

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

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

Date of Report (Date of earliest event reported): **December 27, 2017**

**JAGUAR HEALTH, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**001-36714**

(Commission File Number)

**46-2956775**

(IRS Employer Identification No.)

**201 Mission Street, Suite 2375**

**San Francisco, California**

(Address of principal executive offices)

**94105**

(Zip Code)

Registrant's telephone number, including area code: **(415) 371-8300**

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement.**

*First Amendment to Note Purchase Agreement and Notes*

On December 29, 2017, Napo Pharmaceuticals, Inc. ("Napo"), a wholly-owned subsidiary of Jaguar Health, Inc. (the "Company"), entered into an amendment (the "First Amendment") to the Note Purchase Agreement and Notes (each as defined below) with each of the purchasers (the "Purchasers") party to the Note Purchase Agreement, dated March 1, 2017, by and among the Napo and the Purchasers (as amended, the "Note Purchase Agreement"). In connection with the First Amendment, Napo amended the original issue discount exchangeable promissory notes previously issued to the Purchasers on March 1, 2017 (the "First Tranche Notes") and April 27, 2017 (the "Second Tranche Notes" and together with the First Tranche Notes, the "Notes") pursuant to the Note Purchase Agreement to, among other things, (a) increase the principal amount outstanding under the First Tranche Notes and the Second Tranche Notes by twelve percent (12%), (b) lower the price at which the Notes are exchangeable for shares (the "Exchange Shares") of the Company's common stock (the "Common Stock") from \$0.56 per share to \$0.20 per share, and (c) extend the maturity date of the First Tranche Notes from December 1, 2017 to February 15, 2018 and the Second Tranche Notes from January 27, 2018 to April 1, 2018.

In connection with the First Amendment, the Company also issued 2,492,084 shares (the "Shares") of Common Stock to the Purchasers as repayment of \$299,050.08 principal amount of the First Tranche Notes. Following such repayment and the 12% increase to the outstanding balance of the Notes described above, \$435,949.92 and \$735,000.00 principal amount remain outstanding under the First Tranche Notes and Second Tranche Notes, respectively.

The Notes and the Shares were offered and sold pursuant to an exemption from the registration requirements of the Securities Act pursuant to Section 4(a) (2) of the Securities Act and/or Regulation D promulgated thereunder.

The Note Purchase Agreement includes a blocker provision that prevents the issuance of Exchange Shares if such issuance, when aggregated with prior issuances of Exchange Shares under the Note Purchase Agreement, would violate NASDAQ Listing Rule 5635, unless stockholder approval is first obtained by the Company. Pursuant to the terms of the Note Purchase Agreement, the Company is required to file a registration statement to register the resale of the Exchange Shares on or before January 31, 2018.

The form of Note and the Note Purchase Agreement are filed as Exhibits 4.1 and 10.1, respectively, to this Current Report on Form 8-K, and such documents are incorporated herein by reference. The foregoing is only a brief description of the material terms of the Notes and the Securities Purchase Agreement, does not purport to be a complete description of the rights and obligations of the parties thereunder and is qualified in its entirety by reference to such exhibits.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 2.03 in its entirety.

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

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 3.02 in its entirety.

**Item 8.01 Other Events.**

On December 27, 2017, the Company delivered a notice to L2 Capital, LLC ("L2 Capital") of its decision to exercise the option to increase the number of shares of Common Stock available for issuance under the Company's previously announced equity line of credit from 10,000,000 shares to 17,808,142 shares of Common Stock at a fixed price of \$0.52 per share (or such other price agreed upon between the Company and L2 Capital) (the "Upsize Option"). In consideration for the Company's exercise of the Upsize Option, the Company issued 1,000,000 shares of Common Stock to L2 Capital as a commitment fee.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
4.1	<a href="#">Form of First Amended Original Issue Discount Exchangeable Promissory Note.</a>
10.1	<a href="#">First Amendment to the Note Purchase Agreement and Notes, dated December 29, 2017, by and among Jaguar Health, Inc. and the purchasers named therein.</a>

