

CONVERTIBLE NOTE PURCHASE AGREEMENT

This Convertible Note Purchase Agreement is made on May 14, 2009 (the "Execution Date"), by and among [REDACTED] Pharm Corp., a Delaware corporation (the "Company"), [REDACTED] Pharm Laboratories Inc., a New Jersey corporation ("Labs"), [REDACTED] se [REDACTED] as, a Greek citizen ("Lavidas"), and [REDACTED] pic [REDACTED] nts Inc., a Marshall Islands corporation (the "Investor").

WHEREAS, the Company has requested to borrow, and the Investor is willing, upon the terms and conditions set forth in this Agreement, to lend to the Company, up to \$18,500,000 to reduce certain loan obligations and to provide working capital for the Company pursuant to a 15% Convertible Note substantially in the form attached hereto as Exhibit A (the "Note"); and

WHEREAS, the Board of Directors of the Company, and the Board of Directors of Labs, respectively, have determined that this Agreement and the transactions hereby contemplated are in the best interest of the Company and Labs, as the case may be; and

WHEREAS, Labs has agreed to be a party to this Agreement to the extent set forth herein; and

WHEREAS, Lavidas has agreed to be a party to this Agreement in a limited capacity; and

WHEREAS, all parties acknowledge the importance of Lavidas to the business of the Company and Labs, and the fact that Lavidas is such a "key person" to the Company and Labs was instrumental in inducing the Investor to enter into this Agreement and the transactions contemplated hereby,

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company, Labs, Lavidas and the Investor, intending to be legally bound, agree as follows (capitalized terms used herein have the meanings given to them in Annex A hereto or, if not defined therein, in the Note):

1. Sale and Purchase of the Note; Working Capital Facility.

1.1 Issuance of the Note; Working Capital Facility. (a) Subject to the terms and conditions of this Agreement, and in reliance on the representations and warranties set forth or referred to herein, the Company hereby agrees to issue, sell and deliver to the Investor, and the Investor agrees to purchase and acquire from the Company, on or before the Closing Date, the Note in the original principal amount set forth in Schedule 1 of the Note (the "Initial Advance") and to lend to the Borrower from time to time on any Business Day prior to the end of the fifteenth (15th) month from the Execution Date, Additional Advances, including those that have been provided prior to the Execution Date as referenced in Section 1.1(iii)(B), provided that the sum of the Initial Advance plus the aggregate amount of all Additional Advances shall not exceed EIGHTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$18,500,000.00). The Company shall use the proceeds of the Loan as follows: