

REGISTRATION NO. 333-178307
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NUMBER 5

TO THE
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

CHANTICLEER HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

8742

(Primary Standard Industrial
Classification Code Number)

20-2932652

(I.R.S. Employer
Identification No.)

**11220 Elm Lane, Suite 203
Charlotte, NC 28277
(704) 366-5122**

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive officers)

**Michael D. Pruitt
Chief Executive Officer
11220 Elm Lane, Suite 203
Charlotte, NC 28277
(704) 366-5122**

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copies to:

**Joel D. Mayersohn, Esq.
Clint J. Gage, Esq.
Roetzel & Andress
350 East Las Olas Blvd., Ste. 1150
Fort Lauderdale, FL 33301
(954) 462-4150**

**Bruce C. Rosetto, Esq.
Greenburg Traurig, P.A.
5100 Town Center Circle, Suite 400
Boca Raton, FL 33486
(561) 955-7600**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

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, check the following box.

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 this Form is a post-effective amendment filed pursuant to Rule 462(d) 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.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer
(Do not check if a smaller reporting company)

Accelerated filer
Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of Securities to be Registered (1)	Amount to be Registered	Proposed Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Units, each consisting of: (2)	5,750,000	3.00	\$ 17,250,000	\$ 1,976.85
(i) one share of common stock; and	5,750,000	—	—	—
(ii) one warrant to purchase one share of common stock; and	5,750,000	—	—	—
Shares of common stock issuable upon exercise of the warrants (2)	5,750,000	\$ 3.25	\$ 18,687,500	\$ 2,141.59
Total			\$ 35,937,500	\$ 4,118.44(3)

(1) Offering price computed in accordance with Rule 457(g).

(2) Includes 750,000 units which would be issued, or issuable, upon exercise of the underwriter's over-allotment option.

(3) Previously paid.

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 of 1933, as amended, 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.

EXPLANATORY NOTE

This pre-effective amendment is being filed solely to file the Form of Warrant Agency Agreement and the Warrant Certificate, included therein, the Form of Unit Agency Agreement and the Unit Certificate included therein and the Opinion of Roetzel & Andress, LPA and its related consent.

PART II

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

The following exhibits are included herein or incorporated herein by reference:

Exhibit Number	Description
1.1	Form of Underwriting Agreement (1)
3.1(a)	Certificate of Incorporation (2)
3.1(b)	Certificate of Merger, filed May 2, 2005 (3)
3.1(c)	Certificate of Amendment, filed July 16, 2008
3.1(d)	Certificate of Amendment, filed March 18, 2011 (4)
3.1(e)	Certificate of Amendment filed May 22, 2012 (5)
3.2	Bylaws (2)
4.1	Form of Common Stock Certificate (6)
4.2	Form of Unit Certificate *
4.3	Form of Warrant Certificate included in Exhibit 4.4 *
4.4	Form of Warrant Agency Agreement *
4.5	Form of Unit Agency Agreement *
5.1	Legal opinion of Counsel *
10.1	Revolving Credit Facility dated August 10, 2011 between the Company and Paragon Commercial Bank (6)
10.2	Form of Franchise Agreement between the Company and Hooters of America, LLC (6)
21	Subsidiaries (6)
23.1	Consent of Roetzel & Andress LPA included in Exhibit 5.1 *
23.2	Consent of Creason & Associates, P.L.L.C.

- (1) Incorporated by reference to the Registration Statement on Form S-1 filed on May 18, 2012.
- (2) Incorporated by reference to the Registration Statement on Form 10-SB filed on February 15, 2000.
- (3) Incorporated by reference from Exhibit 2.1 to the Quarterly Report on Form 10-Q, filed August 15, 2011.
- (4) Incorporated by reference from Exhibit 3.1 to the Current Report on Form 8-K, filed on March 18, 2011.
- (5) Incorporated by reference from Exhibit 3.1 to the Current Report on Form 8-K, filed on March 23, 2012.
- (6) Incorporated by reference to the Registration Statement on Form S-1 filed on December 2, 2011.

* Filed Herewith.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Charlotte, North Carolina, on May 30, 2012.

CHANTICLEER HOLDINGS, INC.

By: /s/ Michael D. Pruitt
Michael D. Pruitt,
Chief Executive Officer and Chief Financial Officer

POWER OF ATTORNEY

The registrant and each person whose signature appears below hereby authorizes the agent for service named in this registration statement, with full power to act alone, to file one or more amendments (including post-effective amendments) to this registration statement, which amendments may make such changes in this registration statement as such agent for service deems appropriate, and the registrant and each such person hereby appoints such agent for service as attorney-in-fact, with full power to act alone, to execute in the name and in behalf of the registrant and any such person, individually and in each capacity stated below, any such amendments to this registration statement.

In accordance with the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>SIGNATURES</u>	<u>TITLE</u>	<u>DATE</u>
<u>/s/ Michael D. Pruitt</u> Michael D. Pruitt	Chairman of the Board of Directors, CEO, CFO and Director (Principal Executive Officer and Principal Financial Officer)	May 30, 2012
<u>/s/ Michael Carroll</u> Michael Carroll	Director	May 30, 2012
<u>/s/ Brian Corbin</u> Brian Corbin	Director	May 30, 2012
<u>/s/ Paul I. Moskowitz</u> Paul I. Moskowitz	Director	May 30, 2012
<u>/s/ Keith Johnson</u> Keith Johnson	Director	May 30, 2012

NUMBER
U-_____

UNITS

CHANTICLEER HOLDINGS, INC.

INCORPORATED UNDER THE LAWS OF
THE STATE OF DELAWARE

CUSIP _____

SEE REVERSE FOR
CERTAIN DEFINITIONS

UNITS CONSISTING OF ONE SHARE OF COMMON STOCK,
AND ONE WARRANT

THIS CERTIFIES THAT

or registered assigns (the "Registered Holder") is the owner of the number of Units specified above, each of which consists of one share of one share of common stock, par value \$.0001 per share ("Common Stock"), of Chanticleer Holdings, Inc. (the "Company"), and one warrant (the "Warrant"). The Warrant entitles the holder to purchase one share of Common Stock. On or prior to the Separation Time (as defined herein), the securities evidenced by this certificate may be combined, exchanged or transferred only as Units, and the Common Stock, and Warrant evidenced by this certificate may not be split up, exchanged or traded separately. The Units will separate into shares of Common Stock, and Warrants a minimum of 30 days from the date of the prospectus included in the Registration Statement unless the representatives of the Underwriters determine that an earlier date is acceptable but no later than ____, 2012 [45 days after the effective date of the public offering of the Units] (the "Separation Time"). The shares of Common Stock, and Warrants comprising the Units shall be separately tradable commencing on the first day after the Separation Time on which the NASDAQ Stock Market is open for trading. The Units are issued under and pursuant to that certain Unit Agency Agreement, dated as of June __, 2012, between the Company and Securities Transfer Corporation, as unit agent (the "Unit Agent") and are subject to the terms and provisions contained therein, to all of which terms and provisions the holder of this certificate consents to the term, hereof. The Warrants are issued under and pursuant to that certain Warrant Agency Agreement dated June __, 2012 between the Company and Security Transfer Corporation, as agent (the "Warrant Agent") and are subject to the terms and provisions the holder of this certificate consents to the terms thereof.

Copies of the Unit Agreement and Warrant Agreement are available for inspection at the stock transfer office of the Unit Agent and Warrant Agent, at 2591 Dallas Parkway, Suite 102, Frisco, Texas, 75034, or may be obtained without cost upon written request addressed either to the Unit Agent or Warrant Agent as the case may be at the above address or to Chanticleer Holdings, Inc., 11220 Elm Lane, Suite 203, Charlotte, NC 28277. This certificate is not valid unless countersigned by the Unit Agent of the Company.

WITNESS the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

DATED:

COUNTERSIGNED AND REGISTERED
Securities Transfer Corporation
Unit Agent

[SEAL]

CHANTICLEER HOLDINGS, INC.

By: President
And Chief Executive Officer

By: Authorized Signature

Attest: Secretary

CHANTICLEER HOLDINGS, INC.

The Registered Holder hereby is entitled, at any time after the Separation Time (as defined on the face hereof) to exchange the Units represented by this Unit Certificate for Common Stock Certificate(s) representing one share of Common Stock for each Unit represented by this Unit Certificate, and a Warrant Certificate representing one Warrant for each Unit represented by this Unit Certificate, upon surrender of this Unit Certificate to the Warrant Agent and Registrar together with any documentation required by such agent.

REFERENCE IS MADE TO THE UNIT AGREEMENT AND WARRANT AGREEMENT REFERRED TO ON THE FACE HEREOF, AND THE PROVISIONS OF SUCH UNIT AGREEMENT AND WARRANT AGREEMENT SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH ON THE FACE OF THIS CERTIFICATE. COPIES OF THE UNIT AGREEMENT AND WARRANT AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE UNIT AGENT WARRANT AGENT, SECURITIES TRANSFER CORPORATION, OR FROM THE COMPANY.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN CON	- as tenants in common	UNIF GIFT MIN ACT-	Custodian _____
TEN ENT	- as tenants by the entireties		(Cust) (Minor)
JT TEN	- As joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors
			Act _____
			(State)

Additional abbreviations may also be used though not in the above list.

FORM OF ASSIGNMENT

(TO BE SIGNED ONLY UPON ASSIGNMENT)

FOR VALUE RECEIVED, _____

hereby sell(s), assign(s) and transfer(s) unto

(PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE)

(PLEASE PRINT NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____ of the
Units represented by the within Certificate, and do(es) hereby irrevocably constitute and appoint
_____, Attorney to
transfer the said units on the books of the within named Company with full power of
substitution in the premises.

Dated:

(Signature must conform in all respects to the name of Registered Holder as specified
on the face of this Unit Certificate in every particular, without alteration or any change whatsoever, and the
signature must be guaranteed in the usual manner.)

Signatures Guaranteed:

The signatures should be guaranteed by an eligible institution (banks, stockbrokers, savings and loan associations
and credit unions with membership in an approved signature medallion)

CHANTICLEER HOLDINGS, INC. WARRANT AGENCY AGREEMENT

WARRANT AGENCY AGREEMENT made as of June __, 2012 (the "Issuance Date"), between Chanticleer Holdings, Inc., a Delaware corporation, with offices at 11220 Elm Lane, Suite 203, Charlotte, NC 28277 ("Company"), and Securities Transfer Corporation, with offices at 2671 Dallas Parkway, Suite 102, Frisco, TX 76034 ("Warrant Agent").

WHEREAS, the Company is engaged in a public offering (the "Offering") of Units and, in connection therewith, has determined to issue and deliver up to 2,875,000 Warrants (the "Warrants") to the public investors, with each such Warrant evidencing the right of the holder thereof to purchase one share of common stock, par value \$.0001 per share, of the Company's Common Stock (the "Common Stock") for \$6.50, subject to adjustment as described herein; and

WHEREAS, the Company has filed with the Securities and Exchange Commission a Registration Statement, No. 333-178307 on Form S-1 (as the same may be amended from time to time, the "Registration Statement") for the registration, under the Securities Act of 1933, as amended (the "Act") of, among other securities, the Warrants and the Common Stock issuable upon exercise of the Warrants (the "Warrant Shares"), and such Registration Statement was declared effective on June __, 2012; and

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing to so act, in connection with the issuance, registration, transfer, exchange and exercise of the Warrants; and

WHEREAS, the Company desires to provide for the form and provisions of the Warrants, the terms upon which they shall be issued and exercised, and the respective rights, limitation of rights, and immunities of the Company, the Warrant Agent, and the holders of the Warrants; and

WHEREAS, all acts and things have been done and performed which are necessary to make the Warrants, when executed on behalf of the Company and countersigned by or on behalf of the Warrant Agent, as provided herein, the valid, binding and legal obligations of the Company, and to authorize the execution and delivery of this Warrant Agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent to act as agent for the Company for the Warrants, and the Warrant Agent hereby accepts such appointment and agrees to perform the same in accordance with the terms and conditions set forth in this Warrant Agreement.

2. Warrants.

2.1 Form of Warrant. Each Warrant shall be issued in registered form only, shall be in substantially the form of Exhibit A hereto, the provisions of which are incorporated herein, and shall be signed by, or bear the facsimile signature of, the Chief Executive Officer, President, Chief Financial Officer or Treasurer, Secretary or Assistant Secretary of the Company and shall bear a facsimile of the Company's seal. In the event the person whose facsimile signature has been placed upon any Warrant shall have ceased to serve in the capacity in which such person signed the Warrant before such Warrant is issued, it may be issued with the same effect as if he or she had not ceased to be such at the date of issuance. All of the Warrants shall initially be represented by one or more book-entry certificates (each a "Book-Entry Warrant Certificate").

2.2 Effect of Countersignature. Unless and until countersigned by the Warrant Agent pursuant to this Warrant Agreement, a Warrant shall be invalid and of no effect and may not be exercised by the holder thereof.

2.3 Registration.

2.3.1. Warrant Register. The Warrant Agent shall maintain books ("Warrant Register"), for the registration of original issuance and the registration of transfer of the Warrants. Upon the initial issuance of the Warrants, the Warrant Agent shall issue and register the Warrants in the names of the respective holders thereof in such denominations and otherwise in accordance with instructions delivered to the Warrant Agent by the Company. To the extent the Warrants are DTC eligible as of the Issuance Date, all of the Warrants shall be represented by one or more Book-Entry Warrant Certificates deposited with the Depository Trust Company (the "Depository") and registered in the name of Cede & Co., a nominee of the Depository. Ownership of beneficial interests in the Book-Entry Warrant Certificates shall be shown on, and the transfer of such ownership shall be effected through, records maintained (i) by the Depository or its nominee for each Book-Entry Warrant Certificate; (ii) by institutions that have accounts with the Depository (such institution, with respect to a Warrant in its account, a "Participant"); or (iii) directly on the book-entry records of the Warrant Agent with respect only to owners of beneficial interests that represent such direct registration.

If the Warrants are not DTC Eligible as of the Issuance Date or the Depository subsequently ceases to make its book-entry settlement system available for the Warrants, the Company may instruct the Warrant Agent regarding making other arrangements for book-entry settlement within ten (10) days after the Depository ceases to make its book-entry settlement available. In the event that the Company does not make alternative arrangements for book-entry settlement within ten (10) days or the Warrants are not eligible for, or it is no longer necessary to have the Warrants available in, book-entry form, the Warrant Agent shall provide written instructions to the Depository to deliver to the Warrant Agent for cancellation each Book-Entry Warrant Certificate, and the Company shall instruct the Warrant Agent to deliver to the Depository definitive Warrant Certificates in physical form evidencing such Warrants. Such definitive Warrant Certificates shall be in substantially the form annexed hereto as Exhibit A.

2.3.2. Beneficial Owner; Registered Holder. The term "beneficial owner" shall mean any person in whose name ownership of a beneficial interest in the Warrants evidenced by a Book-Entry Warrant Certificate is recorded in the records maintained by the Depository or its nominee. Prior to due presentment for registration of transfer of any Warrant, the Company and the Warrant Agent may deem and treat the person in whose name such Warrant shall be registered upon the Warrant Register ("registered holder"), as the absolute owner of such Warrant and of each Warrant represented thereby (notwithstanding any notation of ownership or other writing on the Warrant Certificate made by anyone other than the Company or the Warrant Agent), for the purpose of any exercise thereof, and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

2.4. Detachability of Warrants. The securities comprising the units will not be issued separately and will not be separately transferable until a minimum of 30 days from the date of the Company's prospectus included in the Registration Statement unless the representatives of the underwriters determines that an earlier date is acceptable, but no later than 45 days following the date of the prospectus included in the Registration Statement.

2.5. Uncertificated Warrants. Notwithstanding the foregoing and anything else herein to the contrary, the Warrants may be issued in uncertificated form.

3. Terms and Exercise of Warrants

3.1. Exercise Price. Each Warrant shall, when countersigned by the Warrant Agent, entitle the registered holder thereof, subject to the provisions of such Warrant and of this Warrant Agreement, to purchase from the Company the number of shares of Common Stock stated therein, at the price of \$6.50 per whole share, subject to the subsequent adjustments provided in Section 4 hereof. The term "Exercise Price" as used in this Warrant Agreement refers to the price per share at which Common Stock may be purchased at the time a Warrant is exercised.

3.2. Duration of Warrants. A Warrant may be exercised only during the period ("Exercise Period") commencing on the Issuance Date and terminating at 5:00 P.M., New York City time on June __, 2017 ("Expiration Date"). Each Warrant not exercised on or before the Expiration Date shall become void, and all rights

thereunder and all rights in respect thereof under this Warrant Agreement shall cease at the close of business on the Expiration Date.

3.3. Exercise of Warrants.

3.3.1. Exercise and Payment. A registered holder may exercise a Warrant by delivering, not later than 5:00 P.M., New York time, on any business day during the Exercise Period (the "Exercise Date") to the Warrant Agent at its corporate trust department (i) the Warrant Certificate evidencing the Warrants to be exercised, or, in the case of a Book-Entry Warrant Certificate, the Warrants to be exercised (the "Book-Entry Warrants") shown on the records of the Depository to an account of the Warrant Agent at the Depository designated for such purpose in writing by the Warrant Agent to the Depository from time to time, (ii) an election to purchase the Warrant Shares underlying the Warrants to be exercised ("Election to Purchase"), properly completed and executed by the registered holder on the reverse of the Warrant Certificate or, in the case of a Book-Entry Warrant Certificate, properly delivered by the Participant in accordance with the Depository's procedures, and (iii) the Warrant Price for each Warrant to be exercised in lawful money of the United States of America by certified or official bank check or by bank wire transfer in immediately available funds.

If any of (A) the Warrant Certificate or the Book-Entry Warrants, (B) the Election to Purchase, or (C) the Warrant Price therefor, is received by the Warrant Agent after 5:00 P.M., New York time, on the specified Exercise Date, the Warrants will be deemed to be received and exercised on the business day next succeeding the Exercise Date. If the date specified as the Exercise Date is not a business day, the Warrants will be deemed to be received and exercised on the next succeeding day that is a business day. If the Warrants are received or deemed to be received after the Expiration Date, the exercise thereof will be null and void and any funds delivered to the Warrant Agent will be returned to the registered holder or Participant, as the case may be, as soon as practicable. In no event will interest accrue on funds deposited with the Warrant Agent in respect of an exercise or attempted exercise of Warrants. The validity of any exercise of Warrants will be determined by the Company in its sole discretion and such determination will be final and binding upon the registered holder or Participant, as applicable, and the Warrant Agent. Neither the Company nor the Warrant Agent shall have any obligation to inform a registered holder or the Participant, as applicable, of the invalidity of any exercise of Warrants.

The Warrant Agent shall deposit all funds received by it in payment of the Warrant Price in the account of the Company maintained with the Warrant Agent for such purpose and shall advise the Company via telephone at the end of each day on which funds for the exercise of the Warrants are received of the amount so deposited to its account. The Warrant Agent shall promptly confirm such telephonic advice to the Company in writing.

3.3.2. Issuance of Certificates. The Warrant Agent shall, by 11:00 A.M. New York Time on the business day following the Exercise Date of any Warrant, advise the Company or the transfer agent and registrar in respect of (a) the Warrant Shares issuable upon such exercise as to the number of Warrants exercised in accordance with the terms and conditions of this Agreement, (b) the instructions of each registered holder or Participant, as the case may be, with respect to delivery of the Warrant Shares issuable upon such exercise, and the delivery of definitive Warrant Certificates, as appropriate, evidencing the balance, if any, of the Warrants remaining after such exercise, (c) in case of a Book-Entry Warrant Certificate, the notation that shall be made to the records maintained by the Depository, its nominee for each Book-Entry Warrant Certificate, or a Participant, as appropriate, evidencing the balance, if any, of the Warrants remaining after such exercise and (d) such other information as the Company or such transfer agent and registrar shall reasonably require.

The Company shall, by 5:00 P.M., New York time, on the third business day next succeeding the Exercise Date of any Warrant and the clearance of the funds in payment of the Warrant Price, execute, issue and deliver to the Warrant Agent, the Warrant Shares to which such registered holder or Participant, as the case may be, is entitled, in fully registered form, registered in such name or names as may be directed by such registered holder or the Participant, as the case may be. Upon receipt of such Warrant Shares, the Warrant Agent shall, by 5:00 P.M., New York time, on the third Business Day next succeeding such Exercise Date, transmit such Warrant Shares to or upon the order of the registered holder or Participant, as the case may be.

In lieu of delivering physical certificates representing the Warrant Shares issuable upon exercise, provided the Company's transfer agent is participating in the Depository's Fast Automated Securities Transfer program, the Company shall use its reasonable best efforts to cause its transfer agent to electronically transmit the Warrant Shares issuable upon exercise to the Depository by crediting the account of the Depository or of the Participant through its Deposit Withdrawal Agent Commission system. The time periods for delivery described in the immediately preceding paragraph shall apply to the electronic transmittals described herein.

3.3.3. Valid Issuance. All shares of Common Stock issued upon the proper exercise of a Warrant in conformity with this Warrant Agreement shall be validly issued, fully paid and nonassessable.

3.3.4. No Fractional Exercise. Warrants may be exercised only in whole numbers of Warrant Shares. No fractional Warrant Shares are to be issued upon the exercise of the Warrant, but rather the number of Warrant Shares to be issued shall be rounded up or down, as applicable, to the nearest whole number. If fewer than all of the Warrants evidenced by a Warrant Certificate are exercised, a new Warrant Certificate for the number of unexercised Warrants remaining shall be executed by the Company and countersigned by the Warrant Agent as provided in Section 2 of this Warrant Agreement, and delivered to the holder of this Warrant Certificate at the address specified on the books of the Warrant Agent or as otherwise specified by such registered holder. If fewer than all the Warrants evidenced by a Book-Entry Warrant Certificate are exercised, a notation shall be made to the records maintained by the Depository, its nominee for each Book-Entry Warrant Certificate, or a Participant, as appropriate, evidencing the balance of the Warrants remaining after such exercise.

3.3.5 No Transfer Taxes. The Company shall not be required to pay any stamp or other tax or governmental charge required to be paid in connection with any transfer involved in the issue of the Warrant Shares upon the exercise of Warrants; and in the event that any such transfer is involved, the Company shall not be required to issue or deliver any Warrant Shares until such tax or other charge shall have been paid or it has been established to the Company's satisfaction that no such tax or other charge is due.

3.3.6 Date of Issuance. Each person in whose name any such certificate for shares of Common Stock is issued shall for all purposes be deemed to have become the holder of record of such shares on the date on which the Warrant was surrendered and payment of the Warrant Price was made, irrespective of the date of delivery of such certificate, except that, if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

3.3.7 Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the registered holder the number of Warrant Shares that are not disputed.

4. Adjustments.

4.1 Adjustment upon Subdivision or Combination of Common Stock. If the Company at any time after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time after the Issuance Date combines (by any stock split, stock dividend, recapitalization, reorganization, scheme, arrangement or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 4.1 shall become effective at the close of business on the date the subdivision or combination becomes effective. Company shall promptly notify Warrant Agent of any such adjustment and give specific instructions to Warrant Agent with respect to any adjustments to the warrant register.

4.2 Adjustment for Other Distributions. In the event the Company shall fix a record date for the making of a dividend or distribution to all holders of Common Stock of any evidences of indebtedness or assets or subscription rights or warrants (excluding those referred to in Section 4.1 or other dividends paid out of retained earnings), then in each such case the Exercise Price shall be adjusted by multiplying the Exercise Price in effect

immediately prior to the record date fixed for determination of stockholders entitled to receive such distribution by a fraction of which the denominator shall be the VWAP determined as of the record date mentioned above, and of which the numerator shall be such VWAP on such record date less the then per share fair market value at such record date of the portion of such assets or evidence of indebtedness so distributed applicable to one outstanding share of the Common Stock as determined by the Board of Directors in good faith. In either case the adjustments shall be described in a statement provided to the registered holder of the portion of assets or evidences of indebtedness so distributed or such subscription rights applicable to one share of Common Stock. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date mentioned above.

4.3. Reclassification, Consolidation, Purchase, Combination, Sale or Conveyance. If, at any time while the Warrants are outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another person whereby such other person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of a Warrant, the registered holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, the number of shares of Common Stock, if any, of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction. For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the registered holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") and for which shareholders received any equity securities of the Successor Entity, to assume in writing all of the obligations of the Company under this Warrant Agreement in accordance with the provisions of this Section 4.3 pursuant to written agreements and shall, upon the written request of the registered holder of a Warrant, deliver to the registered holder in exchange for this Warrant created by this Agreement a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to the Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity), if any, plus any Alternate Consideration, receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which the Warrant is exercisable immediately prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock, if any, plus any Alternate Consideration (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of such Warrant immediately prior to the consummation of such Fundamental Transaction). Upon the occurrence of any such Fundamental Transaction the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant Agent Agreement and the Warrant referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of

the Company and shall assume all of the obligations of the Company under this Agreement and the Warrant with the same effect as if such Successor Entity had been named as the Company herein.

The Company shall instruct the Warrant Agent to mail by first class mail, postage prepaid, to each registered holder of a Warrant, written notice of the execution of any such amendment, supplement or agreement. Any supplemented or amended agreement entered into by the successor corporation or transferee shall provide for adjustments, which shall be as nearly equivalent as may be practicable to the adjustments provided for in Section 4. The Warrant Agent shall be under no responsibility to determine the correctness of any provisions contained in such agreement relating either to the kind or amount of securities or other property receivable upon exercise of warrants or with respect to the method employed and provided therein for any adjustments and shall be entitled to rely upon the provisions contained in any such agreement. The provisions of this Section 4.3 shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales and conveyances of the kind described above.

4.4 Other Events. If any event occurs of the type contemplated by the provisions of Section 4.1, 4.2 or 4.3 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features to all holders of Common Stock for no consideration), then the Company's Board of Directors will in good faith make an adjustment in the Exercise Price and the number of Warrant Shares so as to protect the rights of the registered holder.

4.5 Notices of Changes in Warrant. Upon every adjustment of the Warrant Price or the number of shares issuable upon exercise of a Warrant, the Company shall give written notice thereof to the Warrant Agent, which notice shall state the Warrant Price resulting from such adjustment and the increase or decrease, if any, in the number of shares purchasable at such price upon the exercise of a Warrant, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. Upon the occurrence of any event specified in Sections 4.1 or 4.2, then, in any such event, the Company shall give written notice to each registered holder, at the last address set forth for such holder in the warrant register, of the record date or the effective date of the event. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such event.

4.6 No Fractional Shares. Notwithstanding any provision contained in this Warrant Agreement to the contrary, the Company shall not issue fractional shares upon exercise of Warrants. If, by reason of any adjustment made pursuant to this Section 4, the holder of any Warrant would be entitled, upon the exercise of such Warrant, to receive a fractional interest in a share, the Company shall, upon such exercise, round up or down, as applicable, to the nearest whole number the number of the shares of Common Stock to be issued to the registered holder.

4.7 Form of Warrant. The form of Warrant need not be changed because of any adjustment pursuant to this Section 4, and Warrants issued after such adjustment may state the same Warrant Price and the same number of shares as is stated in the Warrants initially issued pursuant to this Warrant Agreement. However, the Company may at any time in its sole discretion make any change in the form of Warrant that the Company may deem appropriate and that does not affect the substance thereof, and any Warrant thereafter issued or countersigned, whether in exchange or substitution for an outstanding Warrant or otherwise, may be in the form as so changed.

5. Transfer and Exchange of Warrants.

5.1 Registration of Transfer. The Warrant Agent shall register the transfer, from time to time, of any outstanding Warrant upon the Warrant Register, upon surrender of such Warrant for transfer, properly endorsed with signatures properly guaranteed and accompanied by appropriate instructions for transfer. Upon any such transfer, a new Warrant representing an equal aggregate number of Warrants shall be issued and the old Warrant shall be cancelled by the Warrant Agent. The Warrants so cancelled shall be delivered by the Warrant Agent to the Company from time to time upon request.

5.2 Procedure for Surrender of Warrants. Warrants may be surrendered to the Warrant Agent, together with a written request for exchange or transfer reasonably acceptable to Warrant Agent, duly executed by the registered holder thereof, or by a duly authorized attorney, and thereupon the Warrant Agent shall issue in exchange therefor one or more new Warrants as requested by the registered holder of the Warrants so surrendered, representing an equal aggregate number of Warrants; provided, however, that except as otherwise

provided herein or in any Book-Entry Warrant Certificate, each Book-Entry Warrant Certificate may be transferred only in whole and only to the Depository, to another nominee of the Depository, to a successor depository, or to a nominee of a successor depository; provided further, however, that in the event that a Warrant surrendered for transfer bears a restrictive legend, the Warrant Agent shall not cancel such Warrant and issue new Warrants in exchange therefor until the Warrant Agent has received an opinion of counsel for the Company stating that such transfer may be made and indicating whether the new Warrants must also bear a restrictive legend. Upon any such registration of transfer, the Company shall execute, and the Warrant Agent shall countersign and deliver, in the name of the designated transferee a new Warrant Certificate or Warrant Certificates of any authorized denomination evidencing in the aggregate a like number of unexercised Warrants.

5.3. Fractional Warrants. The Warrant Agent shall not be required to effect any registration of transfer or exchange which will result in the issuance of a Warrant Certificate for a fraction of a Warrant.

5.4. Service Charges. A service charge shall be made for any exchange or registration of transfer of Warrants, as negotiated between Company and Warrant Agent.

5.5. Warrant Execution and Countersignature. The Warrant Agent is hereby authorized to countersign and to deliver, in accordance with the terms of this Warrant Agreement, the Warrants required to be issued pursuant to the provisions of this Section 5, and the Company, whenever required by the Warrant Agent, will supply the Warrant Agent with Warrants duly executed on behalf of the Company for such purpose.

6. Redemption

6.1. Redemption of Warrants.

a) The outstanding Warrants may be redeemed at the option of the Company, in whole or in part on a pro-rata basis, by giving not less than 30 days prior notice as provided in Section 6.1d below, which notice may not be given before, but may be given at any time after the date on which the VWAP of the Company's common stock on the principal exchange or trading facility on which the Common Stock is then traded has equaled or exceeded \$10.00 for twenty (20) consecutive trading days.

b) The price at which Warrants may be redeemed (the "Redemption Price") is \$.01 per warrant. On and after the redemption date the Warrant Holders of redeemed Warrants shall be entitled to payment of the Redemption Price upon surrender of the Warrant Certificates of such redeemed Warrants to the Company at the office of the Warrant Agent.

c) Notice of redemption of Warrants shall be given at least 30 days prior to the redemption date by notifying the Warrant Agent in writing, by notifying the Warrant Holders via publication of a press release, and by taking such other steps as may be required under applicable law.

d) From and after the redemption date, all rights of the holders with respect to the redeemed Warrants (except the right to receive the Redemption Price) shall terminate, but only if (i) no later than one day prior to the redemption date the Company shall have irrevocably deposited with the Warrant Agent as paying agent a sufficient amount to pay on the redemption date the Redemption Price for all Warrants called for redemption and (ii) the notice of redemption shall have started the name and address of the Warrant Agent and the intention of the Company to deposit such amount with the Warrant Agent no later than one day prior to the redemption date. Notwithstanding the foregoing, the Company will extend a three day "protect" period beginning on and continuing two days after the redemption date so that any warrant for which notice of exercise is received in the three business days prior to the redemption date shall be deemed exercised so long as the Exercise Price is received by the Warrant Agent no more than three business days after the notice of exercise.

e) On the redemption date, the Warrant Agent shall pay to the holders of record of redeemed Warrants all monies received by the Warrant Agent for the redemption of Warrants to which the holders of record of such redeemed Warrants who shall have surrendered their Warrant Certificates are entitled. The Warrant Agent shall have no obligation to pay for the redemption of Warrants except to the extent that funds for such payment have been provided to it by the Company.

f) All amounts deposited with Warrant Agent that are not required for redemption of Warrants may be withdrawn by the Company. Any amounts deposited with the Warrant Agent that shall be unclaimed after six months after the redemption date shall be redelivered back to the Company, and thereafter the holders of the Warrants called for redemption for which such funds were deposited shall look solely to the Company for payment, it being understood that the Warrant Agent shall be under no obligation to report or remit unclaimed property to appropriate states in compliance with applicable law. The Company acknowledges that the bank accounts maintained by the Warrant Agent in connection with the services hereunder will be in its name and that the Warrant Agent may receive investment earnings in connection with the investment at the Warrant Agent's risk and for its benefit of funds held in those accounts from time to time.

g) If the Company fails to make a sufficient deposit with the Warrant Agent as provided above, the holder of any Warrants called for redemption may at the option of the holder (i) by notice to the Company declare the notice of redemption a nullity as to such holder, or (ii) maintain an action against the Company for the Redemption Price. If the holder brings such an action, the Company will pay reasonable attorneys' fees of the holder. If the holder brings such action, the Company will pay reasonable attorneys' fees of the holder. If the holder fails to bring an action against the Company for the Redemption Price within the 60 days after the redemption date, the holder shall be deemed to have elected to declare the notice of redemption to be a nullity as to such holder and such notice shall be without any force or effect as to such holder. Except as otherwise specifically provided in this paragraph 6.1.h, a notice of redemption, once published by the Company as provided in paragraph 6.1.d shall be irrevocable.

h) Notwithstanding anything to the contrary in this Section 6, the Company may not provide notice of any redemption pursuant to this Section 6 at any time at which the Warrants are not currently exercisable. If, during the period between notice of redemption and the Redemption Date, the Warrants become not currently exercisable, the Redemption Date shall be extended to be the tenth business day after such restriction on exercise lapses.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on NYSE AMEX, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (each, a "Trading Market"), the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board, (c) if the Common Stock is not then listed or quoted for trading on the OTC Bulletin Board and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

7. Other Provisions Relating to Rights of Holders of Warrants.

7.1. No Rights as Stockholder. Except as otherwise specifically provided herein, a registered holder, solely in its capacity as a holder of a Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant Agreement be construed to confer upon a registered holder, solely in its capacity as the registered holder of a Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the registered holder of the Warrant Shares which it is then entitled to receive upon the due exercise of a Warrant. A Warrant does not entitle the registered holder thereof to any of the rights of a stockholder.

7.2. Lost, Stolen, Mutilated, or Destroyed Warrants. If any Warrant is lost, stolen, mutilated, or destroyed, the Company and the Warrant Agent may on such terms as to indemnity (including obtaining an open penalty bond protecting the Warrant Agent) or otherwise as they may in their discretion impose (which shall, in the

case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination, tenor, and date as the Warrant so lost, stolen, mutilated, or destroyed. Any such new Warrant shall constitute a substitute contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated, or destroyed Warrant shall be at any time enforceable by anyone.

7.3. Reservation of Common Stock. The Company shall at all times reserve and keep available a number of its authorized but unissued shares of Common Stock that will be sufficient to permit the exercise in full of all outstanding Warrants issued pursuant to this Warrant Agreement.

8. Concerning the Warrant Agent and Other Matters.

8.1 Concerning the Warrant Agent. The Warrant Agent:

a) shall have no duties or obligations other than those set forth herein and no duties or obligations shall be inferred or implied;

b) may rely on and shall be held harmless by the Company in acting upon any certificate, statement, instrument, opinion, notice, letter, facsimile transmission, telegram or other document, or any security delivered to it, and reasonably believed by it to be genuine and to have been made or signed by the proper party or parties;

c) may rely on and shall be held harmless by the Company in acting upon written or oral instructions or statements from the Company with respect to any matter relating to its acting as Warrant Agent;

d) May consult with counsel satisfactory to it (including counsel for the Company) and shall be held harmless by the Company in relying on the advice or opinion of such counsel in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion of such counsel;

e) solely shall make the final determination as to whether or not a Warrant received by Warrant Agent is duly, completely and correctly executed, and Warrant Agent shall be held harmless by the Company in respect of any action taken, suffered or omitted by Warrant Agent hereunder in good faith and in accordance with its determination;

f) shall not be obligated to take any legal or other action hereunder which might, in its judgment subject or expose it to any expense or liability unless it shall have been furnished with an indemnity satisfactory to it; and

g) shall not be liable or responsible for any failure of the Company to comply with any of its obligations relating to the Registration Statement or this Warrant Agreement, including without limitation obligations under applicable regulation or law.

8.2 Payment of Taxes. The Company will from time to time promptly pay all taxes and charges that may be imposed upon the Company or the Warrant Agent in respect of the issuance or delivery of shares of Common Stock upon the exercise of Warrants, but the Company shall not be obligated to pay any transfer taxes in respect of the Warrants or such shares. The Warrant Agent shall not register any transfer or issue or deliver any Warrant Certificate(s) or Warrant Shares unless or until the persons requesting the registration or issuance shall have paid to the Warrant Agent for the account of the Company the amount of such tax, if any, or shall have established to the reasonable satisfaction of the Company that such tax, if any, has been paid

8.3 Resignation, Consolidation, or Merger of Warrant Agent.

8.3.1. Appointment of Successor Warrant Agent. The Warrant Agent, or any successor to it hereafter appointed, may resign its duties and be discharged from all further duties and liabilities hereunder after giving sixty (60) days' notice in writing to the Company. If the office of the Warrant Agent

becomes vacant by resignation or incapacity to act or otherwise, the Company shall appoint in writing a successor Warrant Agent in place of the Warrant Agent. If the Company shall fail to make such appointment within a period of 30 days after it has been notified in writing of such resignation or incapacity by the Warrant Agent or by the holder of the Warrant (who shall, with such notice, submit his Warrant for inspection by the Company), then the holder of any Warrant may apply to the Supreme Court of the State of New York for the County of New York for the appointment of a successor Warrant Agent at the Company's cost. Any successor Warrant Agent (but not including the initial Warrant Agent), whether appointed by the Company or by such court, shall be a corporation organized and existing under the laws of the State of New York, in good standing and having its principal office in the Borough of Manhattan, City and State of New York, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority. After appointment, any successor Warrant Agent shall be vested with all the authority, powers, rights, immunities, duties, and obligations of its predecessor Warrant Agent with like effect as if originally named as Warrant Agent hereunder, without any further act or deed; but if for any reason it becomes necessary or appropriate, the predecessor Warrant Agent shall execute and deliver, at the expense of the Company, an instrument transferring to such successor Warrant Agent all the authority, powers, and rights of such predecessor Warrant Agent hereunder; and upon request of any successor Warrant Agent the Company shall make, execute, acknowledge, and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Warrant Agent all such authority, powers, rights, immunities, duties, and obligations.

8.2.2. Notice of Successor Warrant Agent. In the event a successor Warrant Agent shall be appointed, the Company shall give notice thereof to the predecessor Warrant Agent and the transfer agent for the Common Stock not later than the effective date of any such appointment.

8.2.3. Merger or Consolidation of Warrant Agent. Any corporation into which the Warrant Agent may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Warrant Agent shall be a party shall be the successor Warrant Agent under this Warrant Agreement without any further act.

8.3. Fees and Expenses of Warrant Agent.

8.3.1. Remuneration. The Company agrees to pay the Warrant Agent reasonable remuneration in an amount separately agreed to between Company and Warrant Agent for its services as Warrant Agent hereunder and will reimburse the Warrant Agent upon demand for all expenditures that the Warrant Agent may reasonably incur in the execution of its duties hereunder. One half of the total Warrant Agent fees (not including postage) must be paid upon execution of this Warrant Agreement. The remaining half must be paid within fifteen (15) business days thereafter. An invoice for any out-of-pocket and/or per item fees incurred will be rendered to and payable by the Company within fifteen (15) days of the date of said invoice. It is understood and agreed that all services to be performed by Warrant Agent shall cease if full payment for its services has not been received in accordance with the above schedule, and said services will not commence thereafter until all payment due has been received by Warrant Agent.

8.3.2. Further Assurances. The Company agrees to perform, execute, acknowledge, and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments, and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Warrant Agreement.

8.4. Liability of Warrant Agent.

8.4.1. Reliance on Company Statement. Whenever in the performance of its duties under this Warrant Agreement, the Warrant Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a statement signed by the President of the Company and delivered to the Warrant Agent. The Warrant Agent may rely upon such statement for any action taken or suffered in good faith by it pursuant to the provisions of this Warrant Agreement.

8.4.2. Indemnity. The Warrant Agent shall be liable hereunder only for its own gross negligence, willful misconduct or bad faith. The Company agrees to indemnify the Warrant Agent and save it harmless against any and all liabilities, including judgments, claims, losses, damages, costs and reasonable counsel fees, for anything done or omitted by the Warrant Agent in the execution of this Warrant Agreement except as a result of the Warrant Agent's gross negligence, willful misconduct, or bad faith.

8.4.3. Limitation of Liability. The Warrant Agent's aggregate liability, if any, during the term of this Warrant Agreement with respect to, arising from, or arising in connection with this Warrant Agreement, or from all services provided or omitted to be provided under this Warrant Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid or payable hereunder by the Company to Warrant Agent as fees and charges, but not including reimbursable expenses.

8.4.4. Disputes. In the event any question or dispute arises with respect to the proper interpretation of this Warrant Agreement or the Warrant Agent's duties hereunder or the rights of the Company or of any holder of a Warrant, the Warrant Agent shall not be required to act and shall not be held liable or responsible for refusing to act until the question or dispute has been judicially settled (and the Warrant Agent may, if it deems it advisable, but shall not be obligated to, file a suit in interpleader or for a declaratory judgment for such purpose) by final judgment rendered by a court of competent jurisdiction, binding on all parties interested in the matter which is no longer subject to review or appeal, or settled by a written document in form and substance satisfactory to the Warrant Agent and executed by the Company and each other interested party. In addition, the Warrant Agent may require for such purpose, but shall not be obligated to require, the execution of such written settlement by all the Warrant holders, as applicable, and all other parties that may have an interest in the settlement.