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**SIGNATURES**

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

**JAGUAR HEALTH, INC.**

By: /s/ Karen S. Wright  
Name: Karen S. Wright  
Title: Chief Financial Officer

Date: January 2, 2018

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THE SECURITIES OF THE COMPANY OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), IN RELIANCE UPON REGULATION D PROMULGATED UNDER THE ACT, AND THE SECURITIES OFFERED HEREBY HAVE NOT BEEN QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS IN THE STATES WHERE THIS OFFERING IS MADE. THEREFORE, THE SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE ACT OR QUALIFICATION UNDER SUCH STATE SECURITIES LAWS OR AN OPINION OF COUNSEL THAT SUCH REGISTRATION AND QUALIFICATION IS NOT REQUIRED. THESE SECURITIES MAY BE SUBJECT TO ADDITIONAL RESTRICTIONS PURSUANT TO EXEMPTIONS IN THE VARIOUS STATES WHERE THEY ARE BEING SOLD.

THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER SET FORTH IN THE PURCHASE AGREEMENT (AS DEFINED HEREIN) BY AND BETWEEN THE ORIGINAL HOLDER HEREOF AND THE COMPANY WHICH MAY BE OBTAINED UPON REQUEST.

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTION 1271 ET SEQ. OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. PURSUANT TO TREASURY REGULATION SECTION 1.1275-3, A HOLDER MAY OBTAIN THE ISSUE PRICE, AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE DATE, AND YIELD TO MATURITY FOR THIS NOTE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO THE ISSUERS AT THE FOLLOWING ADDRESS: 201 MISSION STREET, SUITE 2375, SAN FRANCISCO, CA 94105, ATTENTION: CHIEF EXECUTIVE OFFICER.

Original Issue Date: [            ], 2017

Principal Amount: \$[            ]  
Purchase Price: \$[            ]

**FIRST AMENDED ORIGINAL ISSUE DISCOUNT  
EXCHANGEABLE PROMISSORY NOTE DUE [            ], 2018**

Napo Pharmaceuticals, Inc., a Delaware corporation (the "Company"), for value received, hereby promises to pay to [            ] (the "Holder"), the principal sum of [            ] Dollars (\$[            ]) with interest as provided below. This First Amended Original Issue Discount Exchangeable Promissory Note (this "Note") is being issued as of [            ], 2017 (the "Effective Date") pursuant to that certain Note Purchase Agreement dated [            ], 2017 between the Company and the parties identified therein (as amended, the "Purchase Agreement"). This Note constitutes an amendment and substitution for that certain Original Issue Discount Exchangeable Promissory Note dated as of [            ], 2017 in the aggregate principal amount of \$[            ] executed by the Company and made payable to the order of the Holder (the "Original Note"). The indebtedness evidenced by the Original Note, as reduced to the amount provided in this Note, is continuing indebtedness evidenced hereby, and nothing herein shall be deemed to constitute a payment, settlement or novation of the Original Note,

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or to release or otherwise adversely affect any lien, mortgage or security interest securing such indebtedness or any rights of the Holder against any guarantor, surety or other party primarily or secondarily liable for such indebtedness. Capitalized terms used but not defined herein shall have the meanings assigned thereto in the Purchase Agreement.

1. Payment

(a) Payments to Holder. The Company shall make payments hereunder to the Holder, at the address provided to the Company by the Holder in writing, in lawful money of the United States of America.

(b) Interest. The Company promises to pay interest on the unpaid principal amount hereof from the Effective Date until paid in full at a rate per annum equal to three percent (3%). Accrued and unpaid interest hereunder shall be paid on the Maturity Date, at the Company's election, either (x) in cash or (y) in shares of Jaguar Common Stock as determined in the following sentence, provided that if Jaguar Common Stock is (i) neither listed on Nasdaq or the Bulletin Board or (ii) not registered under the Securities Act as of the date due for any applicable interest payment, the Company shall be required to pay such interest due in cash. The number of shares of Jaguar Common Stock issued to the Holder pursuant to this Section 1(b) shall be determined by dividing the amount of interest then due to such Holder by the Jaguar Average Closing Price with such interest payment due date as the Valuation Date (rounded down to the nearest whole share). All computations of interest shall be made on the basis of a 365 or 366 day year, as applicable, for the actual number of days elapsed in the relevant period. In no event shall the interest rate payable on this Note exceed the maximum rate of interest permitted to be charged under applicable law.

