductor masks, layouts, architectures or topology; (v) all industrial designs and any registrations and applications therefor in Canada; (vi) all trade names, logos, common law trademarks and service marks, trademark and service mark registrations and applications therefor and all goodwill associated therewith in Canada; (vii) all rights in databases and data collections in Canada; (viii) all rights in Software, data, databases, web content and Internet sites in Canada; (ix) all rights in domain names, domain name registrations and applications therefor in Canada; and (x) any similar, corresponding or equivalent rights to any of the foregoing in Canada.

"Law" means any Canadian federal, provincial, municipal, local or any foreign statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including without limitation, common law).

"Liabilities" means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including without limitation, those arising under any Law (including without limitation, any Environmental Law), action or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking.

"Losses" means any and all claims, demands, debts, suits, actions, obligations, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation, all reasonable legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement).

"Material Adverse Effect" means a material adverse effect on the business, assets, liabilities, condition (financial or otherwise), operations or prospects of the Party in question.

"Minimum Threshold" has the meaning ascribed thereto in section 10.6.

"Parties" means collectively, the parties to this Agreement.

"Permits and Licenses" has the meaning ascribed thereto in section 5.1(r).

"Person" means any individual, partnership, company, corporation, firm, unincorporated association, joint venture or trust however designated or constituted or wheresoever organized and any Governmental Authority.

"Quebec Securities Commission Approvals" has the meaning set forth in section 12.1(k).

"Release" means disposing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping, placing and the like into or upon any land, water or air or otherwise entering into the Environment.

"Representatives" has the meaning ascribed thereto in section 9.2.

"Retained Employees" has the meaning ascribed thereto in section 2.3.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Software" means computer software and programs in any form, including source code, object code, operating systems and specifications, database management code, utilities, graphical user interfaces, menus, images, icons, forms, methods of processing, software engines, platforms and data formats, all versions, updates, corrections, enhancements and modifications thereof and all related documentation, developer notes, comments and annotations.

"Successor Company" has the meaning ascribed thereto in section 14.5.

"Suspension Period" has the meaning ascribed thereto in section 7.1(b).

"Tax Act" means The Income Tax Act (Canada).

"Taxes" means all taxes and any liability, whether disputed or not, imposed by Canada or any province or municipality thereof or by any other country or foreign government or any subdivision or agency thereof.

"Time of Closing" means 2:00 p.m. (Toronto time) on the Closing Date or if the Canadian Transaction is not completed at such time, then such other time on the Closing Date on which the Canadian Transaction is completed.

"Therapeutic Asset Employees" has the meaning ascribed thereto in section 2.5.

"Therapeutic Assets" means the assets currently used or owned or Controlled by the members of the IBEX Group in the conduct of their biopharmaceutical human therapeutic business.

"Third Party Claim" has the meaning ascribed thereto in section 10.3.

"Underlying Securities" means the shares of common stock of BioMarin issuable on exercise of the BioMarin Options.

"U.S. Purchase Agreement" means that certain agreement dated as of even date among BioMarin, BioMarin US and the members of the IBEX Group, a copy of which is attached as Schedule 1.1.

"Vendors" has the meaning ascribed thereto in the preambles to this Agreement.

All capitalized terms used but not otherwise defined in this Agreement shall have their respective meanings set forth in the U.S. Purchase Agreement.

1.2 Act. Any reference in this Agreement to any act, by-law, rule or regulation or to a provision thereof shall be deemed to include a reference to any act, by-law, rule, regulation or provision enacted in substitution or amendment thereof.

1.3 Toronto Time. Except where otherwise expressly provided in this Agreement any reference to time shall be deemed to be a reference to Toronto time.

1.4 Gender and Extended Meanings. In this Agreement words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and pronoun. For greater certainty and without limitation, in this Agreement the word "shall" has the same meaning as the word "will".

1.5 Canadian Dollars and Payment. All dollar amounts referred to in this Agreement are in Canadian funds, unless otherwise expressly specified.

1.6 Section Headings. The division of this Agreement into sections is for the convenience of reference only and shall not effect the interpretation or construction of this Agreement.

1.7 Business Day. If the date for the taking of any action under this Agreement falls on a day which is not a Business Day, then such action shall be taken on the next following Business Day.

1.8 Ordinary Course. For the purposes of this Agreement, a transaction or activity shall be considered to be in the ordinary course of the IBEX Pharma Canadian Business if it constitutes an ordinary business activity of the Vendors relating to the IBEX Pharma Canadian Business conducted in a commercially reasonable and business-like manner consistent with past practices of the Vendors in respect of the IBEX Pharma Canadian Business.

2. AGREEMENT TO PURCHASE AND SELL

2.1 IBEX Pharma Canadian Assets. Based on the covenants, representations and warranties set forth herein and subject to the conditions herein, the Vendors hereby agree to sell, transfer, assign, convey and set over to BioMarin NS and BioMarin NS hereby agrees to purchase from the Vendors on the Closing Date, free and clear of any and all Encumbrances subject to rights of creditors pursuant to the Bulk Sales Carve-Out with good and marketable title thereto, all of the following with the exception of the Filter Technology:

(a) IBEX Pharma Canadian Fixed Assets. The fixed assets owned or used by any of the Vendors in the operation of the IBEX Pharma Canadian Business, as itemized at Schedule 2.1(a), on an "as is - where is" basis without warranty, except as to title.

(b) Contracts, Permits and Licenses. The Contracts to which any of the Vendors is a party or otherwise a beneficiary and the Permits and Licenses obtained by any of Vendors, in each case, in connection with the IBEX Pharma Canadian Business, as itemized at Schedule 2.1(b).

(c) IBEX Pharma Canadian Inventory. The IBEX Pharma Canadian Inventory, as itemized at Schedule 2.1(c).

(d) IBEX Pharma Canadian Intellectual Property. The IBEX Pharma

Canadian Intellectual Property, as itemized at Schedule 2.1(d).

(e) All Pre-Clinical and Clinical Trial Data. All pre-clinical and clinical trial data relating to the IBEX Pharma Products and the Therapeutic Assets located in Canada.

2.2 IBEX Pharma Canadian Assumed Liabilities. From and after the Closing Date, BioMarin NS shall assume and perform in due course only those liabilities of the Vendors in connection with the IBEX Pharma Canadian Business listed on Schedule 2.2 (the "IBEX Pharma Canadian Assumed Liabilities"). Notwithstanding anything to the contrary contained in this Agreement, BioMarin NS shall not assume or have any responsibility for any of the Excluded Liabilities. As and by way of a post-closing covenant, the members of the BioMarin Group shall solidarily indemnify and save harmless the Vendors from all Losses which may be incurred by the Vendors in respect of the IBEX Pharma Canadian Assumed Liabilities, arising from and after the Closing Date and the members of the IBEX Group shall solidarily indemnify and save harmless the members of the BioMarin Group from all Losses which may be incurred by the BioMarin Group in respect of the Excluded Liabilities.

2.3 Offer of Employment. On Closing, BioMarin NS shall offer new employment to

all those current employees of the IBEX Group employed in connection with the IBEX Pharma Canadian Business and the IBEX Group Worldwide Business (as defined in the U.S. Purchase Agreement) set forth on Schedule 5.1(t) in connection with the IBEX Pharma Products (the "Therapeutic Asset Employees"), on terms and conditions (including the condition that should any current IBEX Group employee (other than those employees who enter into employment agreements with BioMarin or BioMarin NS) be terminated by BioMarin NS prior to one year following the closing of the Canadian Transaction, BioMarin shall pay severance in accordance with IBEX's severance practices which existed on December 31, 2000, as set forth at Schedule 2.3, provided that no severance shall be payable except as required under applicable law in the event that such terminated employee is employed by any member of the IBEX Group on or before the date which is one year following Closing) which are at least financially equivalent to those upon which the Therapeutic Asset Employees are currently employed by IBEX Pharma. Prior to Closing, the IBEX Group shall pay all compensation and benefits of the Therapeutic Asset Employees to and including the Closing Date, including without limitation, in respect of severance and holiday pay and all benefits, if any. IBEX Pharma shall make all applicable deductions and remittances as required by Law in respect of the Therapeutic Asset Employees.

As and by way of a post-closing covenant, the members of the IBEX Group shall solidarily indemnify and save harmless the members of the BioMarin Group from any Losses that may be incurred by BioMarin as a result of the failure of IBEX to comply with the provisions of this section 2.3. The members of the IBEX Group shall be solidarily liable for any worker's compensation Claims and increases in premiums payable by BioMarin NS with respect to the Therapeutic Asset Employees based on facts, circumstances and conditions occurring on or prior to the Closing Date regardless of the date on which the Claims were filed and the members of the IBEX Group shall solidarily indemnify and save harmless the members of the BioMarin Group from and against any Losses resulting from, arising out of, or relating to all such Claims and increases in premiums. The members of the BioMarin Group shall not be liable for any severance or other

payments payable to any employees of the IBEX Group that are not Therapeutic Asset Employees and the members of the IBEX Group shall solidarily indemnify and save harmless the members of the BioMarin Group from and against any and all Losses resulting from, arising out of or relating to such employees who are not Therapeutic Asset Employees (the "Retained Employees").

2.4 Excluded Assets. For greater certainty and without limitation, the assets of IBEX Pharma that are not being sold in connection with the IBEX Pharma Canadian Business, are itemized or described at Schedule 2.4 and constitute the "IBEX Pharma Canadian Excluded Assets", which do not form a part of the IBEX Pharma Canadian Assets.

3. CANADIAN PURCHASE PRICE FOR CANADIAN ASSETS AND TAXES

3.1 Canadian Purchase Price. The purchase price for the IBEX Pharma Canadian Assets which includes, for purposes of this section, the Filter Technology (the "Canadian Purchase Price") shall be an amount equal to CDN$1,138,898 plus the value of the IBEX Pharma Canadian Assumed Liabilities.

3.2 Payment of Canadian Purchase Price. The Canadian Purchase Price shall be paid on the Closing Date by: (i) the assumption by BioMarin NS of the IBEX Pharma Canadian Assumed Liabilities; and (ii) the delivery by BioMarin to the Vendors in accordance with Schedule 3.2 of certificates representing the BioMarin Canadian Transaction Shares.

3.3 Allocation of Canadian Purchase Price. The Canadian Purchase Price shall be allocated among the IBEX Pharma Canadian Assets as set out in Schedule 3.3 and the Parties shall co-operate in the filing of elections under any applicable taxation statutes as may be necessary or desirable to give effect to such allocation.

3.4 Goods and Services Tax. On Closing, the Vendors and BioMarin NS shall jointly elect under subsection 167(1) of the ETA and the equivalent provisions of the Sales Tax Act (Quebec) that no goods and services tax or Quebec sales tax shall be payable in connection with the Canadian Transaction. BioMarin NS and the Vendors shall make such elections in the prescribed forms and BioMarin NS shall file the forms with requisite regulatory authorities within the time prescribed by the ETA and Quebec sales tax legislation.

3.5 Retail Sales Tax. Within 30 days of Closing, BioMarin NS shall pay to all relevant federal, provincial and municipal authorities, any exigible sales tax on the IBEX Pharma Canadian Assets.

4. CLOSING

4.1 Closing. Closing shall occur at the Time of Closing at the offices of Cassels Brock & Blackwell LLP, Scotia Plaza, Suite 2100, 40 King Street West, Toronto, Ontario or at such other place or other time and date as the Parties may agree. Any cheque, document, share certificate, instrument or thing which is to be delivered by any Party at the Closing shall be tabled at the Closing at the place of closing referred to above by the Party that is to deliver such cheque, document, instrument or thing and any cheque, document, share certificate, instrument or thing so tabled by a Party shall:

(a) be deemed to have been delivered by such Party for the purposes of this Agreement;

(b) be held in escrow by counsel for such Party to be dealt with in accordance with paragraphs (c) and (d);

(c) be delivered to the Party to which it is to be delivered pursuant to the terms hereof, if all cheques, documents, share certificates, instruments and things that are to be delivered at Closing are tabled in accordance with this section at Closing; and

(d) be delivered to or in accordance with the directions of, the Party which tabled it, if paragraph (c) does not apply.

5. REPRESENTATIONS AND WARRANTIES OF THE MEMBERS OF THE IBEX GROUP

5.1 Representations and Warranties. The members of IBEX Group hereby solidarily represent and warrant to the members of the BioMarin Group as follows and acknowledge and confirm that the members of the BioMarin Group are relying upon such representations and warranties in connection with the Canadian Transaction and that unless otherwise indicated herein, such representations and warranties shall be true and correct as at the Closing Date:

(a) Organization. Each member of the IBEX Group is duly incorporated or organized, as applicable, and validly subsisting under the laws of its jurisdiction of incorporation or organization and has the power (including full corporate power as applicable) to own or lease its property and to carry on its business as it is now being conducted. Each of the Vendors is duly qualified to do business and carries on business in those jurisdictions wherein the failure to so qualify could have a Material Adverse Effect, being those jurisdictions set forth on Schedule 5.1(a).

(b) Corporate Authority. Each of the Vendors now has and on the Closing Date will have full power and authority (including full corporate power and authority as applicable) to sell the IBEX Pharma Canadian Assets, free and clear of any and all

Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. Each member of the IBEX Group now has and on the Closing Date will have the full power and authority (including full corporate power and authority as applicable) to execute and deliver this Agreement and to carry out all of the terms and conditions hereof on the part of the respective members of the IBEX Group to be carried out. The execution and delivery of this Agreement and the consummation of the Canadian Transaction have been duly authorized by all necessary corporate or entity action, including without limitation, all necessary actions by the respective officers, directors, stockholders, members and managers, as applicable, on the part of each member of the IBEX Group.

(c) No Violations. The execution and delivery of this Agreement and all other agreements contemplated herein by each member of the IBEX Group and the observance and performance of the terms and provisions of this Agreement and any such agreements: (i) does not and will not require any member of the IBEX Group to obtain or make any consent, authorization, approval, filing or registration under any Law, subject to the Bulk Sales Carve-Out and the procurement of the Canadian Assigned Rights Consents, which is binding upon any member of the IBEX Group; (ii) does not and will not constitute a violation or breach of the charter documents, operating agreements or by-laws of any member of the IBEX Group; (iii) does not and will not constitute a violation or breach of any Law, subject to the Bulk Sales Carve-Out, applicable to any member of the IBEX Group; (iv) does not and will not constitute a default or breach (nor would with the passage of time or the giving of notice or both or otherwise, constitute a default or breach) under any Contract having an aggregate value of a minimum of CDN$10,000 to which any member of the IBEX Group is a party or by which any member of the IBEX Group is bound, subject to procurement of the Canadian Assigned Rights Consents; and (v) does not and will not result in the creation or imposition of any Encumbrance on all or part of the IBEX Pharma Canadian Assets, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out.

(d) Enforceability of Obligations. This Agreement constitutes a valid and binding obligation of each member of the IBEX Group, enforceable against each member of the IBEX Group in accordance with its terms, subject however to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) Acts of Bankruptcy. None of the members of the IBEX Group is insolvent, has proposed a compromise or arrangement to its creditors generally, has taken any proceeding with respect to a compromise or arrangement, has taken any proceeding to have itself declared bankrupt or wound-up, has taken any proceeding to have a receiver appointed of any part of its assets and at present, no encumbrancer or receiver has taken possession of any

of its property and no execution or distress is enforceable or levied upon any of its property and no petition for a receiving order in bankruptcy is filed against it.

(f) Resident. Each of the Vendors is a resident of and maintains its principal place of business in the country and, as applicable, the state, province, municipality, county and city set out in Schedule 5.1(f).

(g) Title. Each of the Vendors now has and on the Closing Date will have good and marketable title to the IBEX Pharma Canadian Assets to be conveyed by such Vendor and the Vendors, collectively, now have and on the Closing Date will have good and marketable title to all of the IBEX Pharma Canadian Assets, in each case, free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. The Vendors (and no other member of the IBEX Group or their respective Affiliates) are the only owners of the IBEX Pharma Canadian Assets. Upon the transfer of the IBEX Pharma Canadian Assets to BioMarin NS on the Closing Date pursuant to this Agreement, BioMarin NS will acquire good and marketable title to all of the IBEX Pharma Canadian Assets free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. Each of the Vendors is exclusively entitled to possess and dispose of the IBEX Pharma Canadian Assets, as the case may be. To the Best Knowledge of the members of the IBEX Group, no other Person owns or uses any assets that are required to carry on the IBEX Pharma Canadian Business as currently conducted. All tangible (corporeal) assets forming a part of the IBEX Pharma Canadian Assets are located as indicated at Schedule 2.1(a). The IBEX Pharma Canadian Assets represent all of the Therapeutic Assets consisting of Intellectual Property, Contracts, Permits and Licenses, pre-clinical and clinical trial data and books and records which are located in Canada.

(h) Certain Interests. No member of the IBEX Group and no shareholder, officer, director or Affiliate of any member of the IBEX Group nor any relative or spouse (or relative of such spouse) who resides with, or is a dependent of any such Person owns, directly or indirectly, in whole or in part or has any other interest in any tangible or intangible property which any of the Vendors uses or has used in connection with the IBEX Pharma Canadian Business.

(i) Absence of Conflicting Agreements. No Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement, for the purchase from any of the Vendors of any right, title or interest in or to any of the IBEX Pharma Canadian Assets and there has been no assignment, subletting or granting of any license (of occupation or otherwise) of or in respect of any of the IBEX Pharma Canadian Assets.

(j) Suppliers. Schedule 5.1(j) contains a list of the suppliers of materials and/or services to the Vendors in connection with the IBEX Pharma Canadian Business during the twelve month period ended July 31, 2001. There is no sole-source supplier of significant materials or services to the IBEX Pharma Canadian Business with respect to which practical alternative sources of supply are not available on comparable terms and conditions. There are no contingency

payments or commitments payable to any suppliers of materials and/or services other than as indicated at Schedule 5.1(j).

(k) Clinical Sites. Schedule 5.1(k) contains a list of the clinical sites of the Vendors in connection with the IBEX Pharma Canadian Business during the twelve-month period ended July 31, 2001. To the Best Knowledge of the members of the IBEX Group, the relations between the Vendors and the clinical sites of the IBEX Pharma Canadian Business are mutually satisfactory. None of the members of the IBEX Group have received written notice and, to the Actual Knowledge of the members of IBEX Group, none of the members of the IBEX Group have otherwise been made aware, of any possible termination of normal relations with any such Person in connection with the IBEX Pharma Canadian Business which termination may have a Material Adverse Effect on the IBEX Pharma Canadian Business.

(l) Litigation. There are no Claims at Law or in equity or before or by any Governmental Authority, either pending or outstanding or, to the Actual Knowledge of the members of the IBEX Group, threatened against any member of the IBEX Group, relating to any member of the IBEX Group or which may have a Material Adverse Effect on the IBEX Pharma Canadian Business, any of the IBEX Pharma Canadian Assets or the Canadian Transaction.

(m) Inventory. The IBEX Pharma Canadian Inventory represents that proportion of the total inventory of the IBEX Group relating to the IBEX Pharma Products set forth at Schedule 2.1(c).

(n) Absence of Changes. Since July 31, 2000 there has not been and up to the Closing Date there will not be;

(i) any event or occurrence which either individually or in the aggregate with other events or occurrences that has resulted in or will result in a Material Adverse Effect on the condition or operation of the IBEX Pharma Canadian Business and/or the IBEX Pharma Canadian Assets; or

(ii) any damage, destruction or loss, labour trouble or other event, development or condition of any character (whether or not covered by insurance) which would have a Material Adverse Effect on the IBEX Pharma Canadian Business and/or the IBEX Pharma Canadian Assets.

(o) Absence of Unusual Transaction. Since July 31, 2000 none of the Vendors has and up to the Closing Date none of the Vendors will have;

(i) transferred, assigned, sold or otherwise disposed of any of the IBEX Pharma Canadian Assets or cancelled any debts or claims with respect thereto, except in each case for fair consideration and in the ordinary and usual course of the IBEX Pharma Canadian Business;

(ii) waived any rights of substantial value or entered into any commitment or transaction with respect to the IBEX Pharma Canadian Assets or the IBEX Pharma Canadian Business where such rights, commitment or transaction is or would be material in relation to the IBEX Pharma Canadian Business or the IBEX Pharma Canadian Assets, as the case may be;

(iii) made any general wage or salary increases in respect of, or material changes to the benefits, of the Therapeutic Asset Employees, except in the ordinary course of business;

(iv) mortgaged, pledged, subjected to lien, hypothecated, granted a security interest in or otherwise encumbered any of the IBEX Pharma Canadian Assets, whether tangible or intangible, corporeal or incorporeal;

(v) delayed or postponed the payment of accounts payable or other Liabilities with respect to the IBEX Pharma Canadian Assets or in connection with the IBEX Pharma Canadian Business outside the ordinary and usual course of the IBEX Pharma Canadian Business;

(vi) incurred any forward commitments for supplies or materials or prepaid services in connection with the IBEX Pharma Canadian Assets or the IBEX Pharma Canadian Business except in the ordinary course of the IBEX Pharma Canadian Business;

(vii) made any capital expenditures in connection with

the IBEX Pharma Canadian Assets or the IBEX Pharma Canadian Business except in the ordinary course of the IBEX Pharma Canadian Business; or

(viii) authorized or agreed or otherwise become committed to do any of the foregoing.

(p) Financial Statements. A true copy of the unaudited financial statements of IBEX and the statements of operations and retained earnings and of changes in financial position of IBEX as at July 31, 2001 (the "IBEX Year End"), the internally

prepared statements of operations and retained earnings and of changes in financial position of IBEX as at July 31, 2001 and the audited consolidated financial statements of IBEX as at July 31, 2000 (collectively, the "IBEX Financial Statements") is annexed hereto as Schedule 5.1(p). The IBEX Financial Statements:

(i) Have been prepared in accordance with Canadian generally accepted accounting principles applied on a basis consistent with those of the preceding fiscal period.

(ii) Present fairly, among other things, the IBEX Pharma Canadian Assets, liabilities and financial position of IBEX (on a consolidated basis) as at the IBEX Year End and the period indicated, as the case may be and

the results of operations for the period then ended. Other than as disclosed in the Schedules hereto, and the liabilities specified in the balance sheet forming part of the IBEX Financial Statements or incurred since the IBEX Year End in the ordinary course of business (all of which are consistent with past practice and are not, in the aggregate material to the financial condition of the members of the IBEX Group) or otherwise noted or disclosed in this Agreement, there are no liabilities or obligations of any of the members of the IBEX Group (whether absolute, contingent or otherwise), including without limitation, any Tax liabilities, due or to become due or contingent losses for unasserted claims which are capable of assertion, which may be and become the responsibility or obligation of BioMarin NS from and after the Closing Date.

(iii) Are substantially in accordance with the books and records of IBEX (on a consolidated basis).

(iv) Contain and reflect all necessary adjustments for a fair presentation of the results of operations and financial position of IBEX (on a consolidated basis) for the period covered thereby.

(v) Contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of IBEX (on a consolidated basis).

(q) Books of Account. The books of account and financial records of the Vendors fairly set out and disclose in all material respects the current financial position of the IBEX Pharma Canadian Business. All material transactions with respect to the IBEX Pharma Canadian Assets and the IBEX Pharma Canadian Business have been accurately recorded in such books and records. All bonuses, commissions and other payments relating to the Therapeutic Asset Employees are reflected in the books of IBEX in a manner consistent with past record keeping practices and none of such payables are in arrears.

(r) Permits and Licenses. Schedule 5.1(r) contains a full, complete and accurate list of permits, certificates, licenses, approvals, consents and other authorizations (collectively, the "Permits and Licenses") obtained to carry on and conduct the IBEX Pharma Canadian Business and to own, lease or operate its respective IBEX Pharma Canadian Assets at the places and in the manner in which the IBEX Pharma Canadian Business is currently conducted. The consummation of the Canadian Transaction will not result in the revocation, suspension or limitation of any of the Permits and Licenses. The conduct of the IBEX Pharma Canadian Business as currently conducted by IBEX is not impeded by the absence of any Permit or License and the members of the IBEX Group are not aware of any Permits or Licenses required to carry on and conduct the IBEX Pharma Canadian Business as currently conducted other than as itemized in Schedule 5.1(r).

(s) Material Contracts. Except for the Contracts listed in Schedule 5.1(s), no member of the IBEX Group or any of its Affiliates is a party to nor bound by any Contract with respect to the IBEX Pharma Canadian Assets, the IBEX Group Worldwide Assets (as defined in the US Purchase Agreement), the IBEX Pharma Canadian Business or the IBEX Group Worldwide Business (as defined in the US Purchase Agreement). Schedule 5.1(s) additionally sets forth a true and complete list of all Canadian Assigned Rights and Worldwide Assigned Rights (as defined on the US Purchase Agreement) requiring the consent of any party thereto as a result of the Canadian Transaction or the Worldwide Transaction (as defined in the US Purchase Agreement) and all additional consents, authorizations and approvals of any Person to or as a result of the consummation of the Canadian Transaction. All such consents, authorizations and approvals described in Schedule 5.1(s) will be lawfully and validly obtained prior to or after the Closing Date (as indicated in such Schedule). For greater certainty and without limitation, IBEX Pharma has no unfilled orders in connection with the IBEX Pharma Canadian Business and no forward commitments for suppliers or materials. The Contracts listed in Schedule 5.1(s) having a minimum aggregate value of CDN$10,000 are all in full force and effect, unamended and no material default or breach exists (nor would the passage of time or the giving of notice of both or otherwise, constitute a default or breach) in respect thereof on the part of any of the parties thereto. No member of the IBEX Group has entered into any Contract limiting or restricting the IBEX Pharma Canadian Business.

(t) Employees, etc. There are set forth in Schedule 5.1(t) the names and titles of all Therapeutic Asset Employees employed or engaged by the members of the IBEX Group in

connection with the IBEX Pharma Canadian Business including without limitation, the Therapeutic Asset Employees, together with particulars of the material terms and conditions of employment or engagement of such persons, including without limitation, rates of remuneration, benefits, all accrued and/or deferred compensation, benefits and remuneration, positions held and the length of their employment.

(u) Employee Plans. Except as set forth in Schedule 5.1(u), there are no Employee Plans with respect to the Therapeutic Asset Employees. All obligations of each of the Vendors, whether arising by operation of Law, by contract, pursuant to the Employee Plans, by past custom or practice or otherwise, for salary, severance, vacation and holiday pay, bonuses and other forms of compensation which were payable to the Therapeutic Asset Employees for the period ending prior to the Closing Date, have been paid as of the applicable payment dates.

(v) Collective Agreements. None of the Vendors nor their Affiliates has made any agreements with any labour union or employee association with respect to any of its employees (including any Therapeutic Asset Employees) and none of the Vendors nor their Affiliates has made commitments to or conducted negotiations with any labour union or employee association further to any future agreements with respect to any of its employees (including any Therapeutic Asset Employees). To the Best Knowledge of each member of the IBEX Group, there are no current attempts to organize or to establish any labour union or employee association with respect to the Therapeutic Asset Employees.

(w) Labour Matters. There are no controversies pending or to the Best Knowledge of each Vendor, threatened between any member of the IBEX Group or their Affiliates and any of the Therapeutic Asset Employees.

(x) Insurance. Each of the Vendors maintains such policies of insurance, issued by responsible insurers, as are appropriate to the IBEX Pharma Canadian Business and the IBEX Pharma Canadian Assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets. All such policies of insurance are in full force and effect and none of the Vendors is in default thereof, whether as to the payment of premiums or otherwise under the terms of any such policy. All of such policies are listed in Schedule 5.1(x). All premiums in connection with such policies are fully paid. None of the Vendors has failed to give any notice or present any Claim under any such insurance policies in due and timely fashion. The proceeds of such policies are and until Closing shall continue to be fully payable to the Vendors. None of the Vendors is in default with respect to any of the provisions contained in such insurance policies and none of the Vendors have failed to give any notice or present any claim under any such insurance policies in due and timely fashion.

(y) Taxes. There are no liens or prior Claims for Taxes upon any of the IBEX Pharma Canadian Assets. Schedule 5.1(y) sets forth all Taxes upon the IBEX Pharma Canadian Assets currently due and payable and, to the Best Knowledge of the

members of the IBEX Group, all Taxes upon the IBEX Pharma Canadian Assets which will become payable in the next six months, except as may result from the Canadian Transaction.

(z) Compliance with Laws. The IBEX Pharma Canadian Business has been conducted and will continue to be conducted through Closing in accordance with all applicable Laws and Governmental Orders, except where the failure to comply with such Laws and Governmental Orders would not have a material adverse effect on the IBEX Pharma Canadian Assets or the conditions, operations or prospects of the IBEX Pharma Canadian Business and the Vendors have not received any notice in writing and, to the Actual Knowledge of members of the IBEX Group, the members of the IBEX Group have not otherwise received any notice that the IBEX Pharma Canadian Business is in violation of any such Law or Governmental Order. There are no Governmental Orders applicable to the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business.

(aa) Environmental Matters. Each of the Vendors is in compliance with all Environmental Laws.

(i) Without limiting the generality of the foregoing, each of the Vendors and their respective Affiliates has obtained and complied with, and is in compliance with, all Environmental Permits for the occupation of its facilities and the operation of the IBEX Pharma Canadian Business. A list of all such Environmental Permits are set forth on Schedule 5.1(aa).

(ii) With respect to the IBEX Pharma Canadian Business, the IBEX Pharma Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, none of the Vendors nor their respective Affiliates has received any written notice, report or other information regarding any actual or alleged violation of any Environmental Law, or any liabilities or potential liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to any of them or their facilities arising under any Environmental Law.

(iii) With respect to the IBEX Pharma Canadian Business, the IBEX Pharma Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, none of the Vendors or their respective Affiliates has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled or released any substance, including without limitation, any Hazardous Materials in a manner that has given or would give rise to liabilities, including any liability for response costs, corrective action costs, personal injury, property damage, natural resources damages or attorney fees, pursuant to Environmental Law.

(iv) With respect to the IBEX Pharma Canadian Business, the IBEX Pharma Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, neither the execution and delivery of this Agreement nor the consummation of the Canadian Transaction will result in any obligations for site investigation or cleanup or notification to or consent of Government Authorities or third Persons, pursuant to any of the so-called "transaction-triggered" or "responsible property transfer" Environmental Law.

(v) With respect to the IBEX Pharma Canadian Business, the IBEX Pharma Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, neither the Vendors nor any of their respective Affiliates has either expressly or by operation of law assumed or undertaken any liability, including without limitation, any obligation for corrective or remedial action of any other Person relating to Environmental Laws.

(bb) IBEX Group Canadian Intellectual Property.

(i) The Vendors, collectively, own all right, title and interest in or have the right to use pursuant to a valid license, sublicense agreement or permission, all of the IBEX Group Canadian Intellectual Property used in the conduct of the IBEX Pharma Canadian Business as presently conducted and have the right to use, execute, reproduce, display, perform, modify,

enhance, distribute, prepare derivative works from and sublicense the IBEX Group Canadian Intellectual Property, without requirement to make royalty or other payments to any other Person (except in the case of the IBEX Group Canadian Intellectual Property licensed by any of the Vendors from a third Person licensor where the terms of such license make provision for royalties or other payments and the terms of such royalties or other payments are listed on Schedule 5.1(bb)(i)). Schedule 2.1(d) sets forth a true and complete list of all of the Intellectual Property used in the current conduct of the IBEX Pharma Canadian Business and all other filings, applications, registrations or other formal actions taken with respect to the foregoing pursuant to federal, state, local and foreign law or regulations with respect to protections of intellectual property as well as a nonconfidential disclosure of inventions owned and used in the current conduct of the IBEX Pharma Canadian Business, provided that such schedules shall in no way limit the IBEX Group Canadian Intellectual Property to be transferred to BioMarin NS pursuant to this Agreement. None of the Vendors has received written notice of any loss, cancellation, termination or expiration of any such application, registration or other filings or formal actions that are owned or controlled by any of the Vendors in connection with the IBEX Pharma Canadian Business.

(ii) No member of the IBEX Group has received any written and, to the Actual Knowledge of the members of the IBEX Group, no members of the IBEX Group has received any oral, communication alleging that the operation of the IBEX Pharma Canadian Business as currently

conducted, the use of the IBEX Group Canadian Intellectual Property in connection therewith and the transmission, use, linking and other practices related to the operation of the Vendors' respective web sites in connection with the IBEX Pharma Canadian Business, the content thereof and the advertisements contained therein, conflict with, infringe, misappropriate or otherwise violate third Person Intellectual Property or other proprietary rights, including rights of privacy, publicity and endorsement of any third Person and no Claims are pending or, to the Actual Knowledge of the members of the IBEX Group, threatened against any of the Vendors or their Affiliates alleging any of the foregoing. No member of the IBEX Group has received any written and, to the Actual Knowledge of the members of the IBEX Group, no members of the IBEX Group has received any oral, communication alleging that any member of the IBEX Group has violated or misappropriated any rights relating to third Person Intellectual Property nor has any reason to believe that any member of the IBEX Group has violated or is violating or misappropriating any rights relating to third Person Intellectual Property, except as disclosed in Schedule 5.1(bb)(ii). The IBEX Group Canadian Intellectual Property includes all of the Intellectual Property used in the ordinary day-to-day conduct of the IBEX Pharma Canadian Business. Each item of the IBEX Group Canadian Intellectual Property is subsisting, valid and enforceable and has not been adjudged invalid or unenforceable in whole or part. All registrations and filings related to the IBEX Group Canadian Intellectual Property owned by members of the IBEX Group are in good standing and all maintenance and renewal fees necessary to preserve the rights of the IBEX Group in respect of the IBEX Group Canadian Intellectual Property have been paid. Except as disclosed in Schedule 5.1(bb)(ii), no Claim has been asserted or is pending or, to the Actual Knowledge of the members of the IBEX Group, threatened against any of the Vendors or their Affiliates based upon or challenging or seeking to deny or restrict the use by any of the Vendors or their Affiliates of any of the IBEX Group Canadian Intellectual Property or alleging that any services provided by processes used by, or products manufactured or sold by any of the Vendors infringe or misappropriate any third Person Intellectual Property nor to the Actual Knowledge of the members of the IBEX Group is there any reasonable basis upon which any such material Claim might at any time be founded.

(iii) To the Best Knowledge of each of the members of the IBEX Group, the Software forming part of the IBEX Group Canadian Intellectual Property, which may contain viruses, worms, Trojan horses and other material known contaminants, do not disrupt its operation because the IBEX Group possesses and uses anti virus software in connection therewith. No rights in the Software forming part of the IBEX Group Canadian Intellectual Property have been transferred to any third Person. Each of the Vendors has the right to use all Software development tools, library functions, compilers and other third Person software that are material to the IBEX Pharma Canadian Business or that are required to operate or modify the Software forming part of the IBEX Group Canadian Intellectual Property.

(iv) Each of the Vendors and their Affiliates has taken reasonable steps in accordance with normal industry practice to maintain the confidentiality of the trade secrets and other confidential Intellectual Property used in connection with the IBEX Pharma Canadian Business. To the Best Knowledge of the members of the IBEX Group there has been no misappropriation of any material trade secrets or other material confidential Intellectual Property used in connection with the IBEX Pharma Canadian Business by any Person. To the Best Knowledge of the members of the IBEX Group, no employee, independent contractor or agent of any member of the IBEX Group has misappropriated any trade secrets of any other Person in the course of the performance of its duties as an employee, independent contractor or agent and no employee, independent contractor or agent of any member of the IBEX Group is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of invention agreement or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of intellectual property.

(v) Each employee and independent contractor of any member of the IBEX Group has executed a valid and binding assignment of all rights they may hold related to the IBEX Group Canadian Intellectual Property. Each employee and independent contractor of any member of the IBEX Group has executed a valid and binding confidentiality agreement pursuant to which he has agreed to protect the confidential nature of the IBEX Group Canadian Intellectual Property and all other confidential information of any member of the IBEX Group or relating to any of the IBEX Pharma Canadian Assets.

(cc) No Brokers. There is no broker, finder or other intermediary acting on behalf of any member of the IBEX Group who has or will have a Claim against the members of the BioMarin Group for a brokerage commission, finder's fee or other like payment for the Canadian Transaction and as and by way of a post-closing covenant the members of the IBEX Group will solidarily indemnify and save harmless the members of the BioMarin Group of and from any such Claim.

(dd) Omissions and Misrepresentations. None of the foregoing representations and warranties contains any untrue statement of material fact or omits to state any material fact necessary to make any such warranty or representation not misleading.

5.2 Investment Representations. Each Vendor hereby solidarily represents and warrants to BioMarin that:

(a) Such Vendor is acquiring the BioMarin Canadian Transaction Shares for investment purposes only, for its own account and not as nominee or agent for any other Person and not with the view to or for resale in connection with any distribution thereof within the meaning of the Securities Act.

(b) Such Vendor knows of no public solicitation or advertisement of an offer in connection with the BioMarin Canadian Transaction Shares.

(c) Such Vendor has carefully reviewed this Agreement. During the course of the Canadian Transaction and prior to the purchase of the BioMarin Canadian Transaction Shares, such Vendor has had the opportunity to ask questions of and receive answers from BioMarin concerning the terms and conditions of the Canadian Transaction and to obtain additional information concerning the Canadian Transaction, BioMarin and the BioMarin Canadian Transaction Shares. Such Vendor has received all information that it has requested regarding BioMarin and believes that such information is sufficient to make an informed decision with respect to the purchase of the BioMarin Canadian Transaction Shares.

(d) Such Vendor is able to bear the economic risk of its investment in the BioMarin Canadian Transaction Shares and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of and protecting its interests with respect to its investment in the BioMarin Canadian Transaction Shares. Such Vendor is aware of the risk involved in its investment in the BioMarin Canadian Transaction Shares and has determined that such investment is suitable for such Vendor in light of its financial circumstances and available investment opportunities.

(e) Such Vendor is an "accredited investor" as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act.

(f) The purchase by such Vendor of the BioMarin Canadian Transaction Shares hereunder does not violate or conflict with any Law applicable to such Vendor.

(g) Each Vendor hereby further agrees with BioMarin that the instruments or certificates evidencing the BioMarin Canadian Transaction Shares and each instrument or certificate issued in transfer thereof will bear the following legend:

> "The securities evidenced by this certificate have not been registered under the Securities Act of 1933 and have been taken for investment purposes only and not with a view to the distribution thereof, and, except as stated in an agreement between the holder of this certificate, or its predecessor in interest, and the issuer corporation, such securities may not be sold or transferred unless there is an effective registration statement under such Act covering such securities or the issuer corporation receives an opinion, in form and content reasonably satisfactory to the issuer corporation, of counsel reasonably acceptable to the issuer corporation (which may be counsel for the issuer corporation) stating that such sale or transfer is exempt from the registration and prospectus delivery requirements of such Act."

(h) The instruments or certificates representing the BioMarin Canadian Transaction Shares and each instrument or certificate issued in transfer thereof will also bear any legend required under any applicable state securities law.

(i) Prior to any proposed sale, assignment, transfer or pledge of any of the BioMarin Canadian Transaction Shares by such Vendor, unless there is in effect a registration statement under the Securities Act covering the proposed transfer, such Vendor shall give written notice to BioMarin of such Vendor's intention to effect such transfer, sale, assignment or pledge. Each such notice shall describe the manner and circumstances of the proposed transfer, sale, assignment or pledge in sufficient detail and shall be accompanied, at such Vendor's expense, by an unqualified written opinion of legal counsel who shall and whose legal opinion shall be reasonably satisfactory to BioMarin addressed to BioMarin (which may be counsel for BioMarin), to the effect that the proposed transfer of the BioMarin Canadian Transaction Shares may be effected without registration under the Securities Act, whereupon the holder of such BioMarin Canadian Transaction Shares shall be entitled to transfer

such BioMarin Canadian Transaction Shares in accordance with the terms of the notice delivered by such Vendor to BioMarin.

(j) Such Vendor consents to BioMarin's making a notation on its records or giving instructions to any transfer agent of its common stock in order to implement the restrictions on transfer of the BioMarin Canadian Transaction Shares mentioned above.

(k) Such Vendor is aware that the BioMarin Canadian Transaction Shares are being issued and sold in reliance on an exemption from the registration requirements of the Securities Act and that such exemption is expressly conditioned on the accuracy of the representations and warranties contained in this section 5.2.

(l) Such Vendor is not a company established solely to acquire the BioMarin Canadian Transaction Shares.

(m) Such Vendor has been independently advised as to restrictions with respect to the trading in the BioMarin Canadian Transaction Shares in Canada imposed by applicable Canadian securities legislation, confirms that: (i) no representation has been made to it by or on behalf of BioMarin; (ii)

BioMarin is not a "reporting issuer" in any jurisdiction in Canada; (iii) the applicable "hold period", under the applicable securities law of Canada will not commence until BioMarin becomes a "reporting issuer" in the province of residence of such Vendor and such Vendor will not be able to resell the BioMarin Canadian Transaction Shares except in accordance with limited exemptions under applicable securities legislation regulatory policy; and (iv) the BioMarin Canadian Transaction Shares will be subject to resale restrictions.

6. REPRESENTATIONS AND WARRANTIES OF THE MEMBERS OF THE BIOMARIN GROUP

6.1 Representations and Warranties. The members of the BioMarin Group hereby solidarily represent and warrant to the members of the IBEX Group as follows and acknowledge and confirm that the members of the IBEX Group are relying upon such representations and warranties in connection with the Canadian Transaction and that unless otherwise indicated herein, such representations and warranties shall be true and correct as at the Closing Date:

(a) Organization. Each of the members of the BioMarin Group is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and has the power (including full corporate power) to own or lease its property and to carry on its business as it is now being conducted.

(b) Corporate Authority. Each of the members of the BioMarin Group now has and on the Closing Date will have full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to carry out all of the terms and conditions hereof on the part of the

members of the BioMarin Group to be carried out. The execution and delivery of this Agreement and the consummation of the Canadian Transaction have been duly authorized by all necessary corporate action on the part of the members of the BioMarin Group, including without limitation, all necessary action by the respective officers, directors, and stockholders, as applicable.

(c) No Violations. The execution and delivery of this Agreement and all other agreements contemplated herein by the members of the BioMarin Group and the observance and performance of the terms and provisions of this Agreement and any such agreements: (i) does not and will not require the members of the BioMarin Group to obtain or make any consent, authorization, approval, filing or registration under any Law which is binding upon any member of the BioMarin Group; (ii) does not and will not constitute a violation or breach of the charter documents, operating agreements or by-laws of any member of the BioMarin Group; (iii) does not and will not constitute a violation or breach of any Law applicable to any member of the BioMarin Group; and (iv) does not and will not constitute a default or breach (nor would with the passage of time or the giving of notice or both or otherwise, constitute a default) under any Contract to which any member of the BioMarin Group is a party, except where such default would not have a Material Adverse Effect on any member of the BioMarin Group.

(d) Enforceability of Obligations. This Agreement constitutes a valid and legally binding obligation of each member of the BioMarin Group, enforceable against each member of the BioMarin Group in accordance with its terms, subject however to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) Acts of Bankruptcy. None of the members of the BioMarin Group is insolvent, has proposed a compromise or arrangement to its creditors generally, has taken any proceeding with respect to a compromise or arrangement, has taken any proceeding to have itself declared bankrupt or wound-up, has taken any proceeding to have a receiver appointed of any part of its assets and at present, no encumbrancer or receiver has taken possession of any of its property and no execution or distress is enforceable or levied upon any of its property and no petition for a receiving order in bankruptcy is filed against it.

(f) Resident. Each member of the BioMarin Group is a resident of and maintains its principal place of business in the country and, as applicable, the state, province, country and city set out in Schedule 6.1(f).

(g) BioMarin Canadian Transaction Shares. The BioMarin Canadian Transaction Shares and the Underlying Securities are duly authorized and, in the case of the BioMarin Canadian

Transaction Shares, when issued and paid for in accordance

with the terms of this Agreement or, in the case of the Underlying Securities, when issued and paid for in accordance with the terms of the BioMarin Options, will be duly authorized, validly issued and outstanding, fully paid and non-assessable and free and clear of all Encumbrances, other than Encumbrances which might have been created or suffered by the Vendors and restrictions imposed by the Securities Act, other securities laws or this Agreement.

(h) Regulatory Approvals. Based in part on the representations and warranties made by the members of the IBEX Group in section 5.2, no authorization from any Governmental Authority is required on the part of BioMarin in connection with the issuance of the BioMarin Canadian Transaction Shares, the BioMarin Options and the Underlying Securities, save and except for the Quebec Securities Commission Approvals referred to in section 12.1(k) hereof.

(i) Registrant Status. No securities commission or similar regulatory authority has issued any order preventing or suspending trading in any securities of BioMarin or prohibiting the issue and sale of the BioMarin Canadian Transaction Shares and to the Best Knowledge of the members of the BioMarin Group, no such proceedings for such purposes are pending or threatened.

(j) Litigation There are no Claims at Law or in equity or before or by any Governmental Authority either threatened, pending, outstanding or contemplated against any member of the

BioMarin Group or relating to or which may have a Material Adverse Effect on any member of the BioMarin Group nor to the Best Knowledge of any member of the BioMarin Group, is there any basis upon which any such Claims might at any time in the future be founded.

(k) Financial Statements. A true copy of the consolidated balance sheets of BioMarin and the consolidated statements of operations and consolidated statements of changes in stockholder equity and the consolidated statements of cash flows (the "BioMarin Financial Statements") as of December 31, 2000 (the "BioMarin Year End") is annexed hereto as Schedule 6.1(k). The BioMarin Financial Statements:

(i) Have been prepared in accordance with United States generally accepted accounting principles applied on a basis consistent with those of the preceding fiscal period.

(ii) Present fairly, among other things, the assets, liabilities and financial position of BioMarin as at the BioMarin Year End and the results of operations for the period then ended.

(iii) Are substantially in accordance with the books and records of BioMarin (on a consolidated basis).

(l) Compliance with Laws. Each member of the BioMarin Group has been carrying on business in all material respects in

accordance with all applicable Laws and Governmental Orders and no member of the BioMarin Group is in violation of any such Law or Governmental Order, except where such violation would not have a Material Adverse Effect on the members of the BioMarin Group.

(m) No Brokers. There is no broker, finder or other intermediary acting on behalf of any member of the BioMarin Group, other than Leerink, Swann & Associates, who has or will have a claim against the members of the IBEX Group for a brokerage commission, finders' fee or other like payment for the Canadian Transaction and as and by way of a post-closing covenant the members of the BioMarin Group will solidarily indemnify and save harmless the members of the IBEX Group of and from such Claim.

(n) Reporting Status; No Termination of Registration. Except as set forth on Schedule 6.1(n) hereto, BioMarin has filed in a timely manner all documents that BioMarin was required to file under the Exchange Act during the 24 months preceding the date of this Agreement and such documents complied in all material respects with the Commission's requirements as of their respective filing dates, and the information contained therein as of the date thereof did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in light of the circumstances in which they were made not misleading. BioMarin has not received notice of the issuance by the Commission of any stop order suspending the qualification of any shares of BioMarin common stock for offering or sale in any jurisdiction or the initiation of any proceeding for such purpose.

7. Registration of BioMarin Canadian Transaction Shares

7.1 Required Registration.

(a) Within five days following the Closing Date, BioMarin shall prepare and file a registration statement on Form S-3 under the Securities Act, covering the BioMarin Canadian Transaction Shares and shall use its best efforts to cause such registration statement to become effective as expeditiously as possible and to remain effective until the earliest to occur of: (i) the date the BioMarin Canadian Transaction Shares covered thereby have been sold; (ii) the date by which all BioMarin Canadian Transaction Shares covered thereby may be sold under Rule 144 without restriction as to volume; or (iii) the date which is the twenty-fourth month anniversary of the Closing Date.

(b) Following the effectiveness of a registration statement filed pursuant to this section, BioMarin may at any time suspend the effectiveness of such registration for up to 60 days, as appropriate (a "Suspension Period"), by giving notice to the Vendors, if BioMarin shall have determined that BioMarin may be required to disclose any material corporate development which disclosure may have a Material Adverse Effect on BioMarin. Notwithstanding the foregoing, no more than two Suspension Periods may occur during any 12 month period. BioMarin shall use its best efforts to limit the duration and number of any Suspension Periods. The Vendors agree that upon receipt of any notice from BioMarin of a Suspension Period, the Vendors shall forthwith discontinue disposition of BioMarin Canadian Transaction Shares covered by such registration statement or prospectus until the Vendors: (i) are advised in writing by BioMarin that the use of the applicable prospectus may be resumed; (ii) have received copies of a supplemental or amended prospectus, if applicable; and (iii) have received copies of any additional or supplemental filings which are incorporated or deemed to be incorporated by reference into such prospectus.

7.2 Registration Procedures. At such time as BioMarin effects the registration of the BioMarin Canadian Transaction Shares under the Securities Act pursuant to section 7.1(a) BioMarin will, at its expense and as expeditiously as possible;

(a) In accordance with the Securities Act and the rules and regulations of the Commission, prepare and file in accordance with section 7.1(a) a registration statement with respect to the BioMarin Canadian Transaction Shares and will use its best efforts to cause such registration statement to become and remain effective for the period described herein and BioMarin will prepare and file with the Commission such amendments to such registration statement and supplements to the prospectus contained therein as may be necessary to keep such registration statement effective for such period and such registration statement and prospectus accurate and complete

for such period.

(b) Furnish to the Vendors participating in such registration such reasonable number of copies of the registration statement, preliminary prospectus, final prospectus and such other documents as such Vendors may reasonably request in order to facilitate the public offering of the BioMarin Canadian Transaction Shares.

(c) Use its best efforts to register or qualify the BioMarin Canadian Transaction Shares covered by such registration statement under such state securities or blue sky laws of such jurisdictions as such participating Vendors may reasonably request within 20 days following the original filing of such registration statement, except that BioMarin shall not for any purpose be required to execute a general consent to service of process or to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified.

(d) Notify the Vendors participating in such registration, promptly after BioMarin shall receive notice thereof, of the date and time when such registration statement and each post-effective amendment thereto has become effective or a supplement to any prospectus forming a part of such registration statement has been filed.

(e) Notify such Vendors promptly of any request by the Commission for the amending or supplementing of such registration statement or prospectus or for additional

information.

(f) Prepare and file with the Commission, promptly upon the request of any such Vendors, any amendments or supplements to such registration statement or prospectus which, in the opinion of counsel for such Vendors, is required under the Securities Act or the rules and regulations thereunder in connection with the distribution of the BioMarin Canadian Transaction Shares by such Vendors.

(g) Prepare and promptly file with the Commission and promptly notify such Vendors of the filing of, such amendments or supplements to such registration statement or prospectus as may be necessary to correct any statements or omissions if at the time when a prospectus relating to such securities is required to be delivered under the Securities Act any event has occurred as the result of which any such prospectus or any other prospectus as then in effect would include an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(h) Advise such Vendors, promptly after BioMarin shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for that purpose and promptly use its best efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued.

7.3 Covenant Regarding Disposition of BioMarin Shares. Following the effectiveness of a registration statement filed pursuant to section 7.1 and without limitation of the provisions of section 7.1(b), the Vendors solidarily covenant and agree that any disposition of the BioMarin Canadian Transaction Shares shall be made in a manner that does not unduly prejudice the trading price of BioMarin's common stock on the Nasdaq National Market or the SWX Swiss Market.

7.4 Indemnification.

(a) BioMarin will indemnify and hold harmless each Vendor which is an owner of shares of BioMarin Canadian Transaction Shares included in a registration statement pursuant to the provisions of Article 7 hereof, and any officer, director, employee, agent, partner, member or affiliate of such Vendor (for purposes of

this section 7.4(a), the "Indemnified Parties"), from and against, and will reimburse such Vendor and each such Indemnified Party with respect to, any and all claims, actions, demands, losses, damages, liabilities, costs and expenses to which such Vendor or any such Indemnified Party may become subject under the Securities Act or otherwise, insofar as such claims, actions, demands, losses, damages, liabilities, costs or expenses arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that BioMarin will not be liable in any such case to the extent that any such claim, action, demand, loss, damage, liability, cost or expense is caused by an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by such Vendor or such Indemnified Party in writing specifically for use in the preparation thereof.

(b) Each Vendor which is an owner of shares of BioMarin Canadian Transaction Shares included in a registration statement pursuant to the provisions of Article 7 hereof will indemnify and hold harmless BioMarin, and any Person who controls BioMarin within the meaning of the Securities Act, from and against, and will reimburse BioMarin and such controlling Persons with respect to, any and all losses, damages, liabilities, costs or expenses to which BioMarin or such controlling Person may become subject under the Securities Act or otherwise, insofar as such losses, damages, liabilities, costs or expenses are caused by any untrue or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or are caused by the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was so made solely in reliance upon and in conformity with written information furnished by such Vendor specifically for use in the preparation thereof; provided,

however, that the liability of any Vendor pursuant to this subsection (b) shall be limited to an amount not to exceed the net proceeds received by such Vendor pursuant to the registration statement which gives rise to such obligation to indemnify.

(c) Promptly after receipt by a party indemnified pursuant to the provisions of paragraph (a) or (b) of this section 7.4 of notice of the commencement of any action involving the subject matter of the foregoing indemnity provisions, such indemnified party will, if a claim thereof is to be made against the indemnifying party pursuant to the provisions of paragraph (a) or (b), notify the indemnifying party of the

commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to an indemnified party otherwise than under this section 7.4 and shall not relieve the indemnifying party from liability under this section 7.4 unless such indemnifying party is prejudiced by such omission. In case such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party shall have the right to participate in, and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party pursuant to the provisions of such paragraph (a) or (b) for any legal or other expense subsequently incurred by

such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall be liable to an indemnified party for any settlement of any action or claim without the consent of the indemnifying party. No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation. (d) If the indemnification provided for in subsection (a) or (b) of this section 7.4 is held by a court of competent jurisdiction to be unavailable to a party to be indemnified with respect to any claims, actions, demands, losses, damages, liabilities, costs or expenses referred to therein, then each indemnifying party under any such subsection, in lieu of indemnifying such indemnified party thereunder, hereby agrees to contribute to the amount paid or payable by such indemnified party as a result of such claims, actions, demands, losses, damages, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions which resulted in such claims, actions, demands, losses, damages, liabilities, costs or expenses, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount any Vendor shall be obligated to contribute pursuant to this subsection (d) shall be limited to an amount not to exceed the net proceeds received by such Vendor pursuant to the registration statement which gives rise to such obligation to contribute. No person guilty of fraudulent misrepresentation (within the meaning of section 11(f) of the Securities Act) shall be entitled to contribution hereunder from any person who was not guilty of such fraudulent misrepresentation.

8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

8.1 Survival. No investigations made by or on behalf of any Party at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by any Party. No waiver by any Party of any condition, in whole or in part, shall operate as a waiver of any other condition. The representations and warranties contained in Article 5 and 6 respectively or in any certificate or other document delivered in connection with the Closing shall survive the making of this Agreement and the Closing as to the representations and warranties contained in section 5.1(g), 5.1(l), 5.1(y) and 5.1(bb), for a period of six years; and as to all other representations and warranties, for a period of three years following the Closing unless a bona fide notice of a Claim shall have been given in writing prior to the expiry of that period, in which case the representations and warranties to which such notice applies shall survive in respect of that Claim until the final determination or the applicable settlement, in each case, of that Claim.

9. COVENANTS

9.1 Interim Covenants. From the date hereof and up to and including the Closing Date or other termination of this Agreement, except as otherwise consented to in writing by the members of the BioMarin Group, the members of the IBEX Group shall solidarily observe and perform the provisions stated below:

(a) Operations. The Vendors shall carry on the IBEX Pharma Canadian Business in the usual and ordinary course in substantially the same manner as heretofore conducted and shall preserve their relationships with customers, suppliers and third Persons having business dealings with the Vendors and shall take any and all such further actions reasonably requested by the members of the BioMarin Group to the end that the IBEX Pharma Canadian Business shall not be impaired in any material respect on the Closing Date.

(b) Insurance. The Vendors shall keep in full force their current insurance policies relating to the IBEX Pharma Canadian Assets and the IBEX Pharma Canadian Business without permitting any termination, cancellation or lapse thereof and the Vendors shall enter into replacement policies providing coverage equal to or greater than the coverage under those cancelled, terminated or lapsed policies for substantially similar premiums.

(c) Contracts. The Vendors shall perform in all material respects their respective obligations under Contracts relating to or affecting the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business.

(d) Books and Records. The Vendors shall maintain the books of account and records relating to the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business in the usual and ordinary course of business.

(e) Compliance With Laws. The Vendors shall comply in all material respects with all Laws applicable to the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business.

(f) Additional Contracts. No member of the IBEX Group or their Affiliates shall enter into or assume any Contract relating to the IBEX Pharma Canadian Business except for: (i) purchases of supplies of inventories in the usual and ordinary course of the IBEX Pharma Canadian Business consistent with prior practice; and (ii) Contracts which, individually or in the aggregate, are not material to the IBEX Pharma Canadian Business. For purposes of the proceeding sentence, any Contract in excess of CDN$50,000 shall be considered material to the IBEX Pharma Canadian Business. No member of the IBEX Group or their Affiliates shall otherwise make any material change in the conduct of the IBEX Pharma Canadian Business.

(g) Disposition of IBEX Pharma Canadian Assets. The Vendors shall not sell, lease or transfer or agree to sell, lease or transfer or cause any Encumbrance upon, any of the IBEX Pharma Canadian Assets, out of the ordinary course of the IBEX Pharma Canadian Business or approve or undertake any other transaction out of the ordinary course of the IBEX Pharma Canadian Business or furnish or cause to be furnished any information concerning the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business to any third Person who is interested in any such transaction.

(h) Remuneration of Therapeutic Asset Employees. The Vendors shall not increase in any manner the compensation, bonuses or benefits of any of the Therapeutic Asset Employees or pay or agree to pay any bonus or pension or retirement allowance or other employee benefit not required by any existing Employee Plan or Contract or commit to any new or renewed Employee Plans or to any employment Contract (or amendment, renewal or extension thereof) with or for the benefit of any Therapeutic Asset Employee and the Vendors shall not amend any of the foregoing now in existence.

(i) Representations and Warranties. The members of the IBEX Group shall not do anything that would cause any of the representations and warranties under Article 5 to be false, incomplete or misleading in such a fashion so as to have a Material Adverse Effect on the members of the IBEX Group.

(j) Advice. The members of the IBEX Group shall promptly advise the members of the BioMarin Group in writing of any change that would have a Material Adverse Effect on the condition, financial or otherwise of the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business.

(k) Accounting. With respect to the IBEX Pharma Canadian Business and the IBEX Pharma Canadian Assets, no member of the IBEX Group shall make any change in the accounting principles, methods, records or practices followed by it or depreciation or amortization policies or rates theretofore adopted by it. Each member of the IBEX Group shall maintain its books, records and accounts in accordance with Canadian generally accepted accounting principles applied on a basis consistent with past practice.

(l) Discharge. No member of the IBEX Group shall cancel, compromise, release or discharge any Claim in connection with the operation of the IBEX Pharma Canadian Assets upon or against any Person or waive any right of material value except, in any case, in the ordinary course of the IBEX Pharma Canadian Business and consistent with past practice.

(m) McGill License. The members of the IBEX Group shall, upon the request of BioMarin, introduce representatives of BioMarin to appropriate representatives of McGill University with a view to obtaining a license from McGill University to use U.S. Patent 5,147,641 and its foreign counterparts on substantially the same terms and conditions as the license dated August 30, 1994 between McGill University and IBEX. The members of the IBEX Group shall not enter into any license in respect of such patent or otherwise interfere with the negotiation of such license by BioMarin.

9.2 Interim Access. From and after the execution and delivery of this Agreement and until Closing or other termination of this Agreement, the members of the IBEX Group shall continue to make available to the members of the BioMarin Group and their respective directors, officers, auditors, employees, investment bankers, counsel and other authorized representatives (the "Representatives") all title documents, policies of insurance, Contracts and other documents in the possession of the members of the IBEX Group or under the control of the members of the IBEX Group relating to the IBEX Pharma Canadian Assets and the IBEX Pharma Canadian Business. The members of the IBEX Group shall also continue to forthwith make available to the members of the BioMarin Group and their respective Representatives for examination, all books of account, accounting records, documents, information and data relating to the IBEX Pharma Canadian Assets and the IBEX Pharma Canadian Business and shall also continue to make available to the members of the BioMarin Group and their respective Representatives full and complete access to the key personnel,

customers, suppliers, independent accountants and counsel of members of the IBEX Group, as requested by the members of the BioMarin Group or their respective Representatives. The members of the IBEX Group shall afford the members of the BioMarin Group and their respective Representatives every reasonable opportunity to have access to and inspect the IBEX Pharma Canadian Assets.

10. INDEMNITY

10.1 Indemnity by the Members of the BioMarin Group. The members of the BioMarin Group shall solidarily indemnify and save harmless the members of the IBEX Group from all Losses actually incurred by the members of the IBEX Group as a result of: (i) any breach by the members of the BioMarin Group or any inaccuracy of any covenant, representation or warranty of the members of the BioMarin Group contained in this Agreement; and (ii) any actual action, suit, investigation, inquiry or proceeding (each, an "Action") arising out of or resulting from the conduct of the IBEX Pharma Canadian Business or any of the IBEX Pharma Canadian Assets by members of the BioMarin Group after the Closing Date.

10.2 Indemnity by the Members of the IBEX Group. The members of the IBEX Group shall solidarily indemnify and save harmless the members of the BioMarin Group from all Losses actually incurred by the members of the BioMarin Group as a result of: (i) any breach by any member of the IBEX Group or any inaccuracy of any covenant, representation or warranty of any member of the IBEX Group contained in this Agreement; (ii) any Action arising from rights of creditors pursuant to the Bulk Sales Carve-Out or any Action arising from rights of creditors pursuant to any non-compliance by BioMarin NS with section 1767 ss of the Civil Code of Quebec in connection with the Canadian Transaction; or (iii) any Excluded Liability; or (iv) any Action arising out of or resulting from the conduct of the IBEX Pharma Canadian Business or any of the IBEX Pharma Canadian Assets by the members of the IBEX Group prior to the Closing Date; and (v) any Action arising from the failure of the members of the IBEX Group to comply with any covenants contained in this Agreement.

10.3 Indemnification Procedure. An indemnified party pursuant to the provisions hereof (the "Indemnified Party") shall give the other Party (the "Indemnitor") notice of any matter which an Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement, within 60 days of such determination, stating the amount of the Loss if known and the method of computation thereof and containing a reference to the provisions of this Agreement in respect of which such right of indemnification is claimed. If an Indemnified Party shall receive notice of any third party claim (a "Third Party Claim"), the Indemnified Party shall give the Indemnitor notice of the Third Party Claim within 30 days of the receipt by the Indemnified Party of such notice. The failure to provide such notice shall not release the Indemnitor from its obligations under this Article except to the extent that the Indemnitor is materially prejudiced by such failure and shall not relieve the Indemnitor from any other obligation or liability that it may have to the Indemnified Party other than under this Article. If the Indemnitor acknowledges in writing its obligation to indemnify the Indemnified Party hereunder against any Losses that may result from such Third Party Claim within 20 days of receipt

of notice of such Claim, the Indemnitor shall be entitled to assume and control the defense of such Third Party Claim at its expense and through counsel of its choice if it gives notice of its intention to do so to the Indemnified Party within five days of the receipt of such notice from the Indemnified Party. If there exists or is reasonably likely to exist a conflict of interest that would make it inappropriate in the judgment of the Indemnified Party, in its sole and absolute discretion, for the same counsel to represent both the Indemnified

Party and the Indemnitor or if the Indemnitor does not so assume and defend such Third Party Claim, the Indemnified Party shall be entitled to retain its own counsel, in each jurisdiction for which the Indemnified Party determines counsel is required, at the expense of the Indemnitor. If the Indemnitor exercises the right to undertake any such defense against any Third Party Claim, the Indemnified Party shall cooperate with the Indemnitor in such defense and shall make available to the Indemnitor, at the Indemnitor's expense, all witnesses, pertinent records, materials and information in the Indemnified Party's possession or under the Indemnified Party's control relating thereto as is reasonably required by the Indemnitor. If the Indemnified Party is directly or indirectly conducting the defense against any such Third Party Claim, the Indemnitor shall cooperate with the Indemnified Party in such defense and shall make available to the Indemnified Party, at the Indemnitor's expense, all such witnesses, records, materials and information in the Indemnitor's possession or under the Indemnitors' control relating thereto as is reasonably required by the Indemnified Party. No such Third Party Claim may be settled by the Indemnitor without the prior written consent of the Indemnified Party, acting reasonably. For the purposes of this Article 10, the members of the BioMarin Group shall be treated as one Party and the members of the IBEX Group shall be treated as one Party.

10.4 Supplemental Rights. The rights and benefits provided in this Article 10 are supplemental to and are without prejudice to any other rights, actions or causes of action which may arise pursuant to any other section of this Agreement or pursuant to applicable law.

10.5 Reduction of Canadian Purchase Price. All amounts received by the members of the BioMarin Group pursuant to the provisions of this Article shall be received in reduction of the Canadian Purchase Price.

10.6 Minimum and Maximum Indemnification Claim. Notwithstanding the provisions of section 10.1(i) and (ii) or 10.2(i) and (iv), as the case may be, the obligation of the members of the BioMarin Group or the members of the IBEX Group, as the case may be, to indemnify the other Parties in respect of any of the matters described therein, as the case may be, shall become applicable only when the Losses actually incurred by the Person entitled to indemnification exceed in the aggregate CDN$100,000 under this Agreement and/or the U.S. Purchase Agreement (the "Minimum Threshold"). Once the Minimum Threshold has been exceeded, the obligations of indemnification with respect to such matters shall apply to (i) 50% of any and all Losses from dollar one above the first CDN$50,000 to CDN$100,000 of such Losses and (ii) any and all Losses from dollar one above CDN$100,000 of such Losses. The right of indemnification with respect to such matters shall only apply to Losses (exclusive of Losses relating to breaches of representations and warranties set forth in sections 5.1(l) and 5.1(bb), and any other matters relating to the Excluded Liabilities, and rights

of creditors pursuant to the Bulk Sales Carve-Out and rights of creditors pursuant to the matters described in section 10.2(ii), for which there shall be no limitation) under this Agreement and the U.S. Purchase Agreement which aggregate up to and including the sum of (a) the Canadian Purchase Price, (b) the Worldwide Purchase Price (as defined in the U.S. Purchase Agreement) and (c) the Contingency Payments (as defined in the U.S. Purchase Agreement).

10.7 Rights of Set-Off. Subject to section 10.6, in the event the members of the BioMarin Group have incurred Losses and the members of the IBEX Group must indemnify the members of the BioMarin Group pursuant to the provisions hereof, BioMarin shall have the right to set off such Losses as against the Contingency Payments (as defined in the U.S. Purchase Agreement).

11. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE MEMBERS OF THE IBEX GROUP AT CLOSING

11.1 Conditions Precedent. All obligations of the Vendors to sell the IBEX Pharma Canadian Assets to BioMarin NS at Closing under this Agreement are subject to the fulfillment (or waiver in writing by the members of the IBEX Group) prior to or at the Closing of each of the following conditions:

(a) Representations and Warranties. The representations and warranties made by each member of the BioMarin Group in or under this Agreement shall be true in all material respects (except where already qualified as to materiality) on and as of the Closing Date and the Vendors shall have received from each member of the BioMarin Group a certificate signed as of the Closing Date to such effect in the form set out in Schedule 11.1(a).

(b) Compliance with Covenants. Each member of the BioMarin Group shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by each member of the BioMarin Group prior to Closing and the members of the IBEX Group shall have received from each member of the BioMarin Group a certificate signed as of the Closing Date to such effect in the form set out in Schedule 11.1(b).

(c) Corporate Authorizations. The members of the BioMarin Group shall have delivered to the members of the IBEX Group evidence satisfactory to the members of the IBEX Group that

all necessary corporate authorizations by the members of the BioMarin Group authorizing and approving the execution and delivery of this Agreement and the consummation of the Canadian Transaction have been obtained.

(d) Assumed Stock Options. On Closing, BioMarin shall deliver to each of the Therapeutic Asset Employees who have stock options of IBEX and who accept the offer of employment of BioMarin NS, immediately vested, 10 year options to purchase shares of common stock of BioMarin (the "BioMarin Options"), as set forth on Schedule 11.1(d).

(e) Assumption of Assumed Canadian Liabilities. On Closing, the members of the BioMarin Group and the Vendors shall execute and deliver an assignment and assumption agreement with respect to the IBEX Pharma Assumed Canadian Liabilities in the form set out in Schedule 11.1(e).

(f) Opinions. On Closing, the members of the IBEX Group shall receive from United States, Nova Scotia and Quebec counsel to the members of the BioMarin Group legal opinions in the forms set out in Schedule 11.1(f).

(g) BioMarin Canadian Transaction Shares. On Closing, BioMarin shall deliver certificates representing the BioMarin Canadian Transaction Shares to the Vendors as provided in section 3.2 hereof.

(h) License Agreement. On Closing, (i) the members of the BioMarin Group shall execute and deliver with the members of the IBEX Group a license agreement in the form set forth in Schedule 11.1(h) and (ii) Massachusetts Institute of Technology shall have consented to the license of Intellectual Property covered by the Contracts with the Massachusetts of Technology set forth in Schedule 2.3(b) of the U.S. Purchase Agreement to the members of IBEX Group contemplated in the license agreement set forth in Schedule 11.1(h).

(i) Insurance. On Closing, BioMarin NS shall have insured the IBEX Pharma Canadian Assets, with effect as and from the Closing Date, in such amounts and against such risks including, without limitation, general liability and tenant's liability, as are customarily carried and insured against by BioMarin in respect of comparable assets in the conduct of its business.

In case any of the foregoing conditions cannot be fulfilled at or before the Time of Closing to the satisfaction of the members of the IBEX Group, the members of the IBEX Group may rescind this Agreement by notice to the members of the BioMarin Group and in such event all of the Parties shall be released from all obligations hereunder, unless the members of the IBEX Group can show that the condition or conditions which have not been satisfied are reasonably capable of being performed or caused to be performed by the members of the BioMarin Group and are the obligation of the members of the BioMarin Group to perform or to cause to be performed or have not been satisfied by reason of a default by the members of the BioMarin Group, in which case, the members of the BioMarin Group, at the option of the members of the IBEX Group, shall not be released from any obligations hereunder. Any such conditions may be waived in whole or in part by the members of the IBEX Group without prejudice to the members of the IBEX Group's rights of rescission in the event of the non-fulfillment of any other condition or conditions, any such waiver to be binding on the members of the IBEX Group only if the same is in writing.

12. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE MEMBERS OF THE BIOMARIN GROUP AT CLOSING

12.1 Conditions Precedent. All obligations of BioMarin NS to purchase the IBEX Pharma Canadian Assets from the Vendors at Closing under this Agreement are subject to the fulfillment (or waiver in writing by the members of the BioMarin Group) prior to or at the Closing of each of the following conditions:

(a) Representations and Warranties. The representations and warranties made by each member of the IBEX Group in or under this Agreement shall be true in all material respects (except where already qualified as to materiality) on and as of the Closing Date and the members of the BioMarin Group shall have received from each member of the IBEX Group a certificate signed as of the Closing Date to such effect, in the form set out in Schedule 12.1(a).

(b) Actions, Etc. All actions, proceedings, instruments and documents required for the members of the IBEX Group to carry out the Canadian Transaction and all other related legal matters shall have been approved by the members of the BioMarin Group and the members of the BioMarin Group shall have been furnished with such certified copies of actions and proceedings with respect to the members of the IBEX Group and other such instruments and documents as the members of the BioMarin Group shall have requested.

(c) Compliance with Covenants. Each member of the IBEX Group shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by each member of the IBEX Group and the members of the BioMarin Group shall have received from each member of the IBEX Group a certificate signed as of the Closing Date to such effect, in the form set out in Schedule 12.1(c).

(d) Corporate Authorizations. The members of the IBEX Group shall have delivered to the members of the BioMarin Group evidence satisfactory to the members of the BioMarin Group that all necessary corporate authorizations by the members of the IBEX Group authorizing and approving the execution and delivery of this Agreement, the consummation of the Canadian Transaction and the transfer of the IBEX Pharma Canadian Assets as herein contemplated have been obtained.

(e) Employment Agreements. On Closing, BioMarin NS and Robert Heft shall execute and deliver an employment agreement on terms and conditions mutually acceptable to BioMarin NS and Robert Heft. BioMarin shall be a party to such agreement solely as a guarantor of the obligations of BioMarin NS thereunder.

(f) Assumption of IBEX Pharma Canadian Assumed Liabilities. On Closing, the members of the BioMarin Group and the Vendors shall execute and deliver an assignment and assumption agreement with respect to the IBEX Pharma Canadian Assumed Liabilities, in the form set out in Schedule 11.1(e).

(g) Approvals and Consents. At or before Closing there shall have been obtained from all appropriate federal, municipal or other governmental or administrative bodies all such approvals and consents, if any, in form and on terms satisfactory to the members of the BioMarin Group as may be required in order to transfer the IBEX Pharma Canadian Assets and to enable BioMarin NS to assume the IBEX Pharma Canadian Assumed Liabilities at Closing as herein provided.

(h) No Material Loss. There shall have been no material loss or damage to the IBEX Pharma Canadian Assets not adequately covered by insurance.

(i) No Material Adverse Change. There shall have been no change that would have a Material Adverse Effect on the condition, financial or otherwise of the IBEX Pharma Canadian Assets and/or the IBEX Pharma Canadian Business.

(j) Litigation. No court order shall have been entered that enjoins, restrains, prohibits or restricts Closing of the Canadian Transaction. None of the Parties nor any of their respective directors, officers, employees or agents shall be a defendant or third party to or have received written or oral notice of the threat of any litigation or proceedings before any court or Governmental Authority which, in the opinion of the members of the BioMarin Group, could prevent or restrict such Party from performing any of its obligations in this Agreement or any of the Closing Documents or could expose such Person to damages.

(k) Quebec Securities Commission. On or before Closing, BioMarin shall have received the approval of the Quebec Securities Commission to the issuance of the BioMarin Canadian Transaction Shares and to the issuance of the BioMarin Options and the Underlying Securities to the applicable Therapeutic Asset Employees who reside in the Province of Quebec (the "Quebec Securities Commission Approvals").

(l) Receipt of Closing Documents by the Members of the BioMarin Group. All instruments of conveyance and other documentation relating to the sale and purchase of the IBEX Pharma Canadian Assets, including without limitation, the Closing Documents, assignments, bills of sale, conveyances and other documentation and all actions and proceedings taken on or prior to the Closing in connection the performance by the members of the IBEX Group of their obligations under this Agreement shall be satisfactory to the members of the BioMarin Group and their counsel and the members of the BioMarin Group shall have received duly executed

copies of the Closing Documents and all such documentation or other evidence as they may reasonably request in order to establish the consummation of the Canadian Transaction and the taking of all corporate proceedings in connection therewith in form (as to certification and otherwise) and substance satisfactory to the members of the BioMarin Group and their counsel. For greater certainty and without limitation, the Vendors shall have delivered to BioMarin NS duly executed, in form and substance reasonably satisfactory to the members of the BioMarin Group and their counsel and in proper form for registration, if required, under applicable Laws, all instruments of conveyance and other documentation relating to the sale and purchase of the IBEX Pharma Canadian Assets, including without limitation:

(i) bills of sale and assignment of interest for the IBEX Pharma Canadian Assets (including all Permits and Licenses and all Contracts), in the form set out in Schedule 12.1(l)(i); and

(ii) assignments in registerable form of all Intellectual Property, in the forms set out in Schedule 12.1(l)(ii).

(m) Consents to Assignments. With respect to any IBEX Group Canadian Intellectual Property, the Permits and Licenses and the Contracts (the "Canadian Assigned Rights") forming a part of the IBEX Pharma Canadian Assets in connection with the IBEX Pharma Canadian Business and which BioMarin NS shall assume at Closing in accordance with this Agreement, which are identified at Schedule 2.1(b), on Closing, the members of the IBEX Group shall deliver to BioMarin NS, such unconditional written consents to the assignment thereof (the "Canadian Assigned Rights Consents") as are applicable, to assign the Canadian Assigned Rights to BioMarin NS together with written acknowledgements from the other party to such Canadian Assigned Rights, in the form set out in Schedule 12.1(m) acknowledging that all amounts due and payable thereunder by the Vendors have been paid in full to the Closing Date.

(n) Possession of IBEX Pharma Canadian Assets. On Closing, the Vendors shall deliver title to and possession of all of the IBEX Pharma Canadian Assets to BioMarin NS.

(o) Non-Competition Agreement. On Closing, the members of the IBEX Group shall execute and deliver non-competition agreements in favor of the members of the BioMarin Group in the form set out in Schedule 12.1(o).

(p) Termination Agreement. On Closing, the members of the IBEX Group shall execute and deliver with the members of the BioMarin Group an agreement in the form set out in Schedule 12.1(p) terminating all written or oral agreements among the members of the IBEX Group with respect to the IBEX Pharma Canadian Assets and the IBEX Pharma Canadian Business,

including for greater certainty and without limitation, marketing agreements with respect to the IBEX Group Canadian Intellectual Property, on terms and conditions satisfactory to the members of the BioMarin Group and their counsel.

(q) Services, Equipment and Space Sharing Agreement. On Closing, the members of the IBEX Group shall execute and deliver with the members of the BioMarin Group an agreement in form set out in Schedule 12.1(q).

(r) License Agreement. On Closing, (i) the members of the IBEX Group shall execute and deliver with the members of the BioMarin Group a license agreement in the form set forth in Schedule 11.1(h) and (ii) Massachusetts Institute of Technology shall have consented to the license of Intellectual Property covered by the Contracts with the Massachusetts of Technology set forth in Schedule 2.3(b) of the U.S. Purchase Agreement to the members of IBEX Group contemplated in the license agreement set forth in Schedule 11.1(h).

(s) US Purchase Agreement. On Closing, the transaction set forth under the US Purchase Agreement shall have been contemporaneously successfully consummated.

(t) Opinion. On Closing, the members of the BioMarin Group shall receive from Quebec counsel to the members of the IBEX Group a legal opinion in the form set out in Schedule 12.1(t).

(u) No Orders. No order of any court or administrative agency shall be in effect which restrains or prohibits the Canadian Transaction and no suit, action, inquiry,

investigation or proceeding in which it will be or it is sought to restrain, prohibit or change the terms of or obtain damages or other relief in connection with the Canadian Transaction and which in the judgment of the members of the BioMarin Group and their counsel, acting reasonably, makes it inadvisable to proceed with the consummation of the Canadian Transaction shall have been made, instituted or threatened by any Person.

In case any of the foregoing conditions cannot be fulfilled at or before the Time of Closing to the satisfaction of the members of the BioMarin Group, the members of the BioMarin Group may rescind this Agreement by notice to the members of the IBEX Group and in such event all of the Parties shall be released from all obligations hereunder, unless the members of the BioMarin Group can show that the condition or conditions which have not been satisfied are reasonably capable of being performed or caused to be performed by the members of the IBEX Group and are the obligation of the members of the IBEX Group to perform or to cause to be performed or have not been satisfied by reason of a default by the members of the IBEX Group, in which case, the members of the IBEX Group, at the option of the members of the BioMarin Group, shall not be released

from any obligations hereunder. Any such conditions may be waived in whole or in part by the members of the BioMarin Group without prejudice to the members of the BioMarin Groups' rights of rescission in the event of the non-fulfillment of any other condition or conditions, any such waiver to be binding on the members

of the BioMarin Group only if the same is in writing.

13. THIRD PARTY ASSIGNMENT AND CONSENTS

13.1 Third Party Assignments. Neither this Agreement nor any Closing Document shall constitute an assignment or an attempted assignment of any Canadian Assigned Right contemplated to be assigned to BioMarin NS hereunder where such Canadian Assigned Right: (i) is not assignable without the consent of a third Person if such consent has not been obtained and such assignment or attempted assignment would constitute a breach thereof; or (ii) in respect of which Canadian Assigned Right the remedies for enforcement thereof available to the Vendors would not pass to BioMarin NS. In respect of the foregoing, the members of the IBEX Group, as and by way of a post-closing covenant, solidarily agree to take such action or cause to be taken such action in their own name or otherwise as the members of the BioMarin Group shall reasonably require so as to provide BioMarin NS the benefits thereof and to effect collection of money to become due and payable by the other party thereto and the members of the IBEX Group shall promptly pay over to BioMarin NS all money received by the Vendors in respect of the foregoing. If and when any Canadian Assigned Right Consent is obtained or such Canadian Assigned Right otherwise becomes assignable, the Vendors shall promptly assign all of their rights and obligations thereunder to BioMarin NS and BioMarin NS shall, without the payment of any further consideration therefor, assume such rights and obligations and the Vendors shall be relieved of any and all liability therefor.

13.2 Further Assurances; Consents. From and after the date hereof and before and after Closing: (i) each of the Parties shall use their reasonable best efforts to satisfy or cause to be satisfied all the conditions precedent that are set forth herein including without limitation, the procurement of the post-Closing Canadian Assigned Rights Consents as set forth in Schedule 13.2; (ii) each of the Parties shall use their reasonable best efforts to cause the Canadian Transaction to be consummated; (iii) the Parties shall cooperate with each other to provide such information, to execute and deliver such other documents, instruments of transfer or assignment, files, books and records and to do all such further acts and things as may be reasonably required to carry out the Canadian Transaction; (iv) the Parties shall use all reasonable efforts to comply promptly with all legal requirements that may be imposed upon them with respect to the consummation of the Canadian Transaction and to obtain any consent or any exemption by and to make any registration, declaration or filing with any Governmental Authority or other third Person required to be obtained or made by such Person in connection with the taking of any action contemplated hereby, including without limitation, the post-Closing Canadian Assigned Rights Consents. The Parties covenant and agree to proceed diligently and in a coordinated fashion to apply for and obtain any and all necessary approvals and/or Canadian Assigned Rights Consents. For greater certainty and without limitation, at the request of any member of the BioMarin Group, prior to and

after Closing, the Representatives of the BioMarin Group shall have full right to participate in discussions with all third Persons with a view to procuring all pre-Closing and post-Closing Canadian Assigned Rights Consents; provided, however, that in the event that from and after Closing, any member of the IBEX Group has not proceeded diligently and in a coordinated fashion to apply for and obtain any and all such necessary approvals and/or Canadian Assigned Rights Consents, the members of the BioMarin Group, without any further or other act or formality shall be irrevocably appointed to act as attorney and mandatory for and on behalf of any or all of the members of the IBEX Group in their place and stead, with full power of substitution. Notwithstanding the foregoing, the members of the IBEX Group shall ensure that all necessary Representatives of the IBEX Group are entitled to be present and/or participate, as applicable, at all reasonable times to accomplish the objectives of this section 13.2.

14. ADDITIONAL POST-CLOSING COVENANTS

14.1 Financial Statements. The members of the IBEX Group solidarily covenant and agree as and by way of a post-closing covenant to preserve the financial statements and working papers relating to the IBEX Pharma Canadian Business for a period of at least six years from the Closing and to allow the members of the BioMarin Group or the Representatives to have access thereto at all reasonable times in connection with the affairs of the BioMarin Group and to make copies thereof and to take extracts therefrom. The members of the IBEX Group solidarily covenant and agree as and by way of a post-closing covenant to use their reasonable best efforts to maintain and preserve such books of account and to at least exercise the same degree of care with respect thereto as they do now in connection with their other business records.

14.2 Resale Payments. The members of the BioMarin Group solidarily covenant and agree as and by way of a post-closing covenant to pay to the Vendors a sum equal to 50% of any consideration received by any member of the BioMarin Group within three months of the Closing Date, as a result of a license or sale of any of the IBEX Group Canadian Intellectual Property.

14.3 Filter Technology. The members of the IBEX Group solidarily covenant and agree as and by way of a post-closing covenant that, for no additional consideration (the consideration therefor being included in the Canadian Purchase Price), on or before August 31, 2002, they shall transfer to BioMarin

NS, good and marketable title to the Filter Technology, free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve Out and pursuant to a general conveyance which shall contain representations and warranties on the part of the members of the IBEX Group with respect to the Filter Technology which are similar to the representations and warranties with respect to the IBEX Pharma Canadian Assets that are contained in this Agreement.

14.4 McGill License. The members of the IBEX Group solidarily agree as a post-closing covenant that members of the IBEX Group shall not enter into any license in respect of US Patent 5,147,641 and its foreign counterparts or otherwise interfere with the negotiation of such license by BioMarin.

14.5 Retention Agreement. The members of the IBEX Group solidarily covenant and agree as and by way of a post-closing covenant that for a period of three (3) years following Closing, the members of the IBEX Group shall not enter into an amalgamation, consolidation, merger or transfer of the undertaking or assets of the IBEX Group as an entirety or substantially as an entirety (a "Capital Reorganization") with or to another person (a "Successor Company") unless the Successor Company resulting from the Capital Reorganization (if not one of the members of the IBEX Group) shall agree to be bound by the provisions of this Agreement including, without limitation, Article 10 hereof. For greater certainty, this section 14.5 shall not apply to: (i) a Capital Reorganization involving only members of the IBEX Group; or (ii) a sale of BioMarin Worldwide Transaction Shares by any member of the IBEX Group.

14.6 License Agreement. The members of the BioMarin Group solidarily covenant and agree as a post-closing covenant to use their commercially reasonable efforts to cause Contracts with Massachusetts Institute of Technology set forth on Schedule 2.3(b) of the US Purchase Agreement or any amendments or extensions thereof to remain in good standing and to preserve BioMarin's ability to license Intellectual Property licensed to BioMarin under such Contracts to the IBEX Group under the license agreement set forth in Schedule 11.1(h).

15. CONFIDENTIALITY

15.1 Confidentiality. For a period of five years from Closing, each Party shall keep confidential all information (the "Confidential Information") obtained from the other Party or its Representatives in connection with the other Party, this Agreement and the Canadian Transaction and that all such Confidential Information obtained by it from the other Party or any of its Representatives shall be used solely for the purpose of evaluating the Canadian Transaction and for no other purpose. The term "Confidential Information" shall not include any information which: (i) is or becomes generally available to the public other than as a result of a disclosure by the receiving Party or the Representatives; (ii) becomes known to the receiving Party or the Representatives on a non-confidential basis from a source (other than the disclosing Party) which is not known to the receiving Party to be bound to the disclosing Party by a legal, contractual or fiduciary obligation; (iii) was known to the receiving Party or the Representatives on or prior to the date hereof; or (iv) was independently discovered or developed by the receiving Party without reference to any of the Confidential Information. If this Agreement is terminated without consummation of the Canadian Transaction, each Party shall return to the other Party all Confidential Information in its possession regarding the other Party and all copies and extracts thereof or with the consent of the other Party shall destroy all such Confidential Information and copies and extracts and shall deliver to the other Party evidence of destruction of such Confidential Information and copies and extracts as such other Party may reasonably request. For the purpose of this Article 15, the members of the BioMarin Group shall be one Party and the members of the IBEX Group shall be one Party. Confidential Information includes all information transferred from the IBEX Group to the BioMarin Group as part of the IBEX Pharma Canadian Assets. Notwithstanding the foregoing, it is acknowledged and agreed that (x) no information provided by the BioMarin Group to the IBEX Group concerning BioMarin

or its business constitutes Confidential Information of the members of the BioMarin Group and (y) from and after the Closing, no information relating to the IBEX Pharma Canadian Assets or the IBEX Pharma Canadian Business constitutes Confidential Information to be held in confidence by any member of the BioMarin Group.

15.2 Public Disclosure. No Party shall issue any press release or other public announcement, written or oral, relating to this Agreement or to performance hereunder or the existence of any arrangement among the Parties without the prior approval of the other Parties acting reasonably and on a timely basis, except to the extent that such press release or announcement is reasonably concluded by a Party to be required by applicable Law. The forms of press release to be issued by IBEX and BioMarin upon the execution and delivery of this Agreement are set forth in Schedule 15.2. Each member of the IBEX Group acknowledges that BioMarin will be required to file a copy of this Agreement and the other agreements and instruments contemplated hereby with the Commission and to describe the Canadian Transaction in its public filings.

16. SOLICITATION

16.1 No Solicitation. From the date hereof and up to and including the Closing Date or other termination of this Agreement, other than in connection with the Canadian Transaction, the members of the IBEX Group solidarily covenant and agree that neither they nor any their Affiliates shall nor shall any of the members of the IBEX Group or any of their Affiliates permit their respective Representatives to initiate, solicit or encourage, directly or indirectly, any inquiries or the making or implementation of any proposal or offer (including without limitation, any proposal or offer to shareholders) with respect to an Acquisition Proposal or engage in negotiations concerning or provide any confidential information or data to, have any discussions with or endorse or recommend a proposal of or enter into any contract or understanding with any Person relating to an Acquisition Proposal or otherwise facilitate any effort or attempt to make or implement an Acquisition Proposal. The members of the IBEX Group shall notify the members of the BioMarin Group immediately if any such inquiries or proposals are received by, any such information is requested from or any such negotiations or discussions are sought to be initiated or continued with the members of the IBEX Group or any of their Affiliates or Representatives; provided however that nothing contained in this section shall prohibit the board of directors of IBEX from furnishing non-public information to or entering into discussions or negotiations with any Person that makes an unsolicited bona fide Acquisition Proposal, if and only to the extent that: (i) the board of directors of IBEX, based upon the advice of outside counsel, determines in good faith that such action is required for the board of directors of IBEX to comply with its fiduciary duties to shareholders imposed by applicable Law; (ii) prior to furnishing such information to or entering into discussions or negotiations with such Person, the members of the IBEX Group keep

the members of the BioMarin Group informed of the status and all material information with respect to any such discussions or negotiations. Nothing in this section shall permit the members of the IBEX Group to terminate this Agreement or permit the members of the IBEX Group to enter into any agreement with respect to an Acquisition Proposal for so long as this Agreement remains in

effect (it being agreed that for so long as this Agreement remains in effect, none of the members of the IBEX Group nor their Affiliates shall enter into any agreement with any Person that provides for or in any way facilitates an Acquisition Proposal or affect any other obligation of the members of the IBEX Group under this Agreement).

17. CANADIAN ASSETS AT RISK UNTIL CLOSING

17.1 Risk. Notwithstanding anything herein contained, title and risk of loss of the IBEX Pharma Canadian Assets shall remain with the Vendors until the Canadian Transaction has been completed as herein contemplated. The Vendors shall maintain the insurance represented herein to be held by them on the IBEX Pharma Canadian Assets until the Closing Date and the Vendors shall hold any proceeds thereof in trust for the Parties as their interests may appear.

17.2 Reduction of Canadian Purchase Price. In the event of damage or destruction to the IBEX Pharma Canadian Fixed Assets prior to the Closing Date, to the extent not repaired or replaced by the members of the IBEX Group on or before the Closing Date to the satisfaction of the members of the BioMarin

Group, the replacement value of the IBEX Pharma Canadian Fixed Assets so damaged or destroyed as determined by the members of the BioMarin Group and the members of the IBEX Group in consultation with the insurer of the members of the IBEX Group shall be deducted from the Canadian Purchase Price. Without limitation of any of the rights of the members of the IBEX Group hereunder, such amounts may be reduced from the Canadian Purchase Price by the cancellation of a sufficient number of BioMarin Canadian Transaction Shares that would otherwise be issuable hereunder.

18. DELIVERY OF BOOKS AND RECORDS OF THE VENDORS

18.1 Books and Records. On the Closing Date all books, documents and data solely relating to the IBEX Pharma Canadian Business shall be transferred by the IBEX Group to BioMarin at the portion of the premises leased by IBEX to be made available to the BioMarin Group under the agreement referred to in section 12.1(q).

19. MISCELLANEOUS

19.1 Tender. Any tender of documents or money hereunder may be made upon the Parties or upon their respective solicitors as set forth herein.

19.2 Notice. All notices, requests, demands or other communications by the Parties required or permitted to be given by one Party to another shall be given in writing by personal delivery, telecopy or by registered or certified mail, postage prepaid, addressed, telecopied or delivered to such other Party as follows:

(a) if to the members of the IBEX Group in c/o of:

5485 Pare
Montreal, Quebec H4P 1P7

Attention: President
Fax No.: (514) 344-8827

with a copy to:

McCarthy Tetrault
Le Windsor, 1170 rue Peel
Montreal, Quebec H3B 4S8

Attention: Peter Martin
Fax No.: (514) 875-6246

(b) if to the members of the BioMarin Group, to:

371 Bel Marin Keys Boulevard, Suite 210
Novato, California
94949 USA

Attention: Raymond W. Anderson
Fax No.: (415) 382-7889

with a copy to:

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

Attention: Mark Bennett
Fax No.: (416) 360-8877

with a copy to:

Paul, Hastings, Janofsky & Walker LLP
555 South Flower Street, 23rd Floor
Los Angeles, California
90071-2371 USA

Attention: Siobhan Burke
Fax No.: (213) 627-0705

or at such other address or telecopier number as may be given by any of them to the others in writing from time to time and such notices, requests, demands or other communications shall be deemed to have been received when delivered, if personally delivered, on the date telecopied (with receipt confirmed) if

telecopied and received at or prior to 5:00 p.m. local time and, if not, on the next Business Day, and if mailed, on the date received as certified.

19.3 Further Assurances. The Parties shall sign such other papers, cause such meetings to be held, resolutions passed and by-laws enacted and exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof.

19.4 Laws. This Agreement shall be governed by the laws of the Province of Quebec and the federal laws of Canada applicable therein and the Parties hereby irrevocably attorn to the Courts of the Province of Quebec, sitting in the district of Montreal.

19.5 Expenses. All out-of-pocket expenses (including legal and accounting expenses) incurred in connection with the Canadian Transaction shall be borne by the Party incurring the same.

19.6 Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof and no extension nor variation of this Agreement shall operate as a waiver of this provision.

19.7 Entire Agreement. This Agreement constitutes the entire agreement among the Parties with respect to all of the matters herein. This Agreement supersedes any and all agreements, understandings and representations made among the Parties prior to the date hereof, including, without limitation, that certain Term Sheet dated June 4, 2001 and that certain memorandum from Mr. Gary Mattan to Mr. Doug Cotter, dated July 17, 2001 as amended by agreements dated

August 22, 2001 and September 21, 2001. This Agreement shall not be amended except by a memorandum in writing signed by all of the Parties and any amendment hereof shall be null and void and shall not be binding upon any Party which has not given its consent as aforesaid.

19.8 Assignment. No Party may assign this Agreement or any part hereof without the prior written consent of the other Parties which may not be unreasonably withheld. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns, but no other Person.

19.9 Invalidity. In the event that any of the covenants, representations and warranties or any portion of them contained in this Agreement are unenforceable or are declared invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining terms or portions thereof contained in this Agreement and such unenforceable or invalid, covenant, representation and warranty or covenant or portion thereof shall be severable from the remainder of this Agreement.

19.10 Counterpart. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts when taken together shall constitute one and the same original agreement which shall be binding on the Parties.

19.11 Language. The Parties acknowledge and confirm that they have requested

that this Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux presentes reconnaissent et confirment qu'elles ont convenu que la presente convention ainsi que tous les avis et documents qui s'y rattachent soient rediges dans la langue anglaise.

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date and year first above written.

BIOMARIN PHARMACEUTICAL INC.

Per: /s/ Fredric R. Price

Name:Fredric R. Price
Title: CEO

BIOMARIN PHARMACEUTICAL NOVA SCOTIA COMPANY

Per: /s/ Raymond W. Anderson

Name: Raymond W. Anderson
Title: Secretary

IBEX TECHNOLOGIES INC.

Per: /s/ Paul Baehr

Name: Paul Beahr
Title: CEO

IBEX PHARMACEUTICALS INC.

Per: /s/ Paul Baehr

Name: Paul Beahr
Title: CEO

IBEX TECHNOLOGIES LLC

Per: /s/ Robert Heft

Name: Robert Heft

Title: President

IBEX TECHNOLOGIES CORP.

Per: /s/ Robert Heft

Name: Robert Heft
Title: President

TECHNOLOGIES IBEX R&D INC.

Per: /s/ Robert Heft

Name: Robert Heft
Title: President

Canadian Asset Purchase Agreement - Schedules

Schedule 1.1	U.S. Purchase Agreement
Schedule 2.1	Filter Technology

Schedule 2.1(a)	IBEX Pharma Canadian Fixed Assets
Schedule 2.1(b)	IBEX Pharma Canadian Contracts, Permits and Licenses
Schedule 2.1(c)	IBEX Pharma Canadian Inventory
Schedule 2.1(d)	IBEX Pharma Canadian Intellectual Property
Schedule 2.2	IBEX Pharma Canadian Assumed Liabilities
Schedule 2.3	IBEX Group Severance Practices
Schedule 2.4	IBEX Pharma Canadian Excluded Assets
Schedule 3.2	Allocation of BioMarin Canadian Transaction Shares
Schedule 3.3	Allocation of Canadian Purchase Price
Schedule 5.1(a)	IBEX Group Jurisdictions
Schedule 5.1(f)	IBEX Group Residency
Schedule 5.1(j)	Suppliers
Schedule 5.1(k)	Clinical Trial Sites
Schedule 5.1(p)	IBEX Financial Statements
Schedule 5.1(r)	Permits and Licenses
Schedule 5.1(s)	Contracts
Schedule 5.1(t)	Therapeutic Asset Employees
Schedule 5.1(u)	Employee Plans
Schedule 5.1(x)	Insurance Policies
Schedule 5.1(y)	Taxes
Schedule 5.1(aa)	Environmental Permits
Schedule 5.1(bb)(i)	Royalties
Schedule 5.1(bb)(ii)	Impairment of IP

Schedule 6.1(f)	BioMarin Residency
Schedule 6.1(k)	BioMarin Financial Statements
Schedule 6.1(n)	BioMarin Registration Exceptions
Schedule 11.1(a)	Certificate as to BioMarin Group Representations and Warra
Schedule 11.1(b)	Certificate as to BioMarin Group Compliance with Covenants

Schedule 11.1(d)	BioMarin Stock Option Entitlement
Schedule 11.1(e)	Assignment and Assumption Agreement
Schedule 11.1(f)	BioMarin Group Legal Opinions – United States, Quebec and
Schedule 11.1(h)	License Agreement
Schedule 12.1(a)	Certificate as to IBEX Group Representations and Warrantie
Schedule 12.1(c)	Certificate as to IBEX Group Compliance with Covenants
Schedule 12.1(l)(i)	Bills of Sale
Schedule 12.1(l)(ii)	Intellectual Property Assignments
Schedule 12.1(m)	Form of Canadian Assigned Rights Consent
Schedule 12.1(o)	Non-Competition Agreement
Schedule 12.1(p)	Termination Agreement
Schedule 12.1(q)	Services, Equipment and Space Sharing Agreement
Schedule 12.1(t)	IBEX Group Legal Opinion – Quebec and United States
Schedule 13.2	Post-Closing Canadian Assigned Rights Consents
Schedule 15.2	Forms of Press Release

Schedule 1.1

BIOMARIN PHARMACEUTICAL INC.

– and –

BIOMARIN ENZYMES INC.

– and –

IBEX TECHNOLOGIES INC.

– and –

IBEX PHARMACEUTICALS INC.

– and –

IBEX TECHNOLOGIES LLC

– and –

IBEX TECHNOLOGIES CORP.

- and -

TECHNOLOGIES IBEX R&D INC.

UNITED STATES ASSET PURCHASE AGREEMENT

CASSELS BROCK & BLACKWELL LLP
Barristers & Solicitors
Scotia Plaza
Suite 2100
40 King Street West
Toronto, Ontario
M5H 3C2

THIS UNITED STATES ASSET PURCHASE AGREEMENT made as of the 9th day of October, 2001.

AMONG:

BIOMARIN PHARMACEUTICAL INC.
a corporation incorporated pursuant to the laws of Delaware

("BioMarin")

OF THE FIRST PART

- and -

BIOMARIN ENZYMES INC.
a corporation incorporated pursuant to the laws of Delaware

("BioMarin US")

OF THE SECOND PART

- and -

IBEX TECHNOLOGIES INC.
a corporation incorporated pursuant to the laws of Canada

("IBEX")

OF THE THIRD PART

- and -

IBEX PHARMACEUTICALS INC.
a corporation incorporated pursuant to the laws of Canada

("IBEX Pharma")

OF THE FOURTH PART

- and -

IBEX TECHNOLOGIES LLC
a limited liability company organized under the laws of Delaware

("IBEX LLC")

OF THE FIFTH PART

- and -

IBEX TECHNOLOGIES CORP.
a corporation incorporated pursuant to the laws of Delaware

("IBEX Corp.")

OF THE SIXTH PART

- and -

TECHNOLOGIES IBEX R&D INC.
a corporation incorporated pursuant to the laws of the Province of Quebec

("IBEX R&D")

OF THE SEVENTH PART

WHEREAS IBEX, IBEX Pharma, IBEX Corp., IBEX LLC and IBEX R&D (collectively, the "Vendors") are in the business of the research and development of enzymes for diagnostic and therapeutic use in a variety of tissue repair and cardiovascular and genetic diseases and the Vendors wish to sell and BioMarin US wishes to purchase certain Worldwide (as hereinafter defined) assets pertaining to the operation of the therapeutic portion of such business Worldwide in connection with the Products (as hereinafter defined) and BioMarin US wishes to assume only certain liabilities in connection therewith, all on and subject to the terms and conditions hereinafter set forth and the parties hereto are therefore desirous of entering into this Agreement;

AND WHEREAS BioMarin joins in this Agreement to make certain representations and warranties as well as covenants, including without limitation, with respect to the BioMarin Worldwide Transaction Shares (as hereinafter defined);

AND WHEREAS contemporaneous herewith the parties (exclusive of BioMarin US) together with BioMarin NS (as hereinafter defined) are executing and delivering the Canadian Purchase Agreement (as hereinafter defined);

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, agreements and premises herein contained and for other good and valuable consideration (the receipt and sufficiency whereof being hereby acknowledged by each party), the Parties do hereby covenant and agree as follows:

1. DEFINITIONS AND SCHEDULES

1.1 Definitions. In this Agreement:

"Acquisition Proposal" means any proposal (other than a proposal made

with respect to the Worldwide Transaction) regarding; (i) any merger, consolidation, share exchange, business combination or other similar transaction or series of related transactions involving the members of the IBEX Group or any of their Affiliates which would or could defeat the purchase by BioMarin NS or BioMarin US, as the case may be, of all of the Canadian Assets (as defined in the Canadian Purchase Agreement) and/or the Worldwide Assets and/or all of the IBEX Pharma Canadian Business (as defined in the Canadian Purchase Agreement) and/or all of the Worldwide Business and/or the hiring of all of the Therapeutic Asset Employees (as defined in the Canadian Purchase Agreement); (ii) any sale, lease, license, exchange, transfer or other disposition of any of the Canadian Assets, the Worldwide Assets and/or any of the Therapeutic Asset Employees and/or any portion of the IBEX Pharma Canadian Business and/or the IBEX Group Worldwide Business; or (iii) any other substantially similar transaction or series of related transactions that would or could hinder the consummation of the Canadian Transaction, the Worldwide Transaction or otherwise defeat the purposes of this Agreement or the Canadian Purchase Agreement.

"Action" has the meaning ascribed thereto in section 10.1.

"Actual Knowledge" means such knowledge as the current officers of the members of the IBEX Group would have after diligent inquiry of the current officers and employees of the members of the IBEX Group of the matter in question.

"Affiliate" of a Person means any Person that directly or indirectly controls, is controlled by or is under control with the indicated Person.

"Agreement", "this Agreement", "hereto" and "herein" means this Agreement and all schedules attached hereto, as may be amended from time to time.

"Assumed Worldwide Liabilities" means collectively, the IBEX Pharma Worldwide Assumed Liabilities and the IBEX LLC Worldwide Assumed Liabilities.

"Best Knowledge" means such knowledge as the Party would have after diligent inquiry of the matter in question.

"BioMarin" means BioMarin Pharmaceutical Inc., a Delaware corporation.

"BioMarin Financial Statements" has the meaning ascribed thereto in section 6.1(k).

"BioMarin Group" means collectively, BioMarin and BioMarin US.

"BioMarin NS" means BioMarin Pharmaceutical Nova Scotia Company, a Nova Scotia unlimited liability company.

"BioMarin Share Current Market Price" means the daily volume weighted average price (based on a trading day from 9:30 a.m. to 4:00 p.m., Eastern Time) of the shares of common stock of BioMarin on the Nasdaq National Market for the 20 trading days ending on the trading day prior to the date of this Agreement (as reported by Bloomberg Financial LP using the AQR function).

"BioMarin US" means BioMarin Enzymes Inc., a Delaware corporation.

"BioMarin Worldwide Transaction Shares" means the number of shares of common stock of BioMarin equal to: (i) the Worldwide Purchase Price divided by: (ii) the product of (A) the BioMarin Share Current Market Price and (B) the average value in Canadian dollars of one US dollar calculated at the average rate of exchange between Canadian dollars and US dollars (as reported in International Financial Statistics, published by the International Monetary Fund) for the 20 trading days ending on the trading day prior to the date of this Agreement.

"BioMarin Year End" has the meaning ascribed thereto in section 6.1(k).

"Bulk Sales Carve-Out" means any non-compliance by members of the IBEX Group with Article 1767 ss of the Civil Code of the Province of Quebec in connection with: (i) that certain intercorporate transfer effected by agreement dated September 1, 1999, between IBEX and IBEX Pharma; and (ii) the Canadian Transaction.

"Business Day" means a day other than a Saturday or a Sunday or any other day which is a statutory holiday in the Province of Quebec or in the State of California.

"Canadian Purchase Agreement" means that certain agreement dated as of even date among BioMarin, BioMarin NS and the IBEX Group.

"Capital Reorganization" has the meaning ascribed thereto in section 14.5.

"Cash Payment" means an amount equal to the cash equivalent of 200,000 shares of common stock of BioMarin calculated on the same basis as the calculation of the BioMarin Worldwide Transaction Shares.

"Claims" has the meaning ascribed thereto in the definition of Environmental Claims.

"Closing" means the consummation of the Worldwide Transaction as herein contemplated.

"Closing Date" means October 31, 2001 or such earlier or later date which is five (5) Business Days following the satisfaction of all conditions to the Closing set forth in sections 11.1 and 12.1 or as may otherwise be agreed to in writing by the Parties and in no event shall be later than December 31, 2001.

"Closing Documents" means any document or undertaking delivered in relation to the Closing as provided in this Agreement.

"Commission" means the United States Securities and Exchange Commission.

"Confidential Information" has the meaning ascribed thereto in section 15.1.

"Contract" means any order, agreement, engagement, indenture, contract, bond, debenture, security agreement, lease, deed of trust, license, option, instrument or other legally binding commitment, whether written or oral.

"Control" means the ability to grant assignments, licenses or sub-licenses without violating the terms of any agreement or other arrangement with, or the rights of, any other Person.

"Employee Plan" means all pension, retirement, disability, medical, dental or other health insurance plans, life insurance or other death benefit plans, any stock option, bonus or other incentive plans, vacation benefit plans, severance plans or other employee benefit plans or arrangements to which IBEX is a party in connection with any Therapeutic Asset Employee or by which IBEX is bound in connection with any Therapeutic Asset Employee. "Employee Plan" does not include any government-sponsored employee benefit arrangements.

"Encumbrances" means any and all claims, liens, security interests, hypothecs, rights, prior claims, mortgages, pledges, pre-emptive rights, charges, options, equity interests, encumbrances, proxies, voting agreements, voting trusts, leases, tenancies, easements, reserves, conditional sale contracts, ownership or title retention agreements, or other interests of any nature or kind whatsoever, howsoever created.

"Environment" means surface waters, groundwaters, soil, subsurface strata and ambient air.

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, stop orders, investigations, injunctions, restrictions, control orders, liens, notices of noncompliance or violation, investigations, proceedings, consent orders or consent agreements (collectively, the "Claims"), relating in any way to Environmental Laws or Environmental Permits

including without limitation; (i) any and all Claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to applicable Environmental Laws; and (ii) any and all Claims by any Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

"Environmental Condition" means a condition relating to or arising or resulting from a failure to comply with any Environmental Laws or Environmental Permits or a Release of a Hazardous Material into the Environment.

"Environmental Laws" means any Law, now or hereafter in effect and as amended and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to the Environment, health, safety or Hazardous Materials.

"Environmental Permits" means all permits, approvals, identification numbers, licenses and other authorizations required under applicable Environmental Laws.

"ETA" means the Excise Tax Act (Canada).

"Exchange Act" means the United States Exchange Act of 1934, as amended.

"Excluded Liabilities" means all liabilities of the Vendors that are not Assumed Worldwide Liabilities and for greater certainty and without limitation, Assumed Worldwide Liabilities do not include liabilities that relate to the Excluded Assets.

"FDA" means the United States Food and Drug Administration and any successor agency thereto.

"Filter Technology" means the assets set forth on Schedule 2.1.

"Governmental Authority" means any Canadian federal, provincial, municipal or local or any United States federal, state or local or any other foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal or judicial or arbitral body, board, bureau or instrumentality in any jurisdiction in the world.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"Hazardous Materials" means; (i) petroleum and petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other

equipment that contain polychlorinated biphenyls and radon gas; (ii) any other chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants" or "pollutants" or words of similar import, under any applicable Environmental Law; and (iii) any other chemical, material or substance exposure to which is regulated by any Governmental Authority.

"IBEX" means IBEX Technologies Inc., a Canadian corporation.

"IBEX Corp" means IBEX Technologies Corp., a Delaware corporation.

"IBEX Financial Statements" has the meaning ascribed thereto in section 5.1(p).

"IBEX Group" means collectively, IBEX, IBEX Pharma, IBEX LLC, IBEX Corp. and IBEX R&D.

"IBEX Group Worldwide Business" means collectively, the IBEX Pharma

Worldwide Business and the IBEX LLC Worldwide Business.

"IBEX Group Worldwide Intellectual Property" means all IBEX LLC Worldwide Intellectual Property and all IBEX Pharma Worldwide Intellectual Property.

"IBEX LLC" means IBEX Technologies LLC, a Delaware limited liability company.

"IBEX LLC Products" means: (i) Heparinase I in respect of its use in a biopharmaceutical human therapeutic business (i.e. Neutralase); (ii) Heparinase III (i.e. Extravase); and (iii) Flavobacterium Production Technology with respect to Heparinase I and Heparinase III.

"IBEX LLC Worldwide Assumed Liabilities" has the meaning ascribed thereto in section 2.4.

"IBEX LLC Worldwide Assets" means the assets of IBEX LLC and IBEX Corp. used in connection with or related to the IBEX LLC Worldwide Business, including, without limitation, the IBEX LLC Worldwide Intellectual Property, the IBEX LLC Worldwide Fixed Assets and the IBEX LLC Worldwide Inventory, but excluding the IBEX LLC Worldwide Excluded Assets.

"IBEX LLC Worldwide Business" means the therapeutic portion of the research, development, production, manufacture, use, sale, technology and marketing Worldwide of the IBEX LLC Products.

"IBEX LLC Worldwide Excluded Assets" has the meaning ascribed thereto in section 2.5.

"IBEX LLC Worldwide Fixed Assets" means all of the machinery, equipment, moveable property, chattels and other assets located Worldwide and described in section 2.3(b).

"IBEX LLC Worldwide Intellectual Property" means all Intellectual Property owned or Controlled by IBEX LLC or IBEX Corp. relating to or being used in connection with the IBEX LLC Worldwide Business, including without limitation, those listed in Schedule 2.3(e), but excluding the IBEX LLC Worldwide Excluded Assets.

"IBEX LLC Worldwide Inventory" means all inventories of and pertaining to the IBEX LLC Worldwide Business, including without limitation, clinical supply materials, packaging materials, raw, semi-finished and finished products, work in progress, raw materials, all other materials and supplies on hand to be used or consumed in the production of items purchased for resale and inventories in transit from suppliers if paid for or owned by IBEX LLC or IBEX Corp. and all inventories of general stores and supplies (if any), likewise if paid for or owned by IBEX LLC or IBEX Corp., including, without limitation, those described in Schedule 2.3(c), but excluding the IBEX LLC Worldwide Excluded Assets.

"IBEX Pharma" means IBEX Pharmaceuticals Inc., a Canadian corporation.

"IBEX Pharma Products" means: (i) Heparinase II; (ii) Chondroitinase AC (IBT9401) and Chondroitinase B; (iii) Oralase Technology (including Phenylase); and (iv) Flavobacterium Production technology with respect to Heparinase II.

"IBEX Pharma Worldwide Assets" means the Worldwide assets of IBEX Pharma, IBEX R&D or IBEX used in connection with or related to the IBEX Pharma Worldwide Business, including without limitation, the IBEX Pharma Worldwide Fixed Assets, the IBEX Pharma Worldwide Inventory and the IBEX Pharma Worldwide Intellectual Property, but excluding the IBEX Pharma Worldwide Excluded Assets.

"IBEX Pharma Worldwide Assumed Liabilities" has the meaning ascribed thereto in section 2.2.

"IBEX Pharma Worldwide Business" means the therapeutic portion (excluding the diagnostic portion retained by the IBEX Group and the diagnostic, reagent and limited therapeutic use portion licensed to the IBEX Group pursuant to the agreement set forth in Schedule 11.1(g)) of the research, development, manufacture, use, sale, production, technology and marketing Worldwide of the IBEX Pharma Products.

