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FILED

in the office of the Secretary of State
of the State of California

OCT 09 2007

**CERTIFICATE OF AMENDMENT TO
SECOND AMENDED AND RESTATED ARTICLES OF INCORPORATION OF
ARCXIS BIOTECHNOLOGIES**

The undersigned, **HOWARD D. GOLDSTEIN** and **MATTHEW B. HEMINGTON**, hereby certify that:

ONE: They are the duly elected and acting President and Chief Executive Officer and Secretary, respectively, of Arcxis Biotechnologies, a California corporation (the "**Company**").

TWO: The first and second paragraphs of Article III of the Second Amended and Restated Articles of Incorporation are hereby amended and restated to read in their entirety as follows:

"(A) **Classes of Stock.** The Corporation is authorized to issue two classes of stock to be designated, respectively, "**Common Stock**" and "**Preferred Stock**." The total number of shares which the Corporation is authorized to issue is 46,500,000 shares, each with a par value of \$0.001 per share. 29,000,000 shares shall be Common Stock and 17,500,000 shares shall be Preferred Stock.

(B) **Rights, Preferences and Restrictions of Preferred Stock.** The Preferred Stock authorized by these Second Amended and Restated Articles of Incorporation (the "**Restated Articles**") may be issued from time to time in one or more series. 8,000,000 shares of Preferred Stock shall be designated "**Series A Preferred Stock**". 9,500,000 shares of Preferred Stock shall be designated "**Series A-1 Preferred Stock**". The Series A Preferred Stock and Series A-1 Preferred Stock shall collectively be referred to hereinafter as "**Series Preferred Stock**". The rights, preferences, privileges, and restrictions granted to and imposed on the Series Preferred Stock are as set forth below in this Article III(B)."

THREE: The definition of "Additional Stock" as set forth in Article III, Section 4(d)(i)(B) of the Second Amended and Restated Articles of Incorporation shall include the following:

"(10) Convertible securities (and Preferred Stock issuable thereunder and Common Stock issuable under conversion of such Preferred Stock) issued pursuant to that certain Note and Warrant Purchase Agreement, dated on or about October 9, 2007, by and among the Company and the persons and entities whose names are set forth on the Schedule of Purchasers attached thereto, as may be amended and/or restated from time to time."

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FOUR: The foregoing amendment to the Second Amended and Restated Articles of Incorporation has been duly approved by the Board of Directors of the Company.

FIVE: The foregoing amendment to the Second Amended and Restated Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Sections 902 and 903 of the California Corporations Code. The Company has two classes of stock outstanding and such classes of stock are entitled to vote with respect to the amendment herein set forth. The total number of outstanding shares of Common Stock of the Company is four million eight hundred fifty-four thousand one hundred (4,854,100), the total number of outstanding shares of Series A Preferred is six million five hundred eighty-six thousand two hundred fifty-nine (6,586,259) and the total number of outstanding shares of Series A-1 Preferred is four million six hundred six thousand seven hundred thirty-nine (4,606,739). The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was (i) more than fifty percent (50%) of the outstanding Common Stock and Preferred Stock voting together as a single class, (ii) more than fifty percent (50%) of the outstanding Preferred Stock voting together as a single class, (iii) more than fifty percent (50%) of the outstanding Series A Preferred Stock voting together as a single class and (iv) more than fifty percent (50%) of the outstanding Series A-1 Preferred Stock voting together as a single class.

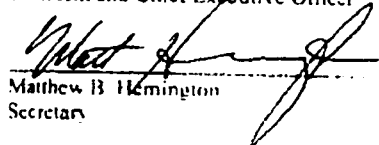
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The undersigned, Howard D. Goldstein and Matthew B. Hemington, the President and Chief Executive Officer and Secretary, respectively, of Arcxis Biotechnologies, declare under penalty of perjury under the laws of the State of California that the matters set out in the foregoing certificate are true of their own knowledge

Executed at Pleasanton, California on October 8, 2006



Howard D. Goldstein
President and Chief Executive Officer



Matthew B. Hemington
Secretary