(c) Prepayment. Except in connection with a Change of Control, Merger, occurrence of the Merger Termination Date or Event of Default, the Company may not at any time prepay the principal or any accrued and unpaid interest of this Note in whole or in part, without the prior written consent of the Required Purchasers; provided, however, that in connection with any prepayment permitted hereunder, the Company shall give reasonable advance notice of such prepayment to the Purchaser. Unless otherwise set forth herein, all permitted prepayments of this Note will be applied first to unpaid interest and then to principal. For purposes of this Note, a "Change of Control" means: (i) the merger, consolidation or other business combination of Jaguar with any entity in which the stockholders of Jaguar immediately prior to such transaction in the aggregate cease to own at least 50% of the voting power of the voting securities of the entity surviving or resulting from such transaction (or the ultimate parent thereof), (ii) the sale, transfer, lease, assignment or other disposal of all or substantially all of the assets of Jaguar or (iii) any transaction or series of transactions in which more than 50% of the voting power of Jaguar's voting securities is transferred to any person or group other than pursuant to a transaction or series of transaction primarily for capital raising purposes.

(d) Maturity Date. Unless this Note is terminated earlier in accordance with the terms hereof, the maturity date for this Note shall be [            ], 2018 at which time the Holder shall receive payment in full of the outstanding principal and interest of this Note (such date, the "Maturity Date"). Unless earlier repaid or exchanged in accordance with the terms hereof, the outstanding principal amount and all accrued and unpaid interest under this Note shall be paid in full on the Maturity Date.

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2. Default and Remedies

- (a) The occurrence of any one or more of the following shall constitute an “Event of Default” hereunder:
- (i) The Company fails to repay the principal or interest on this Note within five (5) business days following the due date thereof.
  - (ii) The Company fails to deliver the Initial Exchange Shares within three (3) Trading Days after receiving a notice of exchange as provided in Section 3 below.
  - (iii) The Company makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a receiver of or for the major part of its properties.
  - (iv) A trustee or receiver is appointed for the Company or for a material part of its properties and the order of such appointment is not discharged, vacated or stayed within ninety (90) days after such appointment.
  - (v) Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy or similar Laws or Laws for the relief of debtors, are instituted by or against the Company and, if so instituted, are consented to by the Company, or, if contested, are not dismissed by the adverse parties or by an order, decree or judgment within ninety (90) days after such institution.
  - (vi) Jaguar Common Stock ceases to trade on either Nasdaq or the Bulletin Board.
  - (vii) The occurrence of a default under any material agreement of the Company.

(b) If any Event of Default occurs under Sections 2(a)(i), 2(a)(ii), or 2(a)(vi), the Required Purchasers may declare the entire outstanding principal amount of the Notes and all accrued but unpaid interest thereon and all other payments payable on the Notes to be forthwith due and payable in cash immediately, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Company, to the fullest extent permitted by applicable law. If an Event of Default specified in Sections 2(a)(iii), 2(a)(iv) or 2(a)(v) occurs and is continuing, then the outstanding principal balance, accrued interest thereon and all other payments payable hereunder shall become and be immediately due and payable in cash without any declaration or other act on the part of the Holder or the Requisite Investors. The Requisite Investors by notice to the Company may rescind an acceleration and its consequences. No such rescission shall affect any subsequent default or impair any right thereto. Notwithstanding anything to the contrary set forth herein, in no event will any right or remedy conferred to the Holder under this Section 2(b) be exercised prior to the earliest of (i) July 1, 2017, or (ii) the consummation of the Merger.

(c) No right, power or remedy conferred hereby or now or hereafter available at law, in equity, by statute or otherwise shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise, but all rights, powers and remedies of the Holder shall be cumulative and not alternative.