"IBEX Pharma Worldwide Excluded Assets" has the meaning ascribed thereto in section 2.5.

"IBEX Pharma Worldwide Fixed Assets" means all of the machinery, equipment, moveable property, chattels and other assets located in Canada and described in section 2.1(b), save and except the Filter Technology.

"IBEX Pharma Worldwide Intellectual Property" means all Intellectual Property owned or Controlled by IBEX Pharma, IBEX R&D or IBEX relating to or being used in connection with the IBEX Pharma Worldwide Business, including, without limitation, those identified in Schedule 2.1(c), but excluding the IBEX Pharma Worldwide Excluded Assets.

"IBEX Pharma Worldwide Inventory" means all inventories of and pertaining to the IBEX Pharma Worldwide Business, including without limitation, clinical supply materials, packaging materials, raw, semi-finished and finished products, work in progress, raw materials, all other materials and supplies on hand to be used or consumed in the production of products, work in progress, items purchased for resale and inventories in transit from suppliers if paid for or owned by IBEX Pharma, IBEX R&D or IBEX and all inventories of general stores and supplies (if any), likewise if paid for or owned by IBEX Pharma, IBEX R&D or IBEX, including without limitation, those described in Schedule 2.1(d), but excluding the IBEX Pharma Worldwide Excluded Assets.

"IBEX R&D" means Technologies IBEX R&D Inc., a Quebec company.

"IBEX Year End" has the meaning ascribed thereto in section 5.1(p).

"Indemnified Party" has the meaning ascribed thereto in section 10.3.

"Indemnitor" has the meaning ascribed thereto in section 10.3.

"Intellectual Property" means any or all of the following and all rights in, arising out of, or associated therewith: (i) all United States and other Worldwide patents (including utility models, supplementary protection certificates and applications therefor) and all reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof and equivalent or similar rights Worldwide in inventions and discoveries; (ii) all inventions (whether patentable or not), improvements, trade secrets, proprietary information, know-how, technology, technical data research notes, computer system architecture and customer lists and all documentation embodying or evidencing any of the foregoing; (iii) all copyrights, copyright registrations and applications therefor and all other rights corresponding thereto Worldwide; (iv) all mask works, mask work registrations and applications therefor and any equivalent or similar rights in semiconductor masks, layouts, architectures or topology; (v) all industrial designs and any registrations and applications therefor in Canada and Worldwide; (vi) all trade names,

logos, common law trademarks and service marks, trademark and service mark registrations and applications therefor and all goodwill associated therewith Worldwide; (vii) all rights in databases and data

collections Worldwide; (viii) all rights in Software, data, databases, web content and Internet sites Worldwide; (ix) all rights in domain names, domain name registrations and applications therefor Worldwide; and (x) any similar, corresponding or equivalent rights to any of the foregoing Worldwide.

"IRS" means the Internal Revenue Service of the United States.

"Law" means any Canadian federal, provincial, municipal, local or any US federal, state or local or any other foreign statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including without limitation, common law).

"Liabilities" means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including without limitation, those arising under any Law (including without limitation, any Environmental Law), action or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking.

"Losses" means any and all claims, demands, debts, suits, actions, obligations, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation, all reasonable legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement).

"Material Adverse Effect" means a material adverse effect on the business, assets, liabilities, condition (financial or otherwise), operations or prospects of the Party in question.

"Minimum Threshold" has the meaning ascribed thereto in section 10.6.

"NDA" means a New Drug Application in accordance with the requirements of the FDA.

"Neutralase" means the product Heparinase I in respect of its use in a biopharmaceutical human therapeutic business.

"Neutralase Contingency Payment" means 18,280,872 multiplied by Cdn.$0.50 or Cdn.$9,140,436.

"Parties" means collectively, the parties to this Agreement.

"Permits and Licenses" has the meaning ascribed thereto in section 5.1(r).

"Person" means any individual, partnership, company, corporation, firm, unincorporated association, joint venture, trust however designated or constituted or wheresoever organized and any Governmental Authority.

"Phenylase" means the therapeutic application of Phenylalanine Ammonia Lyase.

"Phenylase Contingency Payment" means 18,280,872 multiplied by Cdn.$0.30 or Cdn.$5,484,262.

"Products" means collectively, the IBEX LLC Products and the IBEX Pharma Products.

"Quebec Securities Commission Approval" has the meaning set forth in section 12.1(j).

"Regulations" means the Treasury Regulations (including Temporary Regulations) promulgated by the United States Department of Treasury with respect to the Code or other federal tax statutes.

"Release" means disposing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping, placing and the like into or upon any land, water or air or otherwise entering into the Environment.

"Representatives" has the meaning ascribed thereto in section 9.2.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Software" means computer software and programs in any form, including source code, object code, operating systems and specifications, database management code, utilities, graphical user interfaces, menus, images, icons, forms, methods of processing, software engines, platforms and data formats, all versions, updates, corrections, enhancements and modifications thereof and all related documentation, developer notes, comments and annotations.

"Successor Company" has the meaning ascribed thereto in section 14.5.

"Suspension Period" has the meaning ascribed thereto in section 7.1(b).

"Tax Act" means The Income Tax Act (Canada).

"Taxes" means all taxes and any liability, whether disputed or not, imposed by Canada or the United States or any province, state or municipality thereof or by any other country or foreign government or any subdivision or agency thereof.

"Therapeutic Assets" means the assets currently used, owned or Controlled by the members of the IBEX Group in the conduct of their biopharmaceutical human therapeutic business.

"Third Party Claim" has the meaning ascribed thereto in section 10.3.

"Time of Closing" means 2:00 p.m. (New York time) on the Closing Date or if the Worldwide Transaction is not completed at such time, then such other time on the Closing Date on which the Worldwide Transaction is completed.

"Vendors" has the meaning ascribed thereto in the preambles to this Agreement.

"Worldwide" means throughout the world, exclusive of Canada.

"Worldwide Assets" means collectively, the IBEX Pharma Worldwide Assets and the IBEX LLC Worldwide Assets.

"Worldwide Assigned Rights" has the meaning ascribed thereto in section 12.1(l).

"Worldwide Assigned Rights Consents" has the meaning ascribed thereto in section 12.1(l).

"Worldwide Purchase Price" has the meaning ascribed thereto in section 3.1.

"Worldwide Transaction" means the purchase and sale of the Worldwide Assets as contemplated by this Agreement.

All capitalized terms used but not otherwise defined in this Agreement shall have their respective meanings set forth in the Canadian Purchase Agreement.

1.2 Act. Any reference in this Agreement to any act, by-law, rule or regulation or to a provision thereof shall be deemed to include a reference to any act, by-law, rule, regulation or provision enacted in substitution or amendment thereof.

1.3 New York Time. Except where otherwise expressly provided in this Agreement any reference to time shall be deemed to be a reference to New York time.

1.4 Gender and Extended Meanings. In this Agreement words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and pronoun. For greater certainty and without limitation, in this Agreement the word "shall" has the same meaning as the word "will".

1.5 Canadian Dollars and Payment. All dollar amounts referred to in this Agreement are in Canadian funds, unless otherwise expressly specified.

1.6 Section Headings. The division of this Agreement into sections is for the convenience of reference only and shall not effect the interpretation or construction of this Agreement.

1.7 Business Day. If the date for the taking of any action under this Agreement falls on a day which is not a Business Day, then such action shall be taken on the next following Business Day.

1.8 Ordinary Course. For the purposes of this Agreement, a transaction or activity shall be considered to be in the ordinary course of business of IBEX Group Worldwide Business if it constitutes an ordinary business activity of the Vendors relating to the IBEX Group Worldwide Business conducted in a commercially reasonable and business-like manner consistent with past practices of the Vendors in respect of the IBEX Group Worldwide Business.

2. AGREEMENT TO PURCHASE AND SELL

2.1 IBEX Pharma Worldwide Assets. Based on the covenants, representations and warranties set forth herein and subject to the conditions herein, IBEX Pharma, IBEX R&D and IBEX hereby agree to sell, transfer, assign, convey and set over to BioMarin US and BioMarin US hereby agrees to purchase from IBEX Pharma, IBEX R&D and IBEX on the Closing Date, free and clear of any and all Encumbrances, with good and marketable title thereto, all of the following with the exception of the Filter Technology:

(a) IBEX Pharma Worldwide Fixed Assets. The fixed assets owned or used by IBEX Pharma, IBEX R&D or IBEX in the operation of the IBEX Pharma Worldwide Business, as itemized at Schedule 2.1(a), on an "as is - where is" basis without warranty, except as to title.

(b) Contracts, Permits and Licenses. The Contracts to which IBEX Pharma, IBEX R&D or IBEX is a party or otherwise a beneficiary and the Permits and Licenses obtained by IBEX Pharma, IBEX R&D or IBEX, in each case in connection with the IBEX Pharma Worldwide Business, as itemized at Schedule 2.1(b).

(c) IBEX Pharma Worldwide Inventory. The IBEX Pharma Worldwide Inventory, as itemized at Schedule 2.1(c).

(d) IBEX Pharma Worldwide Intellectual Property. The IBEX Pharma Worldwide Intellectual Property, as itemized at Schedule 2.1(d).

(e) All Pre-Clinical and Clinical Trial Data. All pre-clinical and clinical trial data owned or Controlled by IBEX Pharma, IBEX R&D or IBEX relating to the Therapeutic Assets or the IBEX Pharma Products located outside of Canada.

2.2 IBEX Pharma Worldwide Assumed Liabilities. From and after the Closing Date, BioMarin US shall assume and perform in due course only those liabilities of IBEX Pharma, IBEX R&D and IBEX in connection with the IBEX Pharma Worldwide Business listed on Schedule 2.2 (the "IBEX Pharma Worldwide Assumed Liabilities"). Notwithstanding anything to the contrary contained in this Agreement, BioMarin US shall not assume or have any responsibility for any of the Excluded Liabilities. As and by way of a post-closing covenant, the members of the BioMarin Group shall jointly and severally indemnify and save harmless IBEX Pharma, IBEX R&D and IBEX from all Losses which may be incurred by IBEX Pharma, IBEX R&D or IBEX in respect of the IBEX Pharma Worldwide Assumed Liabilities, arising from and after the Closing Date, and the members of the IBEX Group shall, jointly and severally, indemnify and save harmless the members of the BioMarin Group from all Losses which may be incurred by the BioMarin Group in respect of the Excluded Liabilities.

2.3 IBEX LLC Worldwide Assets. Based on the covenants, representations and warranties set forth herein and subject to the conditions herein, IBEX LLC and IBEX Corp. hereby agree to sell, transfer, assign, convey and set over to BioMarin US and BioMarin US hereby agrees to purchase from IBEX LLC and IBEX Corp. on the Closing Date, free and clear of any and all Encumbrances, with good and marketable title thereto, all of the following:

(a) IBEX LLC Worldwide Fixed Assets. The fixed assets owned or used by IBEX LLC or IBEX Corp. in the operation of the IBEX LLC Worldwide Business as itemized at Schedule 2.3(a), on an "as is - where is" basis without warranty, except as to title.

(b) Contracts, Permits and Licenses. The Contracts to which IBEX LLC or IBEX Corp. is a party or otherwise a beneficiary and the Permits and Licenses obtained by IBEX LLC or IBEX Corp., in each case in connection with the IBEX LLC Worldwide Business, as itemized at Schedule 2.3(b).

(c) IBEX LLC Worldwide Inventory. The IBEX LLC Worldwide Inventory, as itemized at Schedule 2.3(c).

(d) IBEX LLC Worldwide Intellectual Property. The IBEX LLC Worldwide Intellectual Property, as itemized at Schedule 2.3(d).

(e) All Pre-Clinical and Clinical Trial Data. All pre-clinical and clinical trial data owned or Controlled by IBEX LLC or IBEX Corp. relating to the Therapeutic Assets or the IBEX LLC Products.

2.4 IBEX LLC Worldwide Assumed Liabilities. From and after the Closing Date, BioMarin US shall assume and perform in due course only those liabilities of IBEX LLC and IBEX Corp. in connection with the IBEX LLC Worldwide Business

listed on Schedule 2.4 (the "IBEX LLC Worldwide Assumed Liabilities"). Notwithstanding anything to the contrary contained in this Agreement, BioMarin US shall not assume or have any responsibility for any of the Excluded Liabilities. As and by way of a post-closing covenant, the members of the BioMarin Group shall jointly and severally indemnify and save harmless IBEX LLC and IBEX Corp. from all Losses which may be incurred by IBEX LLC or IBEX Corp. in respect of the IBEX LLC Worldwide Assumed Liabilities, arising from and after the Closing Date and the members of the IBEX Group shall jointly and severally indemnify and save harmless the members of the BioMarin Group from all Losses which may be incurred by the BioMarin Group in respect of the Excluded Liabilities.

2.5 Excluded Assets. For greater certainty and without limitation, the assets of IBEX Pharma and IBEX LLC that are not being sold in connection with, respectively, the IBEX Group Worldwide Business, are itemized or described at Schedule 2.5 and constitute respectively, the "IBEX Pharma Worldwide Excluded Assets" and the "IBEX LLC Worldwide Excluded Assets" which do not form a part of the Worldwide Assets.

3. WORLDWIDE PURCHASE PRICE FOR WORLDWIDE ASSETS AND TAXES

3.1 Worldwide Purchase Price. The purchase price for the Worldwide Assets which includes, for purposes of this section, the Filter Technology (the "Worldwide Purchase Price") shall be an amount equal to Cdn.$15,131,076 plus the value of the Assumed Worldwide Liabilities.

3.2 Payment of Worldwide Purchase Price. The Worldwide Purchase Price shall be paid on the Closing Date by: (i) the assumption by BioMarin US of the Assumed Worldwide Liabilities; (ii) the delivery by BioMarin to the Vendors in accordance with Schedule 3.2 of certificates representing the BioMarin Worldwide Transaction Shares; and (iii) the delivery by BioMarin to the Vendors in accordance with Schedule 3.2 of the Cash Payment.

3.3 Allocation of Worldwide Purchase Price. The Worldwide Purchase Price shall be allocated among the Worldwide Assets as set out in Schedule 3.3 and the Parties shall co-operate in the filing of elections under any applicable taxation statutes as may be necessary or desirable to give effect to such allocation.

3.4 Retail Sales Tax. Within 30 days of Closing, BioMarin US shall pay to all relevant federal, state and municipal authorities, any exigible sales tax on the Worldwide Assets.

3.5 Contingency Payments. From and after Closing, but as hereinafter provided, BioMarin shall additionally pay by certified cheque or wire transfer, payable at par, in immediately available funds in Canadian dollars, the following: (i) to IBEX Corp, the Neutralase Contingency Payment, not later than five Business Days

following such time as Neutralase achieves initial NDA approval by the FDA for the marketing of such product in the United States, if at all, provided that such approval is procured prior to the fifth anniversary of the Closing Date; and (b) to IBEX Pharma, the Phenalyse Contingency Payment, not later than five Business Days following such time as Phenalyse achieves initial NDA approval by the FDA for the marketing of such product in the United States, if at all, provided that such approval is procured prior to the fifth anniversary of the Closing Date. The members of the BioMarin Group shall advise the Vendors forthwith upon receipt of either or both of the aforesaid approvals. The covenant of BioMarin to pay the Neutralase Contingency Payment and the Phenalyse Contingency Payment shall be construed as post-closing covenants.

4. CLOSING

4.1 Closing. Closing shall occur at the Time of Closing at the offices of Messrs. Cassels Brock & Blackwell LLP, Scotia Plaza, Suite 2100, 40 King Street West, Toronto, Ontario or at such other place or other time and date as the Parties may agree. Any cheque, document, share certificate, instrument or thing which is to be delivered by any Party at the Closing shall be tabled at the Closing at the place of closing referred to above by the Party that is to deliver such cheque, document, instrument or thing and any cheque, document, share certificate, instrument or thing so tabled by a Party shall:

(a) be deemed to have been delivered by such Party for the purposes of this Agreement;

(b) be held in escrow by counsel for such Party to be dealt with in accordance with paragraphs (c) and (d);

(c) be delivered to the Party to which it is to be delivered pursuant to the terms hereof, if all cheques, documents, share certificates, instruments and things that are to be delivered at Closing are tabled in accordance with this section at Closing; and

(d) be delivered to or in accordance with the directions of, the Party which tabled it, if paragraph (c) does not apply.

5. REPRESENTATIONS AND WARRANTIES OF THE MEMBERS OF THE IBEX GROUP

5.1 Representations and Warranties. The members of IBEX Group hereby jointly and severally represent and warrant to the members of the BioMarin Group as follows and acknowledge and confirm that the members of the BioMarin Group are relying upon such representations and warranties in connection with the Worldwide Transaction and that unless otherwise indicated herein, such representations and warranties shall be true and correct as at the Closing Date:

(a) Organization. Each member of the IBEX Group is duly incorporated or organized, as applicable, and validly subsisting under the laws of its jurisdiction of incorporation

or organization and has the power (including full corporate power as applicable) to own or lease its property and to carry on its business as it is now being conducted. Each of the Vendors is duly qualified to do business and carries on business in those jurisdictions wherein the failure to so qualify could have a Material Adverse Effect, being those jurisdictions set forth on Schedule 5.1(a).

(b) Corporate Authority. Each of the Vendors now has and on the Closing Date will have full power and authority (including full corporate power and authority as applicable) to sell the Worldwide Assets, free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. Each member of the IBEX Group now has and on the Closing Date will have the full power and authority (including full corporate power and authority as applicable) to execute and deliver this Agreement and to carry out all of the terms and conditions hereof on the part of the respective members of the IBEX Group to be carried out. The execution and delivery of this Agreement and the consummation of the Worldwide Transaction have been duly authorized by all necessary corporate or entity action, including without limitation, all necessary actions by the respective officers, directors, stockholders, members and managers, as applicable, on the part of each member of the IBEX Group.

(c) No Violations. The execution and delivery of this Agreement and all other agreements contemplated herein by each member of the IBEX Group and the observance and performance of the terms and provisions of this Agreement and any such agreements; (i) does not and will not require any member of the IBEX Group to obtain or make any consent, authorization, approval, filing or registration under any Law, subject to the Bulk Sales Carve-Out and the procurement of the Worldwide Assigned Rights Consents, which is binding upon any member of the IBEX Group; (ii) does not and will not constitute a violation or breach of the charter documents, operating agreements or by-laws of any member of the IBEX Group; (iii) does not and will not constitute a violation or breach of any Law, subject to the Bulk Sales Carve-Out, applicable to any member of the IBEX Group; (iv) does not and will not constitute a default or breach (nor would with the passage of time or the giving of notice or both or otherwise, constitute a default or breach) under any Contract having an aggregate value of a minimum of Cdn.$10,000 to which any member of the IBEX Group is a party or by which any member of the IBEX Group is bound, subject to procurement of the Worldwide Assigned Rights Consents; and (v) does not and will not result in the creation or imposition of any Encumbrance on all or part of the Worldwide Assets, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out.

(d) Enforceability of Obligations. This Agreement constitutes a valid and binding obligation of each member of the IBEX Group, enforceable against each member of the IBEX Group in accordance with its terms, subject however to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) Acts of Bankruptcy. None of the members of the IBEX Group is insolvent, has proposed a compromise or arrangement to its creditors generally, has taken any proceeding with respect to a compromise or arrangement, has taken any proceeding to have itself declared bankrupt or wound-up, has taken any proceeding to have a receiver appointed of any part of its assets and at present, no encumbrancer or receiver has taken possession of any of its property and no execution or distress is enforceable or levied upon any of its property and no petition for a receiving order in bankruptcy is filed against it.

(f) Resident. Each of the Vendors is a resident of and maintains its principal place of business in the country and, as applicable, the state, province, municipality, county and city set out in Schedule 5.1(f).

(g) Title. Each of the Vendors now has and on the Closing Date will have good and marketable title to the Worldwide Assets to be conveyed by such Vendor and the Vendors, collectively, now have and on the Closing Date will have good and marketable title to all of the Worldwide Assets, in each case, free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. The Vendors (and no other member of the IBEX Group or their respective Affiliates) are the only owners of the Worldwide Assets. Upon transfer of the Worldwide Assets to BioMarin US on the Closing Date pursuant to this Agreement, BioMarin US will acquire good and marketable title to all of the Worldwide Assets free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve-Out. Each of the Vendors is exclusively entitled

to possess and dispose of the Worldwide Assets, as the case may be. To the Best Knowledge of the members of the IBEX Group, no other Person owns or uses any assets that are required to carry on the IBEX Group Worldwide Business as currently conducted. All tangible (corporeal) assets forming a part of the Worldwide Assets are located as indicated at Schedule 2.1(a) and Schedule 2.3(a). The Worldwide Assets represent all of the Therapeutic Assets consisting of Intellectual Property, Contracts, Permits and Licenses, pre-clinical and clinical trial data and books and records other than the Canadian Assets (as defined in the Canadian Purchase Agreement).

(h) Certain Interests. No member of the IBEX Group and no shareholder, officer, director or Affiliate of any member of the

IBEX Group nor any relative or spouse (or relative of such spouse) who resides with, or is a dependent of any such Person, owns, directly or indirectly, in whole or in part or has any other interest in any tangible or intangible property which any of the Vendors uses or has used in connection with the IBEX Group Worldwide Business.

(i) Absence of Conflicting Agreements. No Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement, for the purchase from any of the Vendors of any right, title

or interest in or to any of the Worldwide Assets and there has been no assignment, subletting or granting of any license (of occupation or otherwise) of or in respect of any of the Worldwide Assets.

(j) Suppliers. Schedule 5.1(j) contains a list of the suppliers of materials and/or services to the Vendors in connection with the IBEX Group Worldwide Business during the twelve month period ended on the date hereof. There is no sole-source supplier of significant materials or services to the IBEX Group Worldwide Business with respect to which practical alternative sources of supply are not available on comparable terms and conditions. There are no contingency payments or commitments payable to any suppliers of materials and/or services other than as indicated in Schedule 5.1(j).

(k) Clinical Sites. Schedule 5.1(k) contains a list of the clinical sites of the Vendors in connection with the IBEX Group Worldwide Business during the twelve-month period ended July 31, 2001. To the Best Knowledge of the members of the IBEX Group, the relations between the Vendors and the clinical sites of the IBEX Group Worldwide Business are mutually satisfactory. None of the members of the IBEX Group have received written notice and, to the Actual Knowledge of the members of the IBEX Group, none of the members of the IBEX Group have otherwise been made aware of, any possible termination of normal relations with any such Person in connection with the IBEX Group Worldwide Business which termination may have a Material Adverse Effect on the IBEX Group Worldwide Business.

(l) Litigation. There are no Claims at Law or in equity or before or by any Governmental Authority, either pending or outstanding or, to the Actual Knowledge of the members of the IBEX Group, threatened against any member of the IBEX Group, relating to any member of the IBEX Group or which may have a Material Adverse Effect on the IBEX Group Worldwide Business, any of the Worldwide Assets or the Worldwide Transaction.

(m) Inventory. Except as set forth in Schedule 5.1(m), all items of the IBEX Pharma Worldwide Inventory itemized at

Schedule 2.1(c) and all items of the IBEX LLC Worldwide Inventory itemized at Schedule 2.3(c) have been produced in accordance with current Good Manufacturing Practices as established by all applicable Governmental Authorities including the FDA. The IBEX Pharma Worldwide Inventory and the IBEX LLC Worldwide Inventory represent that proportion of the total inventory of the IBEX Group relating to the Products set forth at Schedule 2.1(c) and 2.3(c).

(n) Absence of Changes. Since July 31, 2000, there has not been and up to the Closing Date there will not be;

(i) any event or occurrence which either individually or in the aggregate with other events or occurrences that has resulted in or will result in a Material Adverse Effect on the condition or operation of the IBEX Group Worldwide Business and/or the Worldwide Assets, or

(ii) any damage, destruction or loss, labour trouble or other event, development or condition of any character (whether or not covered by insurance) which would have a Material Adverse Effect on the IBEX Group Worldwide Business and/or the Worldwide Assets.

(o) Absence of Unusual Transaction. Since July 30, 2000, none of the Vendors has and up to the Closing Date none of the Vendors will have;

(i) transferred, assigned, sold or otherwise disposed of any of the Worldwide Assets or cancelled any debts or claims with respect thereto, except in each case for fair consideration and in the ordinary and usual course of the IBEX Group Worldwide Business;

(ii) waived any rights of substantial value or entered into any commitment or transaction with respect to the Worldwide Asset or the IBEX Group Worldwide Business where such rights, commitment or transaction is or would be material in relation to any of the IBEX Group Worldwide Business or the Worldwide Assets, as the case may be;

(iii) made any general wage or salary increases in respect of, or material changes to the benefits, of

the Transferred Employees, except in the ordinary course of business;

(iv) mortgaged, pledged, subjected to lien, hypothecated, granted a security interest in or otherwise encumbered any of the Worldwide Assets, whether tangible or intangible, corporeal or incorporeal;

(v) delayed or postponed the payment of accounts payable or other Liabilities with respect to the Worldwide Assets or in connection with the IBEX Group Worldwide Business outside the ordinary and usual course of the IBEX Group Worldwide Business;

(vi) incurred any forward commitments for supplies or materials or prepaid services in connection with the Worldwide Assets or the IBEX Group Worldwide Business except in the ordinary course of the IBEX Group Worldwide Business;

(vii) made any capital expenditures except in the ordinary course of the IBEX Group Worldwide Business; or

(viii) authorized or agreed or otherwise become committed to do any of the foregoing.

(p) Financial Statements. A true copy of the unaudited financial statements of IBEX and the statements of operations and retained earnings and of changes in financial position of IBEX as at July 31, 2001 (the "IBEX Year End"), the internally prepared statements of operations and retained earnings and of changes in financial position of IBEX as at July 31, 2001 and the audited consolidated financial statements of IBEX as at

July 31, 2000 (collectively, the "IBEX Financial Statements") is annexed hereto as Schedule 5.1(p). The IBEX Financial Statements:

(i) Have been prepared in accordance with Canadian generally accepted accounting principles applied on a basis consistent with those of the preceding fiscal period.

(ii) Present fairly, among other things, the Worldwide Assets, liabilities and financial position of IBEX (on a consolidated basis) as at the IBEX Year End and the period indicated, as the case may be, and the results of operations for the period then ended. Other than as disclosed in the Schedules hereto, and the liabilities specified in the balance sheet forming part of the IBEX Financial Statements or incurred since the IBEX Year End in the ordinary course of business (all of which are consistent with past practice and are not, in the aggregate material to the financial condition of the members of the IBEX Group)or otherwise noted or disclosed in this Agreement, there are no liabilities or obligations of any of the members of the IBEX Group (whether absolute, contingent or otherwise), including without limitation, any Tax liabilities, due or to become due or contingent losses for unasserted claims which are capable of assertion, which may be and become the responsibility or obligation of BioMarin US from and after the Closing Date.

(iii) Are substantially in accordance with the books and records of IBEX (on a consolidated basis).

(iv) Contain and reflect all necessary adjustments or a fair presentation of the results of operations and financial position of IBEX (on a consolidated basis) for the period covered thereby.

(v) Contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of IBEX (on a consolidated basis).

(q) Books of Account. The books of account and financial records of the Vendors fairly set out and disclose, in all material respects, the current financial position of the IBEX Group Worldwide Business. All material transactions with respect to the Worldwide Assets and the IBEX Group Worldwide Business have been accurately recorded in such books and records. All bonuses, commissions and other payments relating to the Therapeutic Asset Employees are reflected in the books of IBEX in a manner consistent with past record keeping practices and none of such payables are in arrears.

(r) Permits and Licenses. Schedule 5.1(r) contains a full, complete and accurate list of all permits, certificates, licenses, approvals, consents and other authorizations (collectively, the "Permits and Licenses") obtained to carry on and conduct the IBEX Group Worldwide Business and to own, lease or operate its respective Worldwide Assets at the places and in the manner in which the IBEX Group Worldwide Business is currently conducted. The consummation of the Worldwide Transaction will not result in the revocation, suspension or limitation of any of the Permits and Licenses. The conduct of the IBEX Group Worldwide Business as currently conducted by the members of the IBEX Group is not impeded by the absence of any Permit or License and the members of the IBEX Group are not aware of any Permits or Licenses required to carry on and conduct the IBEX Group Worldwide Business as currently conducted other than as itemized in Schedule 5.1(r).