8.4.5. Exclusions. The Warrant Agent shall have no responsibility with respect to the validity of this Warrant Agreement or with respect to the validity or execution of any Warrant (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Warrant Agreement or in any Warrant; nor shall it be responsible to make any adjustments required under the provisions of Section 4 hereof or responsible for the manner, method, or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment; nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any shares of Common Stock to be issued pursuant to this Warrant Agreement or any Warrant or as to whether any shares of Common Stock will when issued be valid and fully paid and nonassessable.

8.5. Acceptance of Agency. The Warrant Agent hereby accepts the agency established by this Warrant Agreement and agrees to perform the same upon the terms and conditions herein set forth and among other things, shall account promptly to the Company with respect to Warrants exercised and concurrently account for, and pay to the Company, all moneys received by the Warrant Agent for the purchase of shares of Common Stock through the exercise of Warrants.

9. Miscellaneous Provisions.

9.1. Successors. All the covenants and provisions of this Warrant Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns.

9.2. Notices. Any notice, statement or demand authorized by this Warrant Agreement to be given or made by the Warrant Agent or by the holder of any Warrant to or on the Company shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Chanticleer Holdings, Inc.
11220 Elm Street, Suite 205
Charlotte, NC 28277
Attn: Michael D. Pruitt, Chief Executive Officer

Any notice, statement or demand authorized by this Warrant Agreement to be given or made by the holder of any Warrant or by the Company to or on the Warrant Agent shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company), as follows:

Securities Transfer Corporation,
2671 Dallas Parkway, Suite 102
Frisco, TX 76034
Attn: Compliance Department

9.3. Applicable law. The validity, interpretation, and performance of this Warrant Agreement and of the Warrants shall be governed in all respects by the laws of the State of Delaware, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction. The Company hereby agrees that any action, proceeding or claim against it arising out of or relating in any way to this Warrant Agreement shall be brought and enforced in the courts of the State of Delaware, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenience forum. Any such process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 9.2 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim.

9.4. Persons Having Rights under this Warrant Agreement. Nothing in this Warrant Agreement expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or give to, any person or corporation other than the parties hereto and the registered holders of the Warrants, any right, remedy, or claim under or by reason of this Warrant Agreement or of any covenant, condition, stipulation, promise, or agreement hereof. All covenants, conditions, stipulations, promises, and agreements contained in this Warrant Agreement shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns and of the registered holders of the Warrants.

9.5. Examination of the Warrant Agreement. A copy of this Warrant Agreement shall be available at all reasonable times at the office of the Warrant Agent in the city of Frisco, Commonwealth of Texas, for inspection by the registered holder of any Warrant. The Warrant Agent may require any such holder to submit his Warrant for inspection by it.

9.6. Counterparts. This Warrant Agreement may be executed in any number of original or facsimile counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

9.7. Effect of Headings. The Section headings herein are for convenience only and are not part of this Warrant Agreement and shall not affect the interpretation thereof.

9.8. Amendments. This Warrant Agreement may be amended by the parties hereto without the consent of any registered holder for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein or adding or changing any other provisions with respect to matters or questions arising under this Warrant Agreement as the parties may deem necessary or desirable and that the parties deem shall not adversely affect the interest of the registered holders. All other modifications or amendments, including any amendment to increase the Warrant Price or shorten the Exercise Period, shall require the written consent of the Underwriter and the registered holders of a majority of the then outstanding Warrants.

9.9. Severability. This Warrant Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Warrant Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Warrant Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

9.10 Force Majeure. In the event either party is unable to perform its obligations under the terms of this Warrant Agreement because of acts of God, strikes, failure of carrier or utilities, equipment or transmission failure or damage that is reasonably beyond its control, or any other cause that is reasonably beyond its control, such party shall not be liable for damages to the other for any damages resulting from such failure to perform or otherwise from such causes. Performance under this Warrant Agreement shall resume when the affected party or parties are able to perform substantially that party's duties.

9.11 Consequential Damages. Notwithstanding anything in this Warrant Agreement to the contrary, neither party to this Warrant Agreement shall be liable to the other party for any consequential, indirect, special or incidental damages under any provision of this Agreement or for any consequential, indirect, punitive, special or incidental damages arising out of any act or failure to act hereunder even if that party has been advised of or has foreseen the possibility of such damages.

IN WITNESS WHEREOF, this Warrant Agreement has been duly executed by the parties hereto as of the day and year first above written.

CHANTICLEER HOLDINGS, INC.

By: _____

Name: Michael D. Pruitt

Title: President & CEO

Securities Transfer Corporation

By: _____

Name:

Title:

Exhibit A

[FORM OF WARRANT CERTIFICATE]

EXERCISABLE ONLY IF COUNTERSIGNED BY THE WARRANT
AGENT AS PROVIDED HEREIN.

Warrant Certificate Evidencing Redeemably Warrants to Purchase
Common Stock, par value of \$0.0001 per share, as described herein.

Chanticleer Holdings, Inc.

No. _____

[CUSIP _____]

VOID AFTER 5:00 P.M., NEW YORK TIME,
ON June, 2017

This certifies that _____ or registered assigns is the registered holder of _____ warrants to purchase certain securities (each a "Warrant"). Each Warrant entitles the holder thereof, subject to the provisions contained herein and in the Warrant Agreement (as defined below), to purchase from Chanticleer Holdings, Inc., a Delaware corporation (the "Company"), [_____] shares (collectively, the "Warrant Shares") of Common Stock, par value \$0.0001 per share, of the Company ("Common Stock"), at the Exercise Price set forth below. The price per share at which each Warrant Share may be purchased at the time each Warrant is exercised (the "Exercise Price") is \$6.50 initially, subject to adjustments as set forth in the Warrant Agreement (as defined below).

Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Warrant Agreement.

Subject to the terms of the Warrant Agreement, each Warrant evidenced hereby may be exercised in whole but not in part at any time, as specified herein, on any Business Day (as defined below) occurring during the period (the "Exercise Period") commencing the date of detachability of the Warrants from the Common Stock as set forth in Section 2.4 of the Warrant Agreement and terminating on the earlier to occur of 5:00 P.M., New York City time, on June _____, 2017 (the "Expiration Date"). Each Warrant remaining unexercised after 5:00 P.M., New York City time, on the Expiration Date shall become void, and all rights of the holder of this Warrant Certificate evidencing such Warrant shall cease.

The holder of the Warrants represented by this Warrant Certificate may exercise any Warrant evidenced hereby by delivering, not later than 5:00 P.M., New York time, on any Business Day during the Exercise Period (the "Exercise Date") to Securities Transfer Corporation (the "Warrant Agent", which term includes any successor warrant agent under the Warrant Agreement described below) at its office at 2671 Dallas Parkway, Suite 102, Frisco, Texas 76034, (i) this Warrant Certificate or, in the case of a Book-Entry Warrant Certificate (as defined in the Warrant Agreement), the Warrants to be exercised (the "Book-Entry Warrants") as shown on the records of The Depository Trust Company (the "Depository") to an account of the Warrant Agent at the Depository designated for such purpose in writing by the Warrant Agent to the Depository, (ii) an election to purchase ("Election to Purchase"), properly executed by the holder hereof on the reverse of this Warrant Certificate or properly executed by the institution in whose account the Warrant is recorded on the records of the Depository (the "Participant"), and substantially in the form included on the reverse of this Warrant Certificate and (iii) the Exercise Price for each Warrant to be exercised in lawful money of the United States of America by certified or official bank check or by bank wire transfer in immediately available funds, unless cashless exercise is permitted under the Warrant Agreement.