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### 3. Exchange.

(a) Subject to Section 5.6 of the Purchase Agreement, the Holder may, at any time prior to the Maturity Date and subsequent to the earlier of the Merger Effective Date or the Merger Termination Date, exchange this Note for the number of Initial Exchange Shares equal to the quotient obtained by dividing (i) the outstanding principal balance of this Note plus all accrued and unpaid interest thereon by (ii) the Conversion Price. The Holder shall provide written notice to the Company, which shall be obligated to exchange this Note for such Initial Exchange Shares within three (3) Trading Days after the receipt of the notice.

(b) Subject to the conditions set forth in the following sentence and Section 5.6 of the Purchase Agreement, the Holder shall, at any time prior to the Maturity Date, exchange this Note for the number of Initial Exchange Shares equal to the quotient obtained by dividing (x) the outstanding principal balance of this Note plus all accrued and unpaid interest thereon by (y) the Conversion Price. The Holder’s obligation to exchange this Note is conditioned upon (i) either the Merger Effective Date or the Merger Termination Date having occurred, (ii) a registration statement, in accordance with Section 4.13 of the Purchase Agreement, being effective, and (iii) shares of common stock to be issued under the Merger Agreement must have a closing sale price in excess of \$1.00 as reported on its principal trading market for the immediately preceding 10 Trading Days (excluding any Trading Day during which the daily volume is less than 50,000 shares of shares of common stock to be issued under the Merger Agreement).

4. Tax Information Statements. Napo shall use commercially reasonable efforts to provide the Holder of this Note with information as may be necessary for the Holder to satisfy U.S. federal income tax obligations, including without limitation I.R.S. Form 1099-OID.

5. [Reserved]

6. Amendment Provisions. This Note may not be amended or modified, nor may any of its terms be waived, except by written instruments signed by the Company, the Required Purchasers and, prior to the Merger, Nantucket, and then only to the extent set forth therein.

7. Severability. If any provision of this Note is determined to be invalid, illegal or unenforceable, in whole or in part, the validity, legality and enforceability of any of the remaining provisions of this Note shall not in any way be affected or impaired thereby and this Note shall nevertheless be binding between the Company and the Holder.

8. Successors and Assigns. This Note shall be binding upon, and shall inure to the benefit of, the Company and the Holder thereof and their respective permitted successors and assigns. The Company may not assign any of its rights or obligations hereunder or under any Transaction Document without the prior written consent of the Required Purchasers. Holder (or its transferees and/or assigns) may assign any rights and/or delegate any obligations hereunder or under any Transaction Document to an Affiliate but not to any other third party without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed), provided that any such assignee agrees in writing to be subject to the terms of the NDA.

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9. No Notice. Except as expressly forth herein, the Company hereby waives notice of default, presentment or demand for prepayment, protest or notice of nonpayment of dishonor and all other notices or demands relative to this instrument.

10. No Waiver. The failure in any one or more instances of a party to insist upon performance of any of the terms, covenants or conditions of this Note or to exercise any right or privilege conferred hereby, or the waiver by said party of any breach of any of the terms, covenants or conditions of this Note shall not be construed as a subsequent waiver of any such terms, covenants, conditions, rights or privileges, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

11. Time of the Essence. Time is of the essence with respect to all obligations hereunder.

12. No Usury. If any provision of this Note would require the Company to pay interest hereunder at a rate exceeding the maximum rate permitted by applicable law, the Company shall instead pay interest on the outstanding principal balance of this Note at the maximum rate permitted by applicable law.

13. Business Days; Holidays. If payment hereunder becomes due and payable on a Saturday, Sunday or legal holiday under the laws of the United States or the State of Illinois, the due date thereof shall be extended to the next succeeding business day.

14. Governing Law. This Note shall be governed and controlled by the internal Laws of the State of Delaware as to interpretation, enforcement, validity, construction and effect and in all other respects, including, without limitation, the legality of the interest rate and other charges.

15. Notices. All notices required or permitted to be given hereunder shall be in writing and may be delivered in accordance with Section 7.2 of the Purchase Agreement.