(s) Material Contracts. Except for the Contracts listed in Schedule 5.1(s), no member of the IBEX Group or any of its Affiliates is a party to nor bound by any Contract with respect to the Worldwide Assets, the IBEX Pharma Canadian Assets (as defined in the Canadian Purchase Agreement), the IBEX Group Worldwide Business or the IBEX Pharma Canadian Business (as defined in the Canadian Purchase Agreement). Schedule 5.1(s) additionally sets forth a true and complete list of all Worldwide Assigned Rights and Canadian Assigned Rights (as defined in the Canadian Purchase Agreement) requiring the consent of any party thereto as a result of the Worldwide Transaction or the Canadian Transaction and all additional consents, authorizations and approvals of any Person to or as a result of the consummation of the Worldwide Transaction. All such consents, authorizations and approvals

described in Schedule 5.1(s) will be lawfully and validly obtained prior to or after the Closing Date (as indicated in such Schedule). For greater certainty and without limitation, the members of the IBEX Group have no unfilled orders in connection with the IBEX Group Worldwide Business and no forward commitments for suppliers or materials. The Contracts listed in Schedule 5.1(s) having a minimum aggregate value of CDN$10,000 are all in full force and effect, unamended and no material default or breach exists (nor would the passage of time or the giving of notice of both or otherwise, constitute a default or breach) in respect thereof on the part of any of the parties thereto. No member of the IBEX Group has entered into any Contract limiting or restricting the IBEX Group Worldwide Business.

(t) Employees, etc. There are set forth in Schedule 5.1(t), the names and titles of all Therapeutic Asset Employees employed or engaged by the members of the IBEX Group in connection with the IBEX Group Worldwide Business, together with particulars of the material terms and conditions of employment or engagement of such persons, including without limitation, rates of remuneration, benefits, all accrued and/or deferred compensation, benefits and remuneration, positions held and the length of their employment.

(u) Employee Plans. Except as set forth in Schedule 5.1(u), there are no Employee Plans with respect to the Therapeutic Asset Employees. All obligations of each of the Vendors,

whether arising by operation of Law, by contract, pursuant to the Employee Plans, by past custom or practice or otherwise, for salary, severance, vacation and holiday pay, bonuses and other forms of compensation which were payable to the Therapeutic Asset Employees for the period ending prior to the Closing Date, have been paid as of the applicable payment dates.

(v) Collective Agreements. None of the Vendors nor their Affiliates has made any agreements with any labour union or employee association with respect to any of its employees (including any Therapeutic Asset Employees) and none of the Vendors nor their Affiliates has made commitments to or conducted negotiations with any labour union or employee association further to any future agreements with respect to any of its employees (including any Therapeutic Asset Employees). To the Best Knowledge of each member of the IBEX Group, there are no current attempts to organize or to establish any labour union or employee association with respect to the Therapeutic Asset Employees.

(w) Labour Matters. There are no controversies pending or to the Best Knowledge of each Vendor, threatened between any member of the IBEX Group or their Affiliates and any of the Therapeutic Asset Employees.

(x) Insurance. Each of the Vendors maintains such policies of insurance, issued by responsible insurers, as are appropriate to the IBEX Group Worldwide Business and the Worldwide Assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets. All such policies of insurance are in full force and effect and none of the Vendors is in default thereof, whether as to the payment of premiums or otherwise under the terms of any such policy. All of such policies are listed in Schedule 5.1(x). All premiums in connection with such policies are fully paid. None of the Vendors has failed to give any notice or present any Claim under any such insurance policies in due and timely fashion. The proceeds of such policies are and until Closing shall continue to be fully payable to the Vendors. None of the Vendors is in default with respect to any of the provisions contained in such insurance policies and none of the Vendors have failed to give any notice or present any claim under any such insurance policies in due and timely fashion.

(y) Taxes. There are no liens or prior Claims for Taxes upon any of the Worldwide Assets. Schedule 5.1(y) sets forth all Taxes upon the Worldwide Assets currently due and payable and, to the Best Knowledge of the members of the IBEX Group, all Taxes upon the Worldwide Assets which will become payable in the next six months, except as may result from the Worldwide Transaction.

(z) Compliance with Laws. The IBEX Group Worldwide Business has been conducted and will continue to be conducted through Closing in accordance with all applicable Laws and Governmental Orders, except where the failure to comply with such Laws and Governmental Orders would not have a material adverse effect on the Worldwide Assets or the condition, operations or prospects of the IBEX Group Worldwide Business and the Vendors have not received any notice in writing and, to the Actual Knowledge of members of the IBEX Group, the members of the IBEX Group have not otherwise received any notice that the IBEX Group Worldwide Business is not in violation of any such Law or Governmental Order. There are no Governmental Orders applicable to the Worldwide Assets and/or the IBEX Group Worldwide Business.

(aa) Environmental Matters. Each of the Vendors is in compliance with all Environmental Laws.

(i) Without limiting the generality of the foregoing, each of the Vendors and their respective Affiliates has obtained and complied with, and is in compliance with, all Environmental Permits for the occupation of its facilities and the operation of the IBEX Group Worldwide Business. A list of all such Environmental Permits are set forth on Schedule 5.1(aa).

(ii) With respect to the IBEX Pharma Canadian Business, the Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, none of the Vendors nor their respective Affiliates has received any written notice, report or other information regarding any actual or alleged violation of any Environmental Law, or any liabilities or potential liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to any of them or their facilities arising under any Environmental Law.

(iii) With respect to the IBEX Pharma Canadian Business, the Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, none of the Vendors or their respective Affiliates has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled or released any substance, including without limitation, any Hazardous Materials in a manner that has given or would give rise to liabilities, including any liability for response costs, corrective action costs, personal injury, property damage, natural resources damages or attorney fees, pursuant to Environmental Law.

(iv) With respect to the IBEX Pharma Canadian Business, the Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, neither the execution and delivery of this Agreement nor the consummation of the Worldwide Transaction will result in any obligations for site investigation or cleanup or notification to or consent of Government Authorities or third Persons,

pursuant to any of the so-called "transaction-triggered" or "responsible property transfer" Environmental Law.

(v) With respect to the IBEX Pharma Canadian Business, the Canadian Assets and the leased premises of IBEX located in Pare Street in the Town of Mount Royal, Quebec, neither the Vendors nor any of their respective Affiliates has either expressly or by operation of law assumed or undertaken any liability, including without limitation, any obligation for corrective or remedial action of any other Person relating to Environmental Laws.

(bb) IBEX Group Worldwide Intellectual Property.

(i) The Vendors collectively own all right, title and interest in or have the right to use pursuant to a valid license, sublicense agreement or permission, all of the IBEX Group Worldwide Intellectual Property used in the conduct of the IBEX Group Worldwide Business as presently conducted and have the right to

use, execute, reproduce, display, perform, modify, enhance, distribute, prepare derivative works from and sublicense the IBEX Group Worldwide Intellectual Property, without requirement to make royalty or other payments to any other Person (except in the case of the IBEX Group Worldwide Intellectual Property licensed by any of the Vendors, from a third Person licensor where the terms of such license make

provision for royalties or other payments and the terms of such royalties or other payments are listed on Schedule 5.1(bb)(i)). Schedules 2.1(d), and 2.3(d) set forth a true and complete list of all of the Intellectual Property used in the current conduct of the IBEX Group Worldwide Business and all other filings, applications, registrations or other formal actions taken with respect to the foregoing pursuant to federal, state, local and foreign law or regulations with respect to protections of intellectual property as well as a nonconfidential disclosure of inventions owned and used in the current conduct of the IBEX Group Worldwide Business, provided that such schedules shall in no way limit the IBEX Group Worldwide Intellectual Property to be transferred to BioMarin US pursuant to this Agreement. None of the Vendors has received written notice of any loss, cancellation, termination or expiration of any such application, registration or other filings or formal actions that are owned or controlled by any of the Vendors in connection with the IBEX Group Worldwide Business.

(ii) No member of the IBEX Group has received any written and, to the Actual Knowledge of the members of the IBEX Group, no members of the IBEX Group has received any oral, communication alleging that the operation of the IBEX Group Worldwide Business as currently conducted, the use of the IBEX Group Worldwide Intellectual Property in connection therewith and the transmission, use, linking and other practices related to the operation of the Vendors' respective web sites in connection with the IBEX Group Worldwide Business, the content thereof and the advertisements contained therein, conflict with, infringe, misappropriate or otherwise violate third Person Intellectual Property or other proprietary rights, including rights of privacy, publicity and endorsement of any third Person and no Claims are pending or, to the Actual Knowledge of the members of the IBEX Group, threatened against any of the Vendors or their Affiliates alleging any of the foregoing. No member of the IBEX Group has received any written and, to the Actual Knowledge of the members of the IBEX Group, no members of the IBEX Group has received any oral, communication alleging that any member of the IBEX Group has violated or misappropriated any rights relating to third Person Intellectual Property nor has any reason to believe

that any member of the IBEX Group has violated or is violating or misappropriating any rights relating to third Person Intellectual Property, except as disclosed in Schedule 5.1(bb)(ii). The IBEX Group Worldwide Intellectual Property includes all of the Intellectual Property used in the ordinary day-to-day conduct of the IBEX Group Worldwide Business. Each item of the IBEX Group Worldwide Intellectual Property is subsisting, valid and enforceable and has not been adjudged invalid or unenforceable in whole or part. All registrations and filings related to the IBEX Group Worldwide Intellectual Property owned by members of the IBEX Group are in good standing and all maintenance and renewal fees necessary to preserve the rights of the IBEX Group in respect of the IBEX Group Worldwide Intellectual Property have been paid. Except as disclosed in Schedule 5.1(bb)(ii), no Claim has been asserted or is pending or, to the Actual Knowledge of the members of the IBEX Group, threatened against any of the Vendors or their Affiliates based upon or challenging or seeking to deny or restrict the use by any of the Vendors or their Affiliates of any of the IBEX Group Worldwide Intellectual Property or alleging that any services provided by processes used by, or products manufactured or sold by any of the Vendors infringe or misappropriate any third Person Intellectual Property nor to the Actual Knowledge of the members of the IBEX Group is there any reasonable basis upon which any such material Claim might at any time be founded.

(iii) To the Best Knowledge of each of the members of the IBEX Group, the Software forming part of the IBEX Group Worldwide Intellectual Property, which may contain viruses, worms, Trojan horses and other material known contaminants, do not disrupt its operation because the IBEX Group possesses and uses anti virus software in connection therewith. No rights in the Software forming part of the IBEX Group Worldwide Intellectual Property have been transferred to any third Person. Each of the Vendors has the right to use all Software development tools,

library functions, compilers and other third Person software that are material to the IBEX Group Worldwide Business or that are required to operate or modify the Software forming part of the IBEX Group Worldwide Intellectual Property.

(iv) Each of the Vendors and their Affiliates has taken reasonable steps in accordance with normal industry practice to maintain the confidentiality of the trade secrets and other confidential Intellectual Property used in connection with the IBEX Group Worldwide Business. To the Best Knowledge of the members of the IBEX Group there has been no misappropriation of any material trade secrets or other material confidential Intellectual Property used in connection with the

IBEX Group Worldwide Business by any Person. To the Best Knowledge of the members of the IBEX Group, no employee, independent contractor or agent of any member of the IBEX Group has misappropriated any trade secrets of any other Person in the course of the performance of its duties as an employee, independent contractor or agent and no employee, independent contractor or agent of any member of the IBEX Group is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of invention agreement or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of intellectual property.

(v) Each employee and independent contractor of

any member of the IBEX Group has executed a valid and binding assignment of all rights they may hold related to the IBEX Group Worldwide Intellectual Property. Each employee and independent contractor of any member of the IBEX Group has executed a valid and binding confidentiality agreement pursuant to which he has agreed to protect the confidential nature of the IBEX Group Worldwide Intellectual Property and all other confidential information of any member of the IBEX Group or relating to any of the Worldwide Assets.

(cc) No Brokers. There is no broker, finder or other intermediary acting on behalf of any member of the IBEX Group who has or will have a Claim against the members of the BioMarin Group for a brokerage commission, finder's fee or other like payment for the Worldwide Transaction and as and by way of a post-closing covenant the members of the IBEX Group will jointly and severally indemnify and save harmless the members of the BioMarin Group of and from any such Claim.

(dd) Omissions and Misrepresentations. None of the foregoing representations and warranties contains any untrue statement of material fact or omits to state any material fact necessary to make any such warranty or representation not misleading.

5.2 Investment Representations. Each Vendor hereby jointly and severally represents and warrants to BioMarin that:

(a) Such Vendor is acquiring the BioMarin Worldwide Transaction Shares for investment purposes only, for its own account and not as nominee or agent for any other Person and not with the view to or for resale in connection with any distribution thereof within the meaning of the Securities Act.

(b) Such Vendor knows of no public solicitation or advertisement of an offer in connection with the BioMarin Worldwide Transaction Shares.

(c) Such Vendor has carefully reviewed this Agreement. During the course of the Worldwide Transaction and prior to the purchase of the BioMarin Worldwide Transaction Shares, such Vendor has had the opportunity to ask questions of and receive answers from BioMarin concerning the terms and conditions of the Worldwide Transaction and to obtain additional information concerning the Worldwide Transaction, BioMarin and the BioMarin Worldwide Transaction Shares. Such Vendor has received all information that it has requested regarding BioMarin and believes that such information is sufficient to make an informed decision with respect to the purchase of the BioMarin Worldwide Transaction Shares.

(d) Such Vendor is able to bear the economic risk of its investment in the BioMarin Worldwide Transaction Shares and has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of and protecting its interests with respect to its investment in the BioMarin Worldwide Transaction Shares. Such Vendor is aware of the risk involved in its investment in the BioMarin Worldwide Transaction Shares and has determined that such investment is suitable for such Vendor in light of its financial circumstances and available investment opportunities.

(e) Such Vendor is an "accredited investor" as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act.

(f) The purchase by such Vendor of the BioMarin Worldwide Transaction Shares hereunder does not violate or conflict with any Law applicable to such Vendor.

(g) Each Vendor hereby further agrees with BioMarin that the instruments or certificates evidencing the BioMarin Worldwide Transaction Shares and each instrument or certificate issued in transfer thereof will bear the following legend:

> "The securities evidenced by this certificate have not been registered under the Securities Act of 1933 and have been taken for investment purposes only and not with a view to the distribution thereof, and, except as stated in an agreement between the holder of this certificate, or its predecessor in interest, and the issuer corporation, such securities may not be sold or transferred unless there is an effective

registration statement under such Act covering such securities or the issuer corporation receives an opinion, in form and content reasonably satisfactory to the issuer corporation, of counsel reasonably

acceptable to the issuer corporation (which may be counsel for the issuer corporation) stating that such sale or transfer is exempt from the registration and prospectus delivery requirements of such Act."

(h) The instruments or certificates representing the BioMarin Worldwide Transaction Shares and each instrument or certificate issued in transfer thereof will also bear any legend required under any applicable state securities law.

(i) Prior to any proposed sale, assignment, transfer or pledge of any of the BioMarin Worldwide Transaction Shares by such Vendor, unless there is in effect a registration statement under the Securities Act covering the proposed transfer, such Vendor shall give written notice to BioMarin of such Vendor's intention to effect such transfer, sale, assignment or pledge. Each such notice shall describe the manner and circumstances of the proposed transfer, sale, assignment or pledge in sufficient detail and shall be accompanied, at such Vendor's expense, by an unqualified written opinion of legal counsel who shall and whose legal opinion shall be reasonably satisfactory to BioMarin addressed to BioMarin (which may be counsel for BioMarin), to the effect that the proposed transfer of the BioMarin Worldwide Transaction

Shares may be effected without registration under the Securities Act, whereupon the holder of such BioMarin Worldwide Transaction Shares shall be entitled to transfer such BioMarin Worldwide Transaction Shares in accordance with the terms of the notice delivered by such Vendor to BioMarin.

(j) Such Vendor consents to BioMarin's making a notation on its records or giving instructions to any transfer agent of its common stock in order to implement the restrictions on transfer of the BioMarin Worldwide Transaction Shares mentioned above.

(k) Such Vendor is aware that the BioMarin Worldwide Transaction Shares are being issued and sold in reliance on an exemption from the registration requirements of the Securities Act and that such exemption is expressly conditioned on the accuracy of the representations and warranties contained in this section 5.2.

(l) Such Vendor is not a company established solely to acquire the BioMarin Worldwide Transaction Shares.

(m) Such Vendor has been independently advised as to restrictions with respect to the trading in the BioMarin Worldwide Transaction Shares in Canada imposed by applicable Canadian securities legislation, confirms that: (i) no representation has been made to it by or on behalf of BioMarin; (ii) BioMarin is not a "reporting issuer" in any jurisdiction in Canada; (iii) the applicable "hold period", under the applicable securities law of Canada will not commence until

BioMarin becomes a "reporting issuer" in the province of residence of such Vendor and such Vendor will not be able to resell the BioMarin Canadian Transaction Shares except in accordance with limited exemptions under applicable securities legislation and regulatory policy; and (iv) the BioMarin Worldwide Transaction Shares will be subject to resale restrictions.

6. REPRESENTATIONS AND WARRANTIES OF THE MEMBERS OF THE BIOMARIN GROUP

6.1 Representations and Warranties. The members of the BioMarin Group hereby jointly and severally represent and warrant to the members of the IBEX Group as follows and acknowledge and confirm that the members of the IBEX Group are relying upon such representations and warranties in connection with the Worldwide Transaction and that unless otherwise indicated herein, such representations and warranties shall be true and correct as at the Closing Date:

(a) Organization. Each of the members of the BioMarin Group is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and has the power (including full corporate power) to own or lease its property and to carry on its business as it is now being conducted.

(b) Corporate Authority. Each of the members of the BioMarin Group now has and on the Closing Date will have full power and authority (including full corporate power and authority) to execute and deliver this Agreement and to carry out all of the terms and conditions hereof on the part of the members of the BioMarin Group to be carried out. The execution and delivery of this Agreement and the consummation of the Worldwide Transaction have been duly authorized by all necessary corporate action on the part of the members of the BioMarin Group, including without limitation, all necessary action by the respective officers, directors, and stockholders, as applicable.

(c) No Violations. The execution and delivery of this Agreement and all other agreements contemplated herein by the members of the BioMarin Group and the observance and performance of the terms and provisions of this Agreement and any such agreements; (i) does not and will not require the members of the BioMarin Group to obtain or make any consent, authorization, approval, filing or registration under any Law which is binding upon any member of the BioMarin Group; (ii) does not and will not constitute a violation or breach of the charter documents, operating agreements or by-laws of any member of the BioMarin Group; (iii) does not and will not constitute a violation or breach of any Law applicable to any member of the BioMarin Group; and (iv) does not and

will not constitute a default or breach (nor would with the passage of time or the giving of notice or both or otherwise, constitute a default) under any Contract to which any member of the BioMarin Group is a party, except where such default would not have a Material Adverse Effect on any member of the BioMarin Group.

(d) Enforceability of Obligations. This Agreement constitutes a valid and legally binding obligation of each member of the BioMarin Group, enforceable against each member of the BioMarin Group in accordance with its terms, subject however to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) Acts of Bankruptcy. None of the members of the BioMarin Group is insolvent, has proposed a compromise or arrangement to its creditors generally, has taken any proceeding with respect to a compromise or arrangement, has taken any proceeding to have itself declared bankrupt or wound-up, has taken any proceeding to have a receiver appointed of any part of its assets and at present, no encumbrancer or receiver has taken possession of any of its property and no execution or distress is enforceable or levied upon any of its property and no petition for a receiving order in bankruptcy is filed against it.

(f) Resident. Each member of the BioMarin Group is a resident of and maintains its principal place of business in the country and, as applicable, the state, province, country and city set out in Schedule 6.1(f).

(g) BioMarin Worldwide Transaction Shares. The BioMarin Worldwide Transaction Shares are duly authorized and, in the case of the BioMarin Worldwide Transaction Shares, when issued and paid for in accordance with the terms of this Agreement will be duly authorized, validly issued and outstanding, fully paid and non-assessable and free and clear of all Encumbrances, other than Encumbrances which might have been created or suffered by the Vendors and restrictions imposed by the Securities Act, other securities laws or this Agreement.

(h) Regulatory Approvals. Based in part on the representations and warranties made by the members of the IBEX Group in section 5.2, no authorization from any Governmental Authority is required on the part of BioMarin in connection with the issuance of the BioMarin Worldwide Transaction Shares, save and except for the Quebec Securities Commission Approval referred to in section 12(j) hereof.

(i) Registrant Status. No securities commission or similar regulatory authority has issued any order preventing or suspending trading in any securities of BioMarin or prohibiting the issue and sale of the BioMarin Worldwide

Transaction Shares and to the Best Knowledge of the members of the BioMarin Group, no such proceedings for such purposes are pending or threatened.

(j) Litigation. There are no Claims at Law or in equity or

before or by any Governmental Authority either threatened, pending, outstanding or contemplated against any member of the BioMarin Group or relating to or which may have a Material Adverse Effect on any member of the BioMarin Group nor to the Best Knowledge of any member of the BioMarin Group, is there any basis upon which any such Claims might at any time in the future be founded.

(k) Financial Statements. A true copy of the consolidated balance sheets of BioMarin and the consolidated statements of operations and consolidated statements of changes in stockholder equity and the consolidated statements of cash flows (the "BioMarin Financial Statements") as of December 31, 2000 (the "BioMarin Year End") is annexed hereto as Schedule 6.1(k). The BioMarin Financial Statements:

(i) Have been prepared in accordance with United States generally accepted accounting principles applied on a basis consistent with those of the preceding fiscal period.

(ii) Present fairly, among other things, the assets, liabilities and financial position of BioMarin as at the BioMarin Year End and the results of operations for the period then ended.

(iii) Are substantially in accordance with the books and records of BioMarin (on a consolidated basis).

(l) Compliance with Laws. Each member of the BioMarin Group has been carrying on business in all material respects in accordance with all applicable Laws and Governmental Orders and no member of the BioMarin Group is in violation of any such Law or Governmental Order, except where such violation would not have a Material Adverse Effect on the members of the BioMarin Group.

(m) No Brokers. There is no broker, finder or other intermediary acting on behalf of any member of the BioMarin Group, other than Leerink, Swann & Associates, who has or will have a claim against the members of the IBEX Group for a brokerage commission, finders' fee or other like payment for the Worldwide Transaction and as and by way of a post-closing covenant the members of the BioMarin Group will jointly and severally indemnify and save harmless the members of the IBEX Group of and from such Claim.

(n) Reporting Status; No Termination of Registration. Except as set forth on Schedule 6.1(n) hereto, BioMarin has filed in a timely manner all documents that BioMarin was required to file under the Exchange Act during the 24 months preceding the date of this Agreement and such documents complied in all material respects with the Commission's requirements as of their respective filing dates, and the information contained therein as of the date thereof did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in light of the circumstances in which they were made not misleading. BioMarin has not received notice of the issuance by the Commission of any stop order suspending the qualification of any shares of BioMarin common stock for offering or sale in any jurisdiction or the initiation of any proceeding for such purpose.

7. Registration of BioMarin Worldwide Transaction Shares

7.1 Required Registration.

(a) Within five days following the Closing Date, BioMarin shall prepare and file a registration statement on Form S-3 under the Securities Act, covering the BioMarin Worldwide Transaction Shares and shall use its best efforts to cause such registration statement to become effective as expeditiously as possible and to remain effective until the earliest to occur of: (i) the date the BioMarin Worldwide Transaction Shares covered thereby have been sold; (ii) the date by which all BioMarin Worldwide Transaction Shares covered thereby may be sold under Rule 144 without restriction as to volume; or (iii) the date which is the twenty-fourth month anniversary of the Closing Date.

(b) Following the effectiveness of a registration statement filed pursuant to this section, BioMarin may at any time suspend the effectiveness of such registration for up to 60 days, as appropriate (a "Suspension Period"), by giving notice to the Vendors, if BioMarin shall have determined that BioMarin may be

required to disclose any material corporate development which disclosure may have a Material Adverse Effect on BioMarin. Notwithstanding the foregoing, no more than two Suspension Periods may occur during any 12 month period. BioMarin shall use its best efforts to limit the duration and number of any Suspension Periods. The Vendors agree that upon receipt of any notice from BioMarin of a Suspension Period, the Vendors shall forthwith discontinue disposition of BioMarin Worldwide Transaction Shares covered by such registration statement or prospectus until the Vendors: (i) are advised in writing by BioMarin that the use of the applicable prospectus may be resumed; (ii) have received copies of a supplemental or amended prospectus, if applicable; and (iii) have received copies of any additional or supplemental filings which are incorporated or deemed to be incorporated by reference into such prospectus.

7.2 Registration Procedures. At such time as BioMarin effects the registration of the BioMarin Worldwide Transaction Shares under the Securities Act pursuant to section 7.1(a) BioMarin will, at its expense and as expeditiously as possible;

(a) In accordance with the Securities Act and the rules and regulations of the Commission, prepare and file in accordance with section 7.1(a) a registration statement with respect to the BioMarin Worldwide Transaction Shares and will use its best efforts to cause such registration statement to become and remain effective for the period described herein and BioMarin will prepare and file with the Commission such amendments to such registration statement

and supplements to the prospectus contained therein as may be necessary to keep such registration statement effective for such period and such registration statement and prospectus accurate and complete for such period.

(b) Furnish to the Vendors participating in such registration such reasonable number of copies of the registration statement, preliminary prospectus, final prospectus and such other documents as such Vendors may reasonably request in order to facilitate the public offering of the BioMarin Worldwide Transaction Shares.

(c) Use its best efforts to register or qualify the BioMarin Worldwide Transaction Shares covered by such registration statement under such state securities or blue sky laws of such jurisdictions as such participating Vendors may reasonably request within 20 days following the original filing of such registration statement, except that BioMarin shall not for any purpose be required to execute a general consent to service of process or to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified.

(d) Notify the Vendors participating in such registration, promptly after BioMarin shall receive notice thereof, of the date and time when such registration statement and each post-effective amendment thereto has become effective or a supplement to any prospectus forming a part of such registration statement has been filed.

(e) Notify such Vendors promptly of any request by the Commission for the amending or supplementing of such registration statement or prospectus or for additional information.

(f) Prepare and file with the Commission, promptly upon the request of any such Vendors, any amendments or supplements to such registration statement or prospectus which, in the opinion of counsel for such Vendors, is required under the Securities Act or the rules and regulations thereunder in connection with the distribution of the BioMarin Worldwide Transaction Shares by such Vendors.

(g) Prepare and promptly file with the Commission and promptly notify such Vendors of the filing of, such amendments or supplements to such registration statement or prospectus as may be necessary to correct any statements or omissions if at the time when a prospectus relating to such securities is

required to be delivered under the Securities Act any event has occurred as the result of which any such prospectus or any other prospectus as then in effect would include an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(h) Advise such Vendors, promptly after BioMarin shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for that purpose and promptly use its best efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued.

7.3 Covenant Regarding Disposition of BioMarin Shares. Following the effectiveness of a registration statement filed pursuant to section 7.1, and without limitation of the provisions of section 7.1(b), the Vendors jointly and severally covenant and agree that any disposition of the BioMarin Worldwide Transaction Shares shall be made in a manner that does not unduly prejudice the trading price of BioMarin's common stock on the Nasdaq National Market or the SWX Swiss Market.

7.4 Indemnification.

(a) BioMarin will indemnify and hold harmless each Vendor which is an owner of shares of BioMarin Worldwide Transaction Shares included in a registration statement pursuant to the provisions of Article 7 hereof, and any officer, director, employee, agent, partner, member or affiliate of such Vendor (for purposes of this section 7.4(a), the "Indemnified Parties"), from and against, and will reimburse such Vendor and each such Indemnified Party with respect to, any and all claims, actions, demands, losses, damages, liabilities, costs and expenses to which such Vendor or any such Indemnified Party may become subject under the Securities Act or otherwise, insofar as such claims, actions, demands, losses, damages, liabilities, costs or expenses arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements

therein not misleading; provided, however, that BioMarin will not be liable in any such case to the extent that any such claim, action, demand, loss, damage, liability, cost or expense is caused by an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by such Vendor or such Indemnified Party in writing specifically for use in the preparation thereof.

(b) Each Vendor which is an owner of shares of BioMarin Worldwide Transaction Shares included in a registration statement pursuant to the provisions of Article 7 hereof will indemnify and hold harmless BioMarin, and any Person who controls BioMarin within the meaning of the Securities Act, from and against, and will reimburse BioMarin and such controlling Persons with respect to, any and all losses, damages, liabilities, costs or expenses to which BioMarin or such controlling Person may become subject under the Securities Act or otherwise, insofar as such losses, damages, liabilities, costs or expenses are caused by any untrue or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or are caused by the

omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was so made solely in reliance upon and in conformity with written information furnished by such Vendor specifically for use in the preparation thereof; provided, however, that the liability of any Vendor pursuant to this subsection (b) shall be limited to an amount not to exceed the net proceeds received by such Vendor pursuant to the registration statement which gives rise to such obligation to indemnify.