16. Expenses of Enforcement. The Company shall pay on demand all expenses of the Holder (including reasonable attorney's fees) incurred in connection with the Holder's enforcement of its rights and remedies arising under the Transaction Documents.

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IN WITNESS WHEREOF, the Company has duly caused this First Amended Original Issue Discount Exchangeable Promissory Note to be signed in its name and on its behalf by its duly authorized officer as of the Effective Date first written above.

**NAPO PHARMACEUTICALS, INC.**

By:

Name: Lisa A. Conte

Its: Chief Executive Officer

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**FIRST AMENDMENT TO  
NOTE PURCHASE AGREEMENT AND NOTES**

This FIRST AMENDMENT TO NOTE PURCHASE AGREEMENT AND NOTES (this "Amendment"), dated as of December 29, 2017, by and among Napo Pharmaceuticals, Inc., a Delaware Corporation ("Napo" or the "Company") and each party identified on the signature pages hereto as a purchaser of the Notes (as defined below) pursuant to the Note Purchase Agreement (as defined below) (collectively, the "Purchasers" and each, a "Purchaser").

**WITNESSETH:**

WHEREAS, the Company and the Purchasers are parties to that certain Note Purchase Agreement dated as of March 1, 2017 (the "Note Purchase Agreement"), pursuant to which the Company issued \$1,312,500 in aggregate principal amount of Original Issue Discount Exchangeable Promissory Notes to the Purchasers at a purchase price of \$1,050,000 (collectively, the "Original Notes").

NOW, THEREFORE, in consideration of the premises and the mutual covenants, representations, warranties and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Note Purchase Agreement.

2. **Amendments to Note Purchase Agreement.**

a. Section 1.1 of the Note Purchase Agreement is hereby amended by deleting the definitions of "Initial Exchange Shares" and "Subsequent Exchange Shares" in their entirety and substituting with the following:

"Conversion Price" means \$0.20 per share, to be appropriately adjusted for any share dividend, share split, share combination, reclassification or similar transaction that proportionately decreases or increases the Jaguar Common Stock.

"Initial Exchange Shares" means the shares of Jaguar Common Stock issuable upon exchange of the Notes issued at the Initial Closing, which shall be determined by dividing (x) the outstanding principal amount of Notes issued at the Initial Closing plus accrued and unpaid interest thereon by (y) the Conversion Price.

"Redemption Shares" means 2,492,084 shares of Jaguar Common Stock issued on December 29, 2017 as partial redemption of the Notes issued at the Initial Closing.

"Subsequent Exchange Shares" means the shares of Jaguar Common Stock issuable upon exchange of the Notes issued at the Subsequent Closing, which shall be determined by dividing (x) the outstanding principal amount of Notes issued at the Subsequent Closing plus accrued and unpaid interest thereon by (y) the Conversion Price; provided,

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however, that such term means 866,071 shares of Jaguar Common Stock on an as-exchanged basis (to be appropriately adjusted for any share dividend, share split, share combination, reclassification or similar transaction that proportionately decreases or increases the Jaguar Common Stock) upon the occurrence of the Merger Termination Date.

b. Section 2.2 of the Note Purchase Agreement is hereby amended by deleting Section 2.2 in its entirety and replacing with the following:

"2.2 Initial Closing. Subject to the terms and conditions set forth herein, at the Initial Closing (as defined below), Napo shall sell to the Purchasers, and the Purchasers shall (severally, and not jointly) purchase from Napo, Notes having an aggregate original principal amount of Four Hundred Thirty Five Thousand Nine Hundred Forty Nine Dollars and Ninety Two Cents (\$435,949.92) to be allocated as set forth on Exhibit B attached hereto for an aggregate purchase price of Five Hundred Twenty Five Thousand Dollars (\$525,000), which shall be payable by wire transfer of immediately available funds. The initial closing of the transactions contemplated hereunder (the "Initial Closing") shall take place simultaneously with the execution and delivery hereof at the offices of Reed Smith LLP, 101 Second Street, Suite 1800, San Francisco, CA 94105 or such other date and place as may be mutually agreed to in writing by the parties. At the Initial Closing, the applicable parties thereto will enter into the other Transaction Documents.

c. Section 2.3 of the Note Purchase Agreement is hereby amended by deleting Section 4.13 in its entirety and replacing with the following:

"2.3 Subsequent Closing. Following the Initial Closing, each Purchaser shall (severally, and not jointly) purchase its Pro Rata Portion of additional Notes with an aggregate original principal amount of Seven Hundred Thirty Five Thousand Dollars (\$735,000) for an aggregate purchase price of Five Hundred Twenty Five Thousand Dollars (\$525,000) subject to the terms and conditions of such purchase being mutually satisfactory to the Company and the Purchasers and that in no event shall, after giving effect to any such sale, the aggregate outstanding original principal amount of all Notes exceed the Maximum Principal Amount (the "Subsequent Closing"), and provided further that each Purchaser shall be offered terms in respect of its participation in Subsequent Closing(s) which are at least as favorable as the terms applicable to any other purchaser (a "Subsequent Purchaser") in the Subsequent Closing. Following such Subsequent Closing, Exhibit B hereto shall be amended to include the Notes purchased by the applicable Purchasers at such Subsequent Closing. The Subsequent Closing shall be on a date mutually satisfactory to the Company and the Purchasers; provided, however, such date shall take place no later than the earlier of the Merger Effective Date or the Merger Termination Date."

d. Section 4.13 of the Note Purchase Agreement is hereby amended by deleting Section 4.13 in its entirety and replacing with the following:

"4.13. Registration of Exchange Shares. Consistent with the terms set forth in Annex II to this Agreement, Napo shall cause Jaguar to register the maximum number of Initial Exchange Shares and Subsequent Exchange Shares with the SEC."

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e. Section 5 of the Note Purchase Agreement is hereby amended as follows:

i. Deleting Section 5.5 in its entirety and replacing with the following:

“5.5. [Reserved].”

ii. Adding the following as Section 5.6 of the Note Purchase Agreement:

“5.6 Compliance with Nasdaq Rules. Notwithstanding anything in this Agreement to the contrary, the total number of shares of Jaguar Common Stock that may be issued under this Agreement shall be limited to 13,533,360 shares (the “Exchange Cap”), which equals 19.99% of the Company’s outstanding shares of Jaguar Common Stock as of July 31, 2017, unless stockholder approval is obtained to issue more than such 19.99%. The Exchange Cap shall be appropriately adjusted for any stock dividend, stock split, reverse stock split or similar transaction. The foregoing limitation shall not apply if stockholder approval has not been obtained and at any time the Exchange Cap is reached and at all times thereafter the average price paid for all shares of Jaguar Common Stock issued under this Agreement is equal to or greater than \$0.56 (the “Minimum Price”), a price equal to the last closing trade price for Jaguar Common Stock on Nasdaq on July 31, 2017 (in such circumstance, for purposes of Nasdaq, the transaction contemplated hereby would not be “below market” and the Exchange Cap would not apply). Notwithstanding the foregoing, the Company shall not be required or permitted to issue, and the Purchasers will not be permitted to exchange the Notes for, any shares of Jaguar Common Stock under this Agreement if such issuance would violate the rules or regulations of Nasdaq.”

f. Section 7.5 of the Note Purchase Agreement is hereby amended by deleting the third sentence thereto and replacing with the following:

“Any waiver, permit, consent or approval of any kind or character on the part of the Purchasers of any breach or default under this Agreement or any such waiver of any provision or condition of this Agreement must be in writing by the Required Purchasers, Napo and, prior to the Merger, Nantucket and shall be effective only to the extent in such writing specifically set forth.”

g. Exhibit B of the Note Purchase Agreement is hereby amended by deleting Exhibit B in its entirety and substituting with the following:

**EXHIBIT B**

**ALLOCATION OF NOTES**

<u>Purchaser</u>	<u>Notes</u>	<u>Aggregate Purchase Price</u>
<b><u>Initial Closing</u></b>		
MEF I, LP	\$ 217,974.96	\$ 262,500
Riverside Merchant Partners LLC	\$ 217,974.96	\$ 262,500
<b><u>Subsequent Closing</u></b>		
Riverside Merchant Partners LLC	\$ 367,500.00	\$ 262,500
MEF I, LP	\$ 367,500.00	\$ 262,500
<b>TOTAL</b>	<b>\$ 1,170,949.92</b>	<b>\$ 1,050,000</b>

h. Section 1.1 of ANNEX II of the Note Purchase Agreement is hereby amended by deleting Section 1.1 in its entirety and substituting with the following:

“1.1 No later than January 31, 2018 (the “Filing Date”), the Company shall prepare and submit to the Securities and Exchange Commission (the “Commission”), a

Registration Statement on Form S-3 (or such other form available) covering the public resale of the Registrable Securities and shall cause such Registration Statement to be filed by the Filing Date for such Registration Statement and use reasonable best efforts to have the Registration Statement declared effective under the Act as soon as possible thereafter (the “Effectiveness Date”). The Company shall use its reasonable best efforts to keep such Registration Statement continuously effective under the Act during the entire Effectiveness Period.”

i. Section 1.6 of ANNEX II of the Note Purchase Agreement is hereby amended by deleting the definition of “Registrable Securities” in its entirety and substituting with the following:

““Registrable Securities” means: (i) the shares issuable upon exchange of the Notes, (ii) the Redemption Shares, and (iii) any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event, or any price adjustment as a result of such stock splits, reverse stock splits or similar events with respect to any of the securities referenced in (i) or (ii).”

3. **Amendments to the Original Notes**.

a. The Original Notes are hereby amended such that they shall be in the forms attached hereto as Exhibits A-1, A-2, A-3 and A-4 (such Original Notes as amended, the “Amended Notes”).

b. The Purchasers shall exchange the Original Notes in consideration for the Amended Notes. Upon the execution of this Amendment by the Company and the Purchasers, the Purchasers shall send (i) the Original Notes to the Company’s principal address set forth in Section 7.2 of the Note Purchase Agreement. Promptly upon receipt thereof, the Company shall deliver the Amended Notes to the Purchasers at the addresses set forth on the signature pages of the Note Purchase Agreement.

4. **Conditions to Effectiveness.** This Amendment shall become effective when executed and delivered by each of the parties hereto.
5. **Ratifications.** Except as expressly modified and superseded by this Amendment as set forth in Section 2 hereof, the terms and provisions of the Note Purchase Agreement are ratified and confirmed and shall continue in full force and effect.
6. **Severability.** Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.
7. **APPLICABLE LAW.** THIS AMENDMENT AND ALL OTHER DOCUMENTS EXECUTED PURSUANT HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE.

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8. **Counterparts.** This Amendment may be executed and delivered in any number of counterparts, and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. Execution of this Amendment via facsimile or other electronic transmission (e.g., .pdf) shall be effective, and signatures received via facsimile or other electronic transmission shall be binding upon the parties hereto and shall be effective as originals.

9. **Headings.** The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

*[Remainder of Page Intentionally Left Blank; Signature Pages Follow]*

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment as of the day and year first above written.

**COMPANY:**

**NAPO PHARMACEUTICALS, INC.**

By: /s/ Lisa A. Conte  
Name: Lisa A. Conte  
Title: Chief Executive Officer

**PURCHASERS:**

**MEF I, LP**

By: Magna GP LLC, in its capacity as General Partner

By: /s/ Joshua Sason  
Name: Joshua Sason  
Title: Managing Member

Address:

40 Wall Street  
58<sup>th</sup> Floor  
New York, New York 10005

**RIVERSIDE MERCHANT PARTNERS**

By: /s/ Matthew Kern  
Name: Matthew Kern  
Title: Chief Financial Officer

Address:

125 Jericho Turnpike, Suite 504  
Jericho, New York 11753

*[Signature Page to Third Amendment to Note Purchase Agreement]*

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