(c) Promptly after receipt by a party indemnified pursuant to the provisions of paragraph (a) or (b) of this section 7.4 of notice of the commencement of any action involving the subject matter of the foregoing indemnity provisions, such indemnified party will, if a claim thereof is to be made against the indemnifying party pursuant to the provisions of paragraph (a) or (b), notify the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to an indemnified party otherwise than under this section 7.4 and shall not relieve the indemnifying party from liability under this section 7.4 unless such indemnifying party is prejudiced by such omission. In case such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party shall have the right to participate in, and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense

thereof, the indemnifying party will not be liable to such indemnified party pursuant to the provisions of such paragraph (a) or (b) for any legal or other expense subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall be liable to an indemnified party for any settlement of any action or claim without the consent of the indemnifying party. No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(d) If the indemnification provided for in subsection (a) or (b) of this section 7.4 is held by a court of competent jurisdiction to be unavailable to a party to be indemnified with respect to any claims, actions, demands, losses, damages, liabilities, costs or expenses referred to therein, then each indemnifying party under any such subsection, in lieu of indemnifying such indemnified party thereunder, hereby agrees to contribute to the amount paid or payable by such indemnified party as a result of such claims, actions, demands, losses, damages, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions which resulted in such claims, actions, demands, losses, damages, liabilities, costs or expenses, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount any Vendor shall be obligated to contribute pursuant to this subsection (d) shall be limited to an amount not to exceed the net proceeds received by such Vendor pursuant to the registration statement which gives rise to such obligation to contribute. No person guilty of fraudulent misrepresentation (within the meaning of section 11(f) of the Securities Act) shall be entitled to contribution hereunder from any person who was not guilty of such fraudulent misrepresentation.

8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

8.1 Survival. No investigations made by or on behalf of any Party at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by any Party. No waiver by any

Party of any condition, in whole or in part, shall operate as a waiver of any other condition. The representations and warranties contained in Article 5 and 6 respectively or in any certificate or other document delivered in connection with the Closing shall survive the making of this Agreement and the Closing as to the representations and warranties contained in section 5.1(g), 5.1(l), 5.1(y) and 5.1(bb), for a period of six years and as to all other representations and warranties, for a period of three years following the Closing unless a bona fide notice of a Claim shall have been given in writing prior to the expiry of that period, in which case the representations and warranties to which such notice applies shall survive in respect of that Claim until the final determination or the applicable settlement, in each case, of that Claim.

9. COVENANTS

9.1 Interim Covenants. From the date hereof and up to and including the Closing Date or other termination of this Agreement, except as otherwise consented to in writing by the members of the BioMarin Group, the members of the IBEX Group shall jointly and severally observe and perform the provisions stated below:

(a) Operations. The Vendors shall carry on the IBEX Group Worldwide Business in the usual and ordinary course in substantially the same manner as heretofore conducted and shall preserve their relationships with customers, suppliers and third Persons having business dealings with the Vendors and shall take any and all such further actions reasonably requested by the members of the BioMarin Group to the end that

the IBEX Group Worldwide Business shall not be impaired in any material respect on the Closing Date.

(b) Insurance. The Vendors shall keep in full force their current insurance policies relating to the Worldwide Assets and the IBEX Group Worldwide Business without permitting any termination, cancellation or lapse thereof and the Vendors shall enter into replacement policies providing coverage equal to or greater than the coverage under those cancelled, terminated or lapsed policies for substantially similar premiums.

(c) Contracts. The Vendors shall perform in all material respects their respective obligations under Contracts relating to or affecting the Worldwide Assets and/or the IBEX Group Worldwide Business.

(d) Books and Records. The Vendors shall maintain the books of account and records relating to the Worldwide Assets and/or the IBEX Group Worldwide Business in the usual and ordinary course of business.

(e) Compliance With Laws. The Vendors shall comply in all material respects with all Laws applicable to the Worldwide Assets and/or the IBEX Group Worldwide Business.

(f) Additional Contracts. No member of the IBEX Group or their Affiliates shall enter into or assume any Contract relating to

the IBEX Group Worldwide Business except for; (i) purchases of supplies or inventories in the usual and ordinary course of the IBEX Group Worldwide Business consistent with prior practice; and (ii) Contracts which, individually or in the aggregate, are not material to the IBEX Group Worldwide Business. For purposes of the proceeding sentence, any Contract in excess of Cdn.$50,000 shall be considered material to the IBEX Group Worldwide Business. No member of the IBEX Group or their Affiliates shall otherwise make any material change in the conduct of the IBEX Group Worldwide Business.

(g) Disposition of Worldwide Assets. The Vendors shall not sell, lease or transfer or agree to sell, lease or transfer or cause any Encumbrance upon, any of the Worldwide Assets, out of the ordinary course of business or approve or undertake any other transaction out of the ordinary course of business or furnish or cause to be furnished any information concerning the Worldwide Assets and/or the IBEX Group Worldwide Business to any third Person who is interested in any such transaction.

(h) Representations and Warranties. The members of the IBEX Group shall not do anything that would cause any of the representations and warranties under Article 5 to be false, incomplete or misleading in such a fashion as to have a Material Adverse Effect on the members of the IBEX Group.

(i) Advice. The members of the IBEX Group shall promptly advise the members of the BioMarin Group in writing of any change that would have a Material Adverse Effect on the condition, financial or otherwise of the Worldwide Assets and/or the IBEX Group Worldwide Business.

(j) Accounting. With respect to the IBEX Group Worldwide Business and the Worldwide Assets, no member of the IBEX Group shall make any change in the accounting principles, methods, records or practices followed by it or depreciation or amortization policies or rates theretofore adopted by it. Each member of the IBEX Group shall maintain its books, records and accounts in accordance with Canadian generally accepted accounting principles applied on a basis consistent with past practice.

(k) Discharge. No member of the IBEX Group shall cancel, compromise, release or discharge any Claim in connection with the operations of the Worldwide Assets upon or against any Person or waive any right of material value except, in any case, in the ordinary course of the IBEX Group Worldwide Business and consistent with past practice.

(l) McGill License. The members of the IBEX Group shall, upon the request of BioMarin, introduce representatives of BioMarin to appropriate representatives of McGill University with a view to obtaining a license from McGill University to use US Patent 5,147,641 and its foreign counterparts on substantially the same terms and conditions as the license dated August 30, 1994 between McGill University and IBEX. The members of the IBEX Group shall not enter into any license in respect of such patent or otherwise interfere with the negotiation of such license by BioMarin.

9.2 Interim Access. From and after the execution and delivery of this Agreement and until Closing or other termination of this Agreement, the members of the IBEX Group shall continue to make available to the members of the BioMarin Group and their respective directors, officers, auditors, employees, investment bankers, counsel and other authorized representatives (the "Representatives") all title documents, policies of insurance, Contracts and other documents in the possession of the members of the IBEX Group or under the control of the members of the IBEX Group relating to the Worldwide Assets and the IBEX Group Worldwide Business. The members of the IBEX Group shall also continue to forthwith make available to the members of the BioMarin Group and their respective Representatives for examination, all books of account, accounting records, documents, information and data relating to the Worldwide Assets and the IBEX Group Worldwide Business and shall also continue to make available to the members of the BioMarin Group and their respective Representatives full and complete access to the key personnel, customers, suppliers, independent accountants and counsel of members of the IBEX Group, as requested by the members of the BioMarin Group or their respective Representatives. The members of the IBEX Group shall afford the members of the BioMarin Group and their respective Representatives every reasonable opportunity to have access to and inspect the Worldwide Assets.

10. INDEMNITY

10.1 Indemnity by the Members of the BioMarin Group. The members of the BioMarin Group shall jointly and severally indemnify and save harmless the

members of the IBEX Group from all Losses actually incurred by the members of the IBEX Group as a result of: (i) any breach by the members of the BioMarin Group or any inaccuracy of any covenant, representation or warranty of the members of the BioMarin Group contained in this Agreement; and (ii) any actual action, suit, investigation, inquiry or proceeding (each, an "Action") arising out of or resulting from the conduct of the IBEX Group Worldwide Business or any of the Worldwide Assets by members of the BioMarin Group after the Closing Date.

10.2 Indemnity by the Members of the IBEX Group. The members of the IBEX Group shall jointly and severally indemnify and save harmless the members of the BioMarin Group from all Losses actually incurred by the members of the BioMarin Group as a result of: (i) any breach by any member of the IBEX Group or any inaccuracy of any covenant, representation or warranty of any member of the IBEX

Group contained in this Agreement; (ii) any Action arising from rights of creditors pursuant to the Bulk Sales Carve-Out or any Action arising from rights of creditors pursuant to any non-compliance by BioMarin US with section 1767 ss of the Civil Code of Quebec in connection with the Worldwide Transaction or the Vendor's or BioMarin US's failure to comply with applicable bulk sales or sale of an enterprise legislation; (iii) any Excluded Liability; (iv) any Action arising out of or resulting from the conduct of the IBEX Group Worldwide Business or any of the Worldwide Assets by the members of the BioMarin Group prior to the Closing Date; and (v) any Action arising from the failure of the members of the IBEX Group to comply with any covenants contained in this

Agreement.

10.3 Indemnification Procedure. An indemnified party pursuant to the provisions hereof (the "Indemnified Party") shall give the other Party (the "Indemnitor") notice of any matter which an Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement, within 60 days of such determination, stating the amount of the Loss if known and the method of computation thereof and containing a reference to the provisions of this Agreement in respect of which such right of indemnification is claimed. If an Indemnified Party shall receive notice of any third party claim (a "Third Party Claim"), the Indemnified Party shall give the Indemnitor notice of the Third Party Claim within 30 days of the receipt by the Indemnified Party of such notice. The failure to provide such notice shall not release the Indemnitor from its obligations under this Article except to the extent that the Indemnitor is materially prejudiced by such failure and shall not relieve the Indemnitor from any other obligation or liability that it may have to the Indemnified Party other than under this Article. If the Indemnitor acknowledges in writing its obligation to indemnify the Indemnified Party hereunder against any Losses that may result from such Third Party Claim within 20 days of receipt of notice of such Claim, the Indemnitor shall be entitled to assume and control the defense of such Third Party Claim at its expense and through counsel of its choice if it gives notice of its intention to do so to the Indemnified Party within five days of the receipt of such notice from the Indemnified Party. If there exists or is reasonably likely to exist a conflict of interest that would make it inappropriate in the judgment of the Indemnified Party, in its sole and absolute discretion, for the same counsel to represent both the Indemnified Party and the Indemnitor or if the Indemnitor does not so assume and defend such Third Party Claim, the Indemnified Party shall be entitled to retain its own counsel, in each jurisdiction for which the Indemnified Party determines counsel is required, at the expense of the Indemnitor. If the Indemnitor exercises the right to undertake any such defense against any Third Party Claim, the Indemnified Party shall cooperate with the Indemnitor in such defense and shall make available to the Indemnitor, at the Indemnitor's expense, all witnesses, pertinent records, materials and information in the Indemnified Party's possession or under the Indemnified Party's control relating thereto as is reasonably required by the Indemnitor. If the Indemnified Party is directly or indirectly conducting the defense against any such Third Party Claim, the Indemnitor shall cooperate with the Indemnified Party in such defense and shall make available to the Indemnified Party, at the Indemnitor's expense, all such witnesses, records, materials and information in the Indemnitor's possession or under the Indemnitors' control relating thereto as is reasonably required by the

Indemnified Party. No such Third Party Claim may be settled by the Indemnitor without the prior written consent of the Indemnified Party, acting reasonably. For the purposes of this Article 10, the members of the BioMarin Group shall be treated as one Party and the members of the IBEX Group shall be treated as one Party.

10.4 Supplemental Rights. The rights and benefits provided in this Article 10 are supplemental to and are without prejudice to any other rights, actions or causes of action which may arise pursuant to any other section of this Agreement or pursuant to applicable law.

10.5 Reduction of Worldwide Purchase Price. All amounts received by the members of the BioMarin Group pursuant to the provisions of this Article shall be received in reduction of the Worldwide Purchase Price.

10.6 Minimum and Maximum Indemnification Claim. Notwithstanding the provisions of section 10.1(i) and (ii) or 10.2(i) and (iv), as the case may be, the obligation of the members of the BioMarin Group or the members of the IBEX Group, as the case may be, to indemnify the other Parties in respect of any of the matters described therein, as the case may be, shall become applicable only when the Losses actually incurred by the Person entitled to indemnification exceed in the aggregate Cdn.$100,000 under this Agreement and/or the Canadian Purchase Agreement (the "Minimum Threshold"). Once the Minimum Threshold has been exceeded, the obligations of indemnification with respect to such matters shall apply to: (i) 50% of any and all Losses from dollar one above Cdn. $50,000 to Cdn. $100,000; and (ii) any and all Losses from dollar one above Cdn.$100,000 of such Losses. The right of indemnification with respect to such matters shall only apply to Losses (exclusive of Losses relating to breaches of representations and warranties set forth in sections 5.1(l) and 5.1(bb), and any other matters relating to the Excluded Liabilities and rights of creditors pursuant to the Bulk Sales Carve-Out and rights of creditors pursuant to matters described in section 10.2(ii), for which there shall be no limitation) under this Agreement and the Canadian Purchase Agreement which aggregate up to and including the sum of (a) the Canadian Purchase Price (as defined in the Canadian Purchase Agreement), (b) the Worldwide Purchase Price and (c) the Contingency Payments.

10.7 Rights of Set-Off. Subject to section 10.6, in the event the members of the BioMarin Group have incurred Losses and the members of the IBEX Group must indemnify the members of the BioMarin Group pursuant to the provisions hereof, BioMarin shall have the right to set off such Losses including, without limitation, any Losses of the BioMarin Group under the Canadian Purchase Agreement, as against the Contingency Payments.

11. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE MEMBERS OF THE IBEX GROUP AT CLOSING

11.1 Conditions Precedent. All obligations of the Vendors to sell the Worldwide Assets to BioMarin US at Closing under this Agreement are subject to the fulfillment (or waiver in writing by the members of the IBEX Group) prior to or at the Closing of each of the following conditions:

(a) Representations and Warranties. The representations and warranties made by each member of the BioMarin Group in or under this Agreement shall be true in all material respects (except where already qualified as to materiality) on and as of the Closing Date and the Vendors shall have received from each member of the BioMarin Group a certificate signed as of the Closing Date to such effect in the form set out in Schedule 11.1(a).

(b) Compliance with Covenants. Each member of the BioMarin

Group shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by each member of the BioMarin Group prior to Closing and the members of the IBEX Group shall have received from each member of the BioMarin Group a certificate signed as of the Closing Date to such effect in the form set out in Schedule 11.1(b).

(c) Corporate Authorizations. The members of the BioMarin Group shall have delivered to the members of the IBEX Group evidence satisfactory to the members of the IBEX Group that all necessary corporate authorizations by the members of the BioMarin Group authorizing and approving the execution and delivery of this Agreement and the consummation of the Worldwide Transaction have been obtained.

(d) Assumption of Assumed Worldwide Liabilities. On Closing, the members of the BioMarin Group and the Vendors shall execute and deliver an assignment and assumption agreement with respect to the Assumed Worldwide Liabilities in the form set out in Schedule 11.1(d).

(e) Opinion. On Closing, the members of the IBEX Group shall receive from United States counsel to the members of the BioMarin Group legal opinions in the form set out in Schedule 11.1(e).

(f) BioMarin Worldwide Transaction Shares. On Closing, BioMarin shall deliver certificates representing the BioMarin Worldwide Transaction Shares to the Vendors as provided in section 3.2 hereof.

(g) License Agreement. On Closing, (i) the members of the BioMarin Group shall execute and deliver with the members of the IBEX Group a license agreement in the form set forth in Schedule 11.1(g) and (ii) Massachusetts Institute of Technology shall have consented to the license of Intellectual

Property covered by the Contracts with the Massachusetts of Technology set forth in Schedule 2.3(b) to the members of IBEX Group contemplated in the license agreement set forth in Schedule 11.1(g).

(h) Insurance. On Closing, BioMarin NS shall have insured the Worldwide Assets, with effect as and from the Closing Date, in such amounts and against such risks, including general liability and tenant's liability, as are customarily carried and insured against by BioMarin in respect of comparable assets in the conduct of its business.

In case any of the foregoing conditions cannot be fulfilled at or before the Time of Closing to the satisfaction of the members of the IBEX Group, the members of the IBEX Group may rescind this Agreement by notice to the members of the BioMarin Group and in such event all of the Parties shall be released from all obligations hereunder, unless the members of the IBEX Group can show that the condition or conditions which have not been satisfied are reasonably capable of being performed or caused to be performed by the members of the BioMarin Group and are the obligation of the members of the BioMarin Group to perform or to cause to be performed or have not been satisfied by reason of a default by the members of the BioMarin Group, in which case, the members of the BioMarin Group, at the option of the members of the IBEX Group, shall not be released from any obligations hereunder. Any such conditions may be waived in whole or in part by the members of the IBEX Group without prejudice to the members of the IBEX Group's rights of rescission in the event of the non-fulfillment of any other condition or conditions, any such waiver to be binding on the members of the IBEX Group only if the same is in writing.

12. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE MEMBERS OF THE BIOMARIN GROUP AT CLOSING

12.1 Conditions Precedent. All obligations of BioMarin US to purchase the Worldwide Assets from the Vendors at Closing under this Agreement are subject to the fulfillment (or waiver in writing by the members of the BioMarin Group) prior to or at the Closing of each of the following conditions:

(a) Representations and Warranties. The representations and warranties made by each member of the IBEX Group in or under this Agreement shall be true in all material respects (except where already qualified as to materiality) on and as of the Closing Date and the members of the BioMarin Group shall have received from each member of the IBEX Group a certificate signed as of the Closing Date to such effect, in the form set out in Schedule 12.1(a).

(b) Actions, Etc. All actions, proceedings, instruments and documents required for the members of the IBEX Group to carry out the Worldwide Transaction and all other related legal matters shall have been approved by the members of the

BioMarin Group and the members of the BioMarin Group shall have been furnished with such certified copies of actions and proceedings with respect to the members of the IBEX Group and other such instruments and documents as the members of the BioMarin Group shall have requested.

(c) Compliance with Covenants. Each member of the IBEX Group shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by each member of the IBEX Group and the members of the BioMarin Group shall have received from each member of the IBEX Group a certificate signed as of the Closing Date to such effect, in the form set out in Schedule 12.1(c).

(d) Corporate Authorizations. The members of the IBEX Group shall have delivered to the members of the BioMarin Group evidence satisfactory to the members of the BioMarin Group that all necessary corporate authorizations by the members of the IBEX Group authorizing and approving the execution and delivery of this Agreement, the consummation of the Worldwide Transaction and the transfer of the Worldwide Assets as herein contemplated have been obtained.

(e) Assumption of Assumed Worldwide Liabilities. On Closing, the members of the BioMarin Group and the Vendors shall execute and deliver an assignment and assumption

agreement with respect to the Assumed Worldwide Liabilities, in the form set out in Schedule 11.1(d).

(f) Approvals and Consents. At or before Closing there shall have been obtained from all appropriate federal, state, municipal or other governmental or administrative bodies all such approvals and consents, if any, in form and on terms satisfactory to the members of the BioMarin Group as may be required in order to transfer the Worldwide Assets and to enable BioMarin US to assume the Assumed Worldwide Liabilities at Closing as herein provided.

(g) No Material Loss. There shall have been no material loss or damage to the Worldwide Assets not adequately covered by insurance.

(h) No Material Adverse Change. There shall have been no change that would have a Material Adverse Effect on the condition, financial or otherwise of the Worldwide Assets and/or the IBEX Group Worldwide Business.

(i) Litigation. No court order shall have been entered that enjoins, restrains, prohibits or restricts Closing of the Worldwide Transaction. None of the Parties nor any of their respective directors, officers, employees or agents shall be a defendant or third party to or have received written or oral

notice of the threat of any litigation or proceedings before any court or Governmental Authority which, in the opinion of the members of the BioMarin Group, could prevent or restrict such Party from performing any of its obligations in this Agreement or any of the Closing Documents or could expose such Person to damages.

(j) Quebec Securities Commission. On or before Closing, BioMarin shall have received the approval of the Quebec Securities Commission to the issuance of the BioMarin Worldwide Transaction Shares (the "Quebec Securities Commission Approval").

(k) Receipt of Closing Documents by the Members of the BioMarin Group. All instruments of conveyance and other documentation relating to the sale and purchase of the Worldwide Assets, including without limitation, the Closing Documents, assignments, bills of sale, conveyances and other documentation and all actions and proceedings taken on or prior to the Closing in connection the performance by the members of the IBEX Group of their obligations under this Agreement shall be satisfactory to the members of the BioMarin Group and their counsel and the members of the BioMarin Group shall have received duly executed copies of the Closing Documents and all such documentation or other evidence as they may reasonably request in order to establish the consummation of the Worldwide Transaction and the taking of all corporate proceedings in connection therewith in form (as to certification and otherwise) and substance satisfactory to the members of the BioMarin Group and their counsel. For greater certainty and without limitation, the Vendors shall have delivered to BioMarin US duly executed, in form and substance reasonably satisfactory to the members of the BioMarin Group and their counsel and in proper form for registration, if required, under applicable Laws, all instruments of conveyance and other documentation relating to the sale and purchase of the Worldwide Assets, including without limitation:

(i) bills of sale and assignment of interest for the Worldwide Assets (including all Permits, Licenses and Contracts), in the form set out in Schedule 12.1(k)(i); and

(ii) assignments in registrable form of all Intellectual Property, in the forms set out in Schedule 12.1(k)(ii).

(l) Consents to Assignments. With respect to any IBEX Group Worldwide Intellectual Property, Permits and Licenses and the Contracts (the "Worldwide Assigned Rights") forming a part of the Worldwide Assets in connection with the IBEX Group Worldwide Business and which BioMarin US shall assume at Closing in accordance with this Agreement identified at Schedule 5.1(s), on Closing, the members of the IBEX Group

shall deliver to BioMarin US, such unconditional written consents to the assignment thereof (the "Worldwide Assigned Rights Consents") as are applicable, to assign the Worldwide Assigned Rights to BioMarin US together with written acknowledgements from the other party to such Worldwide Assigned Rights, in the form set out in Schedule 12.1(l) acknowledging that all amounts due and payable by the Vendors have been paid in full to the Closing Date.

(m) Possession of Worldwide Assets. On Closing, the Vendors shall deliver title to and possession of all of the Worldwide Assets to BioMarin US.

(n) Non-Competition Agreement. On Closing, the members of the IBEX Group shall execute and deliver non-competition agreements in the form set out in Schedule 12.1(n).

(o) Termination. On Closing, the members of the IBEX Group shall execute and deliver with the members of the BioMarin Group an agreement in the form set out in Schedule 12.1(o) terminating all written or oral agreements among the members of the IBEX Group with respect to the Worldwide Assets and the IBEX Group Worldwide Business, including for greater certainty and without limitation, marketing agreements with respect to the IBEX Group Worldwide Intellectual Property, on terms and conditions satisfactory to the members of the BioMarin Group and their counsel.

(p) Services, Equipment and Space Sharing Agreement. On Closing, the members of the BioMarin Group shall execute and deliver with the members of the IBEX Group an agreement in form set out in Schedule 12.1(p).

(q) License Agreement. On Closing, (i) the members of the

BioMarin Group shall execute and deliver with the members of the IBEX Group a license agreement in the form set forth in Schedule 11.1(g) and (ii) Massachusetts Institute of Technology shall have consented to the license of Intellectual Property covered by the Contracts with the Massachusetts of Technology set forth in Schedule 2.3(b) to the members of IBEX Group contemplated in the license agreement set forth in Schedule 11.1(g).

(r) Canadian Purchase Agreement. On Closing, the transaction set forth under the Canadian Purchase Agreement shall have been contemporaneously successfully consummated.

(s) Opinions. On Closing, the members of the BioMarin Group shall receive from U.S. and Quebec counsel to the members of the IBEX Group a legal opinion in the form set out in Schedule 12.1(s).

(t) No Orders. No order of any court or administrative agency shall be in effect which restrains or prohibits the Worldwide Transaction and no suit, action, inquiry,

investigation or proceeding in which it will be or it is sought to restrain, prohibit or change the terms of or obtain damages or other relief in connection with the Worldwide Transaction and which in the judgment of the members of the BioMarin Group and their counsel, acting reasonably, makes it inadvisable to proceed with the consummation of the Worldwide Transaction shall have been made, instituted or threatened by

any Person.

In case any of the foregoing conditions cannot be fulfilled at or before the Time of Closing to the satisfaction of the members of the BioMarin Group, the members of the BioMarin Group may rescind this Agreement by notice to the members of the IBEX Group and in such event all of the Parties shall be released from all obligations hereunder, unless the members of the BioMarin Group can show that the condition or conditions which have not been satisfied are reasonably capable of being performed or caused to be performed by the members of the IBEX Group and are the obligation of the members of the IBEX Group to perform or to cause to be performed or have not been satisfied by reason of a default by the members of the IBEX Group, in which case, the members of the IBEX Group, at the option of the members of the BioMarin Group, shall not be released from any obligations hereunder. Any such conditions may be waived in whole or in part by the members of the BioMarin Group without prejudice to the members of the BioMarin Groups' rights of rescission in the event of the non-fulfillment of any other condition or conditions, any such waiver to be binding on the members of the BioMarin Group only if the same is in writing.

13. THIRD PARTY ASSIGNMENT AND CONSENTS

13.1 Third Party Assignments. Neither this Agreement nor any Closing Document shall constitute an assignment or an attempted assignment of any Worldwide Assigned Right contemplated to be assigned to BioMarin US hereunder where such Worldwide Assigned Right; (i) is not assignable without the consent of a third Person if such consent has not been obtained and such assignment or attempted assignment would constitute a breach thereof; or (ii) in respect of which Worldwide Assigned Right the remedies for enforcement thereof available to the Vendors would not pass to BioMarin US. In respect of the foregoing, the members of the IBEX Group, as and by way of a post-closing covenant, jointly and severally agree to take such action or cause to be taken such action in their own name or otherwise as the members of the BioMarin Group shall reasonably require so as to provide BioMarin US the benefits thereof and to effect collection of money to become due and payable by the other party thereto and the members of the IBEX Group shall promptly pay over to BioMarin US all money received by the Vendors in respect of the foregoing. If and when any Worldwide Assigned Right Consent is obtained or such Worldwide Assigned Right otherwise becomes assignable, the Vendors shall promptly assign all of their rights and obligations thereunder to BioMarin US and BioMarin US shall, without the payment of any further consideration therefor, assume such rights and obligations and the Vendors shall be relieved of any and all liability therefor.

13.2 Further Assurances; Consents. From and after the date hereof and before and after Closing: (i) each of the Parties shall use their reasonable best efforts to satisfy or cause to be satisfied all the conditions precedent that are set forth herein, including, without limitation, the procurement of the post-Closing Worldwide Assigned Rights Consents as set forth in Schedule 13.2; (ii) each of the Parties shall use their reasonable best efforts to cause the Worldwide Transaction to be consummated; (iii) the Parties shall cooperate with each other to provide such information, to execute and deliver such other documents, instruments of transfer or assignment, files, books and records and to do all such further acts and things as may be reasonably required to carry out the Worldwide Transaction; (iv) the Parties shall use all reasonable efforts to comply promptly with all legal requirements that may be imposed upon them with respect to the consummation of the Worldwide Transaction and to obtain any consent or any exemption by and to make any registration, declaration or filing with any Governmental Authority or other third Person required to be obtained or made by such Person in connection with the taking of any action contemplated hereby, including, without limitation, the post-Closing Worldwide Assigned Rights Consents. The Parties covenant and agree to proceed diligently and in a coordinated fashion to apply for and obtain any and all necessary approvals and/or Worldwide Assigned Rights Consents. For greater certainty and without limitation, at the request of any member of the BioMarin Group, prior to and after the Closing, the Representatives of the BioMarin Group shall have full right to participate in discussions with all third Persons with a view to procuring all pre-Closing and post-Closing Worldwide Assigned Rights Consents; provided, however, that in the event that from and after Closing, any member of the IBEX Group has not proceeded diligently and in a coordinated fashion to apply for and obtain any and all such necessary approvals and/or Canadian Assigned Rights Consents, the members of the BioMarin Group, without any further or other act or formality shall be irrevocably appointed to act as attorney and mandatory for and on behalf of any or all of the members of the IBEX Group in their place and stead, with full power of substitution, such power of attorney being coupled with an interest to survive the insolvency of any Party. Notwithstanding the foregoing, the members of the IBEX Group shall ensure that all necessary Representatives of the IBEX Group are entitled to be present and/or participate, as applicable, at all reasonable times to accomplish the objectives of this section 13.2.

14. ADDITIONAL POST-CLOSING COVENANTS

14.1 Financial Statements. The members of the IBEX Group jointly and severally covenant and agree as and by way of a post-closing covenant to

preserve the financial statements and working papers relating to the IBEX Group Worldwide Business for a period of at least 10 years from the Closing and to allow the members of the BioMarin Group or the Representatives to have access thereto at all reasonable times in connection with the affairs of the BioMarin Group and to make copies thereof and to take extracts therefrom. The members of the IBEX Group jointly and severally covenant and agree as and by way of a post-closing covenant to use their reasonable best efforts to maintain and

preserve such books of account and to at least exercise the same degree of care with respect thereto as they do now in connection with their other business records.

14.2 Resale Payments. The members of the BioMarin Group jointly and severally covenant and agree as and by way of a post-closing covenant to pay to the Vendors a sum equal to 50% of any consideration received by any member of the BioMarin Group within three months of the Closing Date, as a result of a license or sale by only such member of the BioMarin Group of any of the IBEX Group Worldwide Intellectual Property.

14.3 Filter Technology. The members of the IBEX Group jointly and severally covenant and agree as and by way of a post-closing covenant that, for no additional consideration (the consideration therefor being included in the Worldwide Purchase Price), on or before August 31, 2002, they shall transfer to

BioMarin US, good and marketable title to the Filter Technology, free and clear of any and all Encumbrances, subject to the rights of creditors pursuant to the Bulk Sales Carve Out and pursuant to a general conveyance which shall contain representations and warranties on the part of the members of the IBEX Group with respect to the Filter Technology which are similar to the representations and warranties with respect to the Worldwide Assets that are contained in this Agreement.

14.4 McGill License. The members of the IBEX Group jointly and severally agree as a post-closing covenant that members of the IBEX Group shall not enter into any license in respect of US Patent 5,147,641 and its foreign counterparts or otherwise interfere with the negotiation of such license by BioMarin.

14.5 Retention Agreement. The members of the IBEX Group jointly and severally covenant and agree as and by way of a post-closing covenant that for a period of three (3) years following Closing, the members of the IBEX Group shall not enter into an amalgamation, consolidation, merger or transfer of the undertaking or assets of the IBEX Group as an entirety or substantially as an entirety (a "Capital Reorganization") with or to another person (a "Successor Company") unless the Successor Company resulting from the Capital Reorganization (if not one of the members of the IBEX Group) shall agree to be bound by the provisions of this Agreement including, without limitation, Article 10 hereof. For greater certainty, this section 14.5 shall not apply to: (i) a Capital Reorganization involving only members of the IBEX Group; or (ii) a sale of BioMarin Worldwide Transaction Shares by any member of the IBEX Group.

14.6 License Agreement. The members of the BioMarin Group jointly and severally covenant and agree as a post-closing covenant to use their commercially reasonable efforts to cause the Contracts with Massachusetts Institute of Technology set forth on Schedule 2.3(b) or any amendments or extensions thereof to remain in good standing and to preserve BioMarin's ability to license Intellectual Property licensed to BioMarin under such Contracts to the IBEX Group under the agreement set forth in Schedule 11.1(g).

15. CONFIDENTIALITY

15.1 Confidentiality. For a period of five years from Closing, each Party shall keep confidential all information (the "Confidential Information") obtained from the other Party or its Representatives in connection with the other Party, this Agreement and the Worldwide Transaction and that all such Confidential Information obtained by it from the other Party or any of its Representatives shall be used solely for the purpose of evaluating the Worldwide Transaction and for no other purpose. The term "Confidential Information" shall not include any information which; (i) is or becomes generally available to the public other than as a result of a disclosure by the receiving Party or the Representatives; (ii) becomes known to the receiving Party or the Representatives on a non-confidential basis from a source (other than the disclosing Party) which is not known to the receiving Party to be bound to the disclosing Party by a legal, contractual or fiduciary obligation; (iii) was known to the receiving Party or the Representatives on or prior to the date hereof; or (iv) was independently discovered or developed by the receiving Party without reference to any of the Confidential Information. If this Agreement is terminated without consummation of the Worldwide Transaction, each Party shall return to the other Party all Confidential Information in its possession regarding the other Party and all copies and extracts thereof or with the consent of the other Party shall destroy all such Confidential Information and copies and extracts and shall deliver to the other Party evidence of destruction of such Confidential Information and copies and extracts as such other Party may reasonably request. For the purpose of this Article 15, the members of the BioMarin Group shall be one Party and the members of the IBEX Group shall be one Party. Confidential Information includes all information transferred from the IBEX Group to the BioMarin Group as part of the Worldwide Assets. Notwithstanding the foregoing, it is acknowledged and agreed that (x) no information provided by the BioMarin Group to the IBEX Group concerning BioMarin or its business constitutes Confidential Information of the members of the BioMarin Group and (y) from and after the Closing, no information relating to the Worldwide Assets or the IBEX Group Worldwide Business constitutes Confidential Information to be held in confidence by any member of the BioMarin Group.

15.2 Public Disclosure. No Party shall issue any press release or other public announcement, written or oral, relating to this Agreement or to performance hereunder or the existence of any arrangement among the Parties without the prior approval of the other Parties acting reasonably and on a timely basis, except to the extent that such press release or announcement is reasonably concluded by a Party to be required by applicable Law. The forms of press release to be issued by IBEX and BioMarin upon the execution and delivery of this Agreement are set forth in Schedule 15.2. Each member of the IBEX Group acknowledges that BioMarin will be required to file a copy of this Agreement and the other agreements and instruments contemplated hereby with the Commission and to describe the Worldwide Transaction in its public filings.

16. SOLICITATION

16.1 No Solicitation. From the date hereof and up to and including the Closing Date or other termination of this Agreement, other than in connection with the Worldwide Transaction, the members of the IBEX Group jointly and severally covenant and agree that neither they nor any their Affiliates shall nor shall any of the members of the IBEX Group or any of their Affiliates permit their respective Representatives to initiate, solicit or encourage, directly or indirectly, any inquiries or the making or implementation of any proposal or offer (including without limitation, any proposal or offer to shareholders) with respect to an Acquisition Proposal or engage in negotiations concerning or provide any confidential information or data to, have any discussions with or endorse or recommend a proposal of or enter into any contract or understanding with any Person relating to an Acquisition Proposal or otherwise facilitate any effort or attempt to make or implement an Acquisition Proposal. The members of the IBEX Group shall notify the members of the BioMarin Group immediately if any such inquiries or proposals are received by, any such information is requested from or any such negotiations or discussions are sought to be initiated or continued with the members of the IBEX Group or any of their Affiliates or Representatives; provided however that nothing contained in this section shall prohibit the board of directors of IBEX from furnishing non-public information to or entering into discussions or negotiations with any Person that makes an unsolicited bona fide Acquisition Proposal, if and only to the extent that: (i) the board of directors of IBEX, based upon the advice of outside counsel, determines in good faith that such action is required for the board of directors

of IBEX to comply with its fiduciary duties to shareholders imposed by applicable Law; (ii) prior to furnishing such information to or entering into discussions or negotiations with such Person, the members of the IBEX Group keep the members of the BioMarin Group informed of the status and all material information with respect to any such discussions or negotiations. Nothing in this section shall permit the members of the IBEX Group to terminate this Agreement or permit the members of the IBEX Group to enter into any agreement with respect to an Acquisition Proposal for so long as this Agreement remains in effect (it being agreed that for so long as this Agreement remains in effect, none of the members of the IBEX Group nor their Affiliates shall enter into any agreement with any Person that provides for or in any way facilitates an Acquisition Proposal or affect any other obligation of the members of the IBEX Group under this Agreement).

17. WORLDWIDE ASSETS AT RISK UNTIL CLOSING

17.1 Risk. Notwithstanding anything herein contained, title and risk of loss of the Worldwide Assets shall remain with the Vendors until the Worldwide Transaction has been completed as herein contemplated. The Vendors shall maintain the insurance represented herein to be held by them on the Worldwide Assets until the Closing Date and the Vendors shall hold any proceeds thereof in trust for the Parties as their interests may appear.

17.2 Reduction of Worldwide Purchase Price. In the event of damage or destruction to the IBEX Pharma Worldwide Fixed Assets prior to the Closing Date, to the extent not repaired or replaced by the members of the IBEX Group on or

before the Closing Date to the satisfaction of the members of the BioMarin Group, the replacement value of the IBEX Pharma Worldwide Fixed Assets so damaged or destroyed as determined by the members of the BioMarin Group and the members of the IBEX Group in consultation with the insurer of the members of the IBEX Group shall be deducted from the Worldwide Purchase Price. Without limitation of any of the rights of the members of the IBEX Group hereunder, such amounts may be reduced from the Worldwide Purchase Price by the cancellation of a sufficient number of BioMarin Worldwide Transaction Shares that would otherwise be issuable hereunder.

18. DELIVERY OF BOOKS AND RECORDS OF THE VENDORS

18.1 Books and Records. On the Closing Date, all documents and data solely relating to the IBEX Group Worldwide Business shall be transferred by the IBEX Group to BioMarin at the portion of the premises leased by IBEX to be made available to the BioMarin Group under the agreement referred to in section 12.1(p).

19. MISCELLANEOUS

19.1 Tender. Any tender of documents or money hereunder may be made upon the Parties or upon their respective solicitors as set forth herein.

19.2 Notice. All notices, requests, demands or other communications by the Parties required or permitted to be given by one Party to another shall be given in writing by personal delivery, telecopy or by registered or certified mail, postage prepaid, addressed, telecopied or delivered to such other Party as follows:

(a) if to the members of the IBEX Group in c/o of:

5485 Pare
Montreal, Quebec H4P 1P7

Attention: President
Fax No.: (514) 344-8827

with a copy to:

McCarthy Tetrault
Le Windsor, 1170 rue Peel
Montreal, Quebec H3B 4S8

Attention: Peter Martin
Fax No.: (514) 875-6246

(b) if to the members of the BioMarin Group, to:

371 Bel Marin Keys Boulevard, Suite 210
Novato, California
94949 USA

Attention: Raymond W. Anderson
Fax No.: (415) 382-7889

with a copy to:

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

Attention: Mark Bennett
Fax No.: (416) 360-8877

with a copy to:

Paul, Hastings, Janofsky & Walker LLP
555 South Flower Street, 23rd Floor
Los Angeles, California
90071-2371 USA

Attention: Siobhan Burke
Fax No.: (213) 627-0705

or at such other address or telecopier number as may be given by any of them to the others in writing from time to time and such notices, requests, demands or other communications shall be deemed to have been received when delivered, if personally delivered, on the date telecopied (with receipt confirmed) if

telecopied and received at or prior to 5:00 p.m. local time and, if not, on the next Business Day, and if mailed, on the date received as certified.

19.3 Further Assurances. The Parties shall sign such other papers, cause such meetings to be held, resolutions passed and by-laws enacted and exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof.

19.4 Laws. This Agreement shall be governed by the laws of the State of Delaware and the federal laws of the United States applicable therein and the Parties hereby irrevocably attorn to the federal and state courts of the State of California sitting in San Francisco, California. Each party hereby irrevocably submits to the exclusive jurisdiction of such courts with respect to such matters. Each party hereby irrevocably waives, to the fullest extent

permitted by law, any objection which it may now or hereafter have to the laying of venue in any suit, action or proceeding in any of such courts or any claims that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

19.5 Expenses. All out-of-pocket expenses (including legal and accounting expenses) incurred in connection with the Worldwide Transaction shall be borne the Party incurring the same.

19.6 Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof and no extension nor variation of this Agreement shall operate as a waiver of this provision.

19.7 Entire Agreement. This Agreement constitutes the entire agreement among the Parties with respect to all of the matters herein. This Agreement supersedes any and all agreements, understandings and representations made among the Parties prior to the date hereof, including, without limitation, that certain Term Sheet dated June 4, 2001 and that certain memorandum from Mr. Gary Mattan to Mr. Doug Cotter, dated July 17, 2001 as amended by agreements dated August 22, 2001 and September 21, 2001. This Agreement shall not be amended except by a memorandum in writing signed by all of the Parties and any amendment hereof shall be null and void and shall not be binding upon any Party which has not given its consent as aforesaid.

19.8 Assignment. No Party may assign this Agreement or any part hereof without the prior written consent of the other Parties which may not be unreasonably withheld. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns, but no other Person.

19.9 Invalidity. In the event that any of the covenants, representations and warranties or any portion of them contained in this Agreement are unenforceable or are declared invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining terms or portions thereof contained in this Agreement and such unenforceable or invalid, covenant, representation and warranty or covenant or portion thereof shall be severable from the remainder of this Agreement.

19.10 Counterpart. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts when taken together shall constitute one and the same original agreement which shall be binding on the Parties.

19.11 Waiver of Jury Trial. The Parties hereby agree to waive the right to a trial by jury in any action arising hereunder.

19.12 Language. The Parties acknowledge and confirm that they have requested that this Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux presentes reconnaissent et confirment qu'elles ont convenu que la presente convention ainsi que tous les avis et documents qui s'y rattachent soient rediges dans la langue anglaise.

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the date and year first above written.

BIOMARIN PHARMACEUTICAL INC.

Per: /s/ Fredric R. Price

BIOMARIN ENZYMES INC.

Per: /s/ Raymond W. Anderson

IBEX TECHNOLOGIES INC.

Per: /s/ Paul Baehr

IBEX PHARMACEUTICALS INC.

Per: /s/ Paul Baehr

IBEX TECHNOLOGIES LLC

Per: /s/ Robert Heft

IBEX TECHNOLOGIES CORP.

Per: /s/ Robert Heft

TECHNOLOGIES IBEX R&D INC.

Per: /s/ Robert Heft

-58-

Schedule 2.1 - Filter Technology

The Filter Technology involves the immobilization of heparinase I in a filter for the purpose of removing heparin from blood post bypass surgery or post dialysis and in particular refers to the following intellectual property

Extra-corporeal Systems For Heparin Neutralization Using Porous Fibers Or Tubes Ann R. Comfort, Robert A. Heft, And Robert S. Langer, Jr. M.I.T. Case No.4370

1. Canada Patent No.1315676 Entitled: "Heparin Neutralization Using Compounds Immobilized And In Direct Contact With Whole Blood"

Schedule 2.1 (a) IBEX Canadian Fixed Assets Being Transferred to BioMarin

Research Asset	Identifier (If Any)	Locati
Container azote and cells	509930789679 - Thermoline	5485 P
Freezer REVCO ult-1375-7aba -70 degrees C	P25d-160738-pd	5485 P
Freezer REVCO ult-2586-9-a1470 degrees C	vo1g-343994-ug	5485 P
Cryogran Peletizer		IQF Cr
Biosepra - Chromatography Columns/Resins		BASF
Pharmacia - Chromatography Columns/Resins		BASF
Computer/Software Asset		

User	Software	Versio
Richard Broughton Pentium II 233	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Access	97SR2b
	o Microsoft Outlook	8.04
	Netscape	4.75
	Sigma Plot	4.0
Bernhard Eggiman Pentium 200	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Access	97SR2b
	o Outlook	8.04
	Internet Explorer	5.00 S
	Netscape	4.76
	Sigma Plot	4.0
Elizabeth Denholm Pentium 166	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Outlook	8.04
	Internet Explorer	5.00 S
	Netscape	4.76
	Sigma Plot	4.0
	Sigma Stat	2.0
	CarboDraw	1.0
	Equilibrate	1.1
Marc Pedneault Dell GX110	Windows 2000 P. SP1	5.00.2
	Internet Explorer	5.01 S
	NW Client	4.80
	Microsoft office	2000
	o Microsoft Word	9.0
	o Microsoft Excel	9.0
	o Microsoft Power Point	9.0
	o Microsoft Outlook	9.0
	Microsoft Proxy client	2.0
	NAI VirusScan NT	4.0.3a

	Windows Media Player	7.01
Donna Frampton	Windows 95	4.00.9
Pentium 166	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Microsoft Access	8.04
	o Microsoft Outlook	8.0
Zhongqi Shao	Windows 95	4.00.9
Pentium 166	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Outlook	8.04
	Netscape	4.75
Richard Abel	Windows 95	4.00.9
Pentium 166	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Microsoft Outlook	8.0
Robert Heft	Windows 95	
Pentium 166	IntraNW Client	
	Microsoft office	95
	o Microsoft Word	
	o Microsoft Excel	
	o Microsoft Power Point	
	o Microsoft Access	
	Windows Messaging	4.0
Graphics	Mac OS	7.5.3u
Powermac	Ram Doubler	1.6.2
	NW Client	5.11
	Microsoft office	4.2.1

o Microsoft Word	6.0.1
o Microsoft Excel	5.0a
o Microsoft Power Point	4.0
Microsoft mail	3.5
Netscape	3.01
Adobe Acrobat	3.0
Adobe Persuasion	3.0
Canvas	3.5.4
Canvas	5.0.1
Dos-Namer FAT	1.7.3
File Maker Pro	2.1
Jpeg viewer	3.3
Kaleidagraph	3.0
Adobe Photoshop	2.0.1
Image assistant	1.10
Omnipage Pro	2.1
Sigma Plot	4.16
Stuffit Deluxe	4.0
Mac Draw II	1.0v1

Schedule 2.1 (a) IBEX Canadian Fixed Assets Being Transferred to BioMarin

Research Asset	Identifier (If Any)	Locati
Container azote and cells	509930789679 - Thermoline	5485 P
Freezer REVCO ult-1375-7aba -70 degrees C	P25d-160738-pd	5485 P
Freezer REVCO ult-2586-9-a1470 degrees C	vo1g-343994-ug	5485 P
Cryogran Peletizer		IQF Cr
Biosepra - Chromatography Columns/Resins		BASF
Pharmacia - Chromatography Columns/Resins		BASF

Computer/Software Asset		
User	Software	Versio
Richard Broughton Pentium II 233	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Access	97SR2b
	o Microsoft Outlook	8.04
	Netscape	4.75
	Sigma Plot	4.0
Bernhard Eggiman Pentium 200	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Access	97SR2b
	o Outlook	8.04
	Internet Explorer	5.00 S
	Netscape	4.76
	Sigma Plot	4.0
Elizabeth Denholm Pentium 166	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Outlook	8.04
	Internet Explorer	5.00 S
	Netscape	4.76
	Sigma Plot	4.0
	Sigma Stat	2.0
	CarboDraw	1.0
	Equilibrate	1.1
Marc Pedneault Dell GX110	Windows 2000 P. SP1	5.00.2
	Internet Explorer	5.01 S
	NW Client	4.80

	Microsoft office	2000
	o Microsoft Word	9.0
	o Microsoft Excel	9.0
	o Microsoft Power Point	9.0
	o Microsoft Outlook	9.0
	Microsoft Proxy client	2.0
	NAI VirusScan NT	4.0.3a
	Windows Media Player	7.01
Donna Frampton Pentium 166	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Microsoft Access	8.04
	o Microsoft Outlook	8.0
Zhongqi Shao Pentium 166	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	97SR2b
	o Microsoft Excel	97SR2b
	o Microsoft Power Point	97SR2b
	o Microsoft Outlook	8.04
	Netscape	4.75
Richard Abel Pentium 166	Windows 95	4.00.9
	IntraNW Client	3.2.0.
	Microsoft office	97SR2b
	o Microsoft Word	8.0b
	o Microsoft Excel	8.0e
	o Microsoft Power Point	8.0b
	o Microsoft Outlook	8.0
Robert Heft Pentium 166	Windows 95	
	IntraNW Client	
	Microsoft office	95
	o Microsoft Word	
	o Microsoft Excel	
	o Microsoft Power Point	
	o Microsoft Access	
	Windows Messaging	4.0
Graphics	Mac OS	7.5.3u

Powermac	Ram Doubler	1.6.2
	NW Client	5.11
	Microsoft office	4.2.1
	o Microsoft Word	6.0.1
	o Microsoft Excel	5.0a
	o Microsoft Power Point	4.0
	Microsoft mail	3.5
	Netscape	3.01
	Adobe Acrobat	3.0
	Adobe Persuasion	3.0
	Canvas	3.5.4
	Canvas	5.0.1
	Dos-Namer FAT	1.7.3
	File Maker Pro	2.1
	Jpeg viewer	3.3
	Kaleidagraph	3.0
	Adobe Photoshop	2.0.1
	Image assistant	1.10
	Omnipage Pro	2.1
	Sigma Plot	4.16
	Stuffit Deluxe	4.0
	Mac Draw II	1.0v1

Schedule 2.1 (b) - IBEX Pharma Canadian Contracts, Permits and Licenses

TYPE OF CONTRACT	COMPANY NAME	COMPANY ADDRESS	EFFECTIVE DATE or
Vehicle Lease	GMAC Leaseco	C/o Pitcher & Doyle Services PO Box 1200, Etobicoke, ON M9C 4V5	May 2001

Licensing Agreements	MIT-Assignment of "Retained Marketing Rights" under Technology Transfer and Marketing Agreement" dated December 11, 1996		
CABG-IND	HPB	Ottawa	IND # 60148
PCI-IND	HPB	Ottawa	IND # 65006

Schedule 2.1 (c) IBEX Pharma Canadian Inventory

NB: With the exception of Heparinase I (Dx grade) this Schedule represents 80% of the IBEX invent of all non-cGMP inventory. There is no cGMP material belonging to the Canadian companies (all cG material belongs to IBEX Technologies Corp.).

NB: Activity, and values derived therefrom, were valid at at time produced. Various lots may have all of initial activity.

Production t-Chondroitinase AC Inventory

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	Conc. (mg/mL)	Protein Total (mg)
tCHAC 25aug95	20	10	875	175000	4.3	860
	10	16	875	140000	4.3	688
tCHAC 21aug95	20	11	950	209000	4.30	946
	10	8	950	76000	4.30	344

Production t-Chondroitinase B Inventory

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	Conc. (mg/mL)	Protein Total (mg)

	0.25	5	320	400	3.3	4.1
	0.5	3	320	480	3.3	5.0
CHB-981105	1	101	320	32320	3.3	333.3
tCHB 20mar97	0.5	0	600	0	6	0
tCHB 19sept96	1.5	26	49	1911	0.5	19.5

Production Chondroitinase B Inventory

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	Conc. (mg/mL)	Protein Total (mg)
5 july #1 1996	0.2	20	493	1972	4.6	18.4
5 july #2 1996	0.2	21	502	2108	5.00	21

Production Hep II Inventory

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	C (m
Hep II - 008	1	5	95.2	476	1

Heparinase I Inventory

STD.06 - Lot # 29912 (Ben Venue)	Oct-97	690 Vials

Production Hep III Inventory For Research Purposes

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	Co (mg
	1	27	646.9	17466	10
	49	6	646.9	190189	10
tHepIII-P11CF	59	1	646.9	38167	10
	1	28	619.4	17343	9
	31	1	619.4	19201	10
tHepIII-P10CFD	49	3	619.4	91052	10
	1	21	654	13734	10
	30	10	654	196200	10
tHepIII-P10CF	26.5	1	654	17331	10
tHepIII-P9 *****	1	20	357.6	7152	6
	0.75	22	698	11520	12
	40	0	698	0	12
tHepIII-P9CF *****	79.5	0	698	0	12
tHepIII-P8	1	10	475	4750	8.
tHepIII-HS-07	1	16	240	3840	5.
	1	40	115	4600	2.
tHepIII-P4CF-M4	0.5	34	115	1955	2.
THep3-P1	0.5	7	224	784	5
THep3-P2	1	1	263	263	5.
T5L-H3-032 withtrimeth	10	10	155	15500	2.
	8	1	155	1240	2.
T5L-H3-031/notrimeth	10	9	192	17280	3.
	5	1	192	960	3.

T5L-H3-032/5days-HA	0.5	1	228	114	
	10	0	228	0	
	1	3	228	684	
	10	0	259	0	
T5L-H3-032/2days-HA	1	7	259	1813	
	40	0	364	0	6
	25	0	364	0	6
	10	0	364	0	6
tHepIII-P4CF	5	1	364	1820	6
	1	2	364	728	6
tHepIII -CSpool 2-101296	0.5	9	75	337.5	1
	0.15	1	75	11	1
tHepIII-CSpool 1-101296 *	0.5	4	169	338	3
tHepIII-R041296 **	2	16	285	9120	
			Total:	50,209	
tHepIII STD.01***	0.25	60			

PAL Inventory

Lot #	Volume/tube (mL)	Quant	Activity (IU/mL)	Total IU	Conc. (mg/mL)	Prot
27.OCT.00	0.2	36	266.0	1915.2	53.2	3
	2.0	3	266.0	1596.0	53.2	3
	5.0	5	266.0	6650.0	53.2	13
	1.2	1	266.0	319.2	53.2	6
15.MAY.00 (Precipitated enzyme)	N/A	4	N/A	N/A	N/A	92
17.JUL.01 (Butyl purification)	12.0	9	71.7	7743.6	14.3	15

6.JUN.01 (Filtered Enzyme)	350.0	11	24.9	95865.0	5.0	19
rPAL Crystal						
18.OCT.00 (Batch "MIX")	~100	1	124.1	24820	24.8	2
06.OCT.00 (Batch "350")	~150	1	128.7	19305	25.7	3
MSEC rPAL						
11.DEC.00	~20	1	23.1	462	4.6	9
14.AUG.01	67	1	39.4	2639.8	7.9	5

PAL Fermentate Inventory

Fermentation Lot	Volume		Activity	Location	
	# Containers	L	IU/mL	Freezer	Sh
E5L-PAL-104-105	1	1.5	20	1	
E5L-PAL-108-109	2	2	20	1	
E5L-PAL-110-111	3	6	11	1	
E5L-PAL-111-112	1	2	?	1	
E5L-PAL-112-113	1	1	18	1	
E15L-PAL-007	1	3	12	1	
E15L-PAL-008	1	3	12	1	
E15L-PAL-007-008	5	12	21	1	2
B100 E15L-PAL-014	7	19	22	1	
E15L-PAL-017	6	18	16	1	
E15L-PAL-020	7	20	12	1	
E15L-PAL-021-022	10	18.5	19	2	
E15L-PAL-023-024	6	24	15	2	

Freezer 1= Freezer beside centrifuge in Common Equipment Room
Freezer 2= Stockroom Freezer
Shelf Order: Top=1

Schedule 2.1 (d) IBEX Pharma Canadian Intellectual Property

Patents

Patent Title	Number	Coun
Attenuation of Wound Healing Processes	2,194,370	Can
Chondroitin Lyase Enzymes	2,194,375	Can

Cell Lines

Enzyme	Cell Line	Number o
rPAL (E.coli):	E.coli Y1091/pIBX-7	
native Hep I (F.heparinum):	M941215.FH (Master Cell Bank)	
RHep I (F.heparinum):	F. heparinum FIBX5	
rHep I (F.heparinum):	F. heparinum undesignated (stabilized strain under development)	
rHep II (F.heparinum):	F. heparinum FIBX3	
rHep III (F.heparinum):	F. heparinum FIBX4	
rHep III (F.heparinum):	F. heparinum (FHIII-47-1) (stabilized strain)	
rChon AC (F.heparinum):	F. heparinum FIBX6	
rChon B (F.heparinum):	F. heparinum FIBX7	

Investigational New Drugs

Canadian Neutralase CABG IND	60148
Canadian Neutralase PCI IND	65006

Trade Marks	Application Number	Coun
EXTRAVASE	898,419	Can
NEUTRALASE	752,453	Can
PHENYLASE	common law mark	Can

Schedule 2.2: IBEX Pharma Canadian Assumed Liabilities

None, except in respect of severance obligations to the Therapeutic Asset Employees as set forth in Section 2.3 of the Canadian Asset Purchase Agreement.

Schedule 2.3 - IBEX Group Severance Practices

This policy will provide guidelines in determining severance allocations for IBEX employees in the case of mass layoffs due to restructuring, downsizing, mergers, or take-offers. Employees terminated for cause will not be entitled to the same benefits.

Length of service	Loi sur Normes du Travail min. (L.S.A.)	C.C.Q. (Quebec Civil Court)	IBEX Notic
> 3 mos, <1yr	1 week	2 - 5 weeks	4 wee
> 1 yr,			