As used herein, the term "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law or executive order to remain closed.

Warrants may be exercised only in whole numbers of Warrants. No fractional Warrant Shares are to be issued upon the exercise of this Warrant, but rather the number of Warrant Shares to be issued shall be rounded up or down, as applicable, to the nearest whole number. If fewer than all of the Warrants evidenced by this Warrant Certificate are exercised, a new Warrant Certificate for the number of Warrants remaining unexercised shall be executed by the Company and countersigned by the Warrant Agent as provided in Section 2 of the Warrant Agreement, and delivered to the registered holder of this Warrant Certificate at the address specified on the books of the Warrant Agent or as otherwise specified by such registered holder.

This Warrant Certificate is issued under and in accordance with the Warrant Agreement, dated as of June __, 2012 (the "**Warrant Agreement**"), between the Company and the Warrant Agent and is subject to the terms and provisions contained in the Warrant Agreement, to all of which terms and provisions the holder of this Warrant Certificate and the beneficial owners of the Warrants represented by this Warrant Certificate consent by acceptance hereof. Copies of the Warrant Agreement are on file and can be inspected at the above-mentioned office of the Warrant Agent and at the office of the Company at 11220 Elm Lane, Suite 203, Charlotte, NC 28277.

These Warrants are subject to redemption as provided pursuant to Section 6 of the Warrant Agreement. The Exercise Price and the number of Warrant Shares purchasable upon the exercise of each Warrant shall be subject to adjustment as provided pursuant to Section 4 of the Warrant Agreement.

Upon due presentment for registration of transfer or exchange of this Warrant Certificate at the stock transfer division of the Warrant Agent, the Company shall execute, and the Warrant Agent shall countersign and deliver, as provided in Section 5 of the Warrant Agreement, in the name of the designated transferee one or more new Warrant Certificates of any authorized denomination evidencing in the aggregate a like number of unexercised Warrants, subject to the limitations provided in the Warrant Agreement.

Neither this Warrant Certificate nor the Warrants evidenced hereby entitles the registered holder thereof to any of the rights of a shareholder of the Company, including, without limitation, the right to receive dividends, or other distributions, exercise any preemptive rights to vote or to consent or to receive notice as shareholders in respect of the meetings of shareholders or the election of directors of the Company or any other matter.

The Warrant Agreement and this Warrant Certificate may be amended as provided in the Warrant Agreement including, under certain circumstances described therein, without the consent of the holder of this Warrant Certificate or the Warrants evidenced thereby.

THIS WARRANT CERTIFICATE AND ALL RIGHTS HEREUNDER AND UNDER THE WARRANT AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS FORMED AND TO BE PERFORMED ENTIRELY WITHIN THE STATE OF DELAWARE, WITHOUT REGARD TO THE CONFLICTS OF LAW PROVISIONS THEREOF TO THE EXTENT SUCH PRINCIPLES OR RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

This Warrant Certificate shall not be entitled to any benefit under the Warrant Agreement or be valid or obligatory for any purpose, and no Warrant evidenced hereby may be exercised, unless this Warrant Certificate has been countersigned by the manual signature of the Warrant Agent.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated as of _____, 2012

CHANTICLEER HOLDINGS, INC.

By: _____
Name:
Title:

Securities Transfer Corporation
as Warrant Agent

By: _____
Name:
Title:

[REVERSE]

Instructions for Exercise of Warrant

To exercise the Warrants evidenced hereby, the holder or Participant must, by 5:00 P.M., New York time, on the specified Exercise Date, deliver to the Warrant Agent at its stock transfer division, a certified or official bank check or a bank wire transfer in immediately available funds, in each case payable to the Warrant Agent at Account No. _____, in an amount equal to the Exercise Price in full for the Warrants exercised. In addition, the Warrant holder or Participant must provide the information required below and deliver this Warrant Certificate to the Warrant Agent at the address set forth below and the Book-Entry Warrants to the Warrant Agent in its account with the Depository designated for such purpose. The Warrant Certificate and this Election to Purchase must be received by the Warrant Agent by 5:00 P.M., New York time, on the specified Exercise Date.

**ELECTION TO PURCHASE
TO BE EXECUTED IF WARRANT HOLDER DESIRES
TO EXERCISE THE WARRANTS EVIDENCED HEREBY**

The undersigned hereby irrevocably elects to exercise, on _____, (the "Exercise Date"), _____ Warrants, evidenced by this Warrant Certificate, to purchase, _____ shares (the "Warrant Shares") of Common Stock, par value of \$0.0001 per share (the "Common Stock") of Chanticleer Holdings, Inc., a Delaware corporation (the "Company"), and represents that on or before the Exercise Date such holder has tendered payment for such Warrant Shares by certified or official bank check or bank wire transfer in immediately available funds to the order of the Company c/o Securities Transfer Corporation, 2671 Dallas Parkway, Suite 102, Frisco, TX 76034, in the amount of \$ _____ in accordance with the terms hereof, or

The undersigned requests that said number of Warrant Shares be in fully registered form, registered in such names and delivered, all as specified in accordance with the instructions set forth below.

If said number of Warrant Shares is less than all of the Warrant Shares purchasable hereunder, the undersigned requests that a new Warrant Certificate evidencing the remaining balance of the Warrants evidenced hereby be issued and delivered to the holder of the Warrant Certificate unless otherwise specified in the instructions below.

Dated: _____

Name _____
(Please Print)

/ / / / - / / / - / / / /
(Insert Social Security or Other Identifying
Number of Holder)

Address _____

Signature _____

This Warrant may only be exercised by presentation to the Warrant Agent at one of the following locations:

By hand at:

By mail at:

The method of delivery of this Warrant Certificate is at the option and risk of the exercising holder and the delivery of this Warrant Certificate will be deemed to be made only when actually received by the Warrant Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to assure timely delivery.

(Instructions as to form and delivery of Warrant Shares and/or Warrant Certificates)

Name in which Warrant Shares are to be registered if other than in the name of the registered holder of this Warrant Certificate: _____

Address to which Warrant Shares are to be mailed if other than to the address of the registered holder of this Warrant Certificate as shown on the books of the Warrant Agent: _____
(Street Address)

(City and State) (Zip Code)

Name in which Warrant Certificate evidencing unexercised Warrants, if any,

are to be registered if other than in the name of the registered holder of this Warrant Certificate:

Address to which certificate representing unexercised Warrants, if any, are to be mailed if other than to the address of the registered holder of this Warrant Certificate as shown on the books of the Warrant Agent:

(Street Address)

(City and State) (Zip Code)

Dated:

Signature

Signature must conform in all respects to the name of the holder as specified on the face of this Warrant Certificate. If Warrant Shares, or a Warrant Certificate evidencing unexercised Warrants, are to be issued in a name other than that of the registered holder hereof or are to be delivered to an address other than the address of such holder as shown on the books of the Warrant Agent, the above signature must be guaranteed by a an Eligible Guarantor Institution (as that term is defined in Rule 17Ad-15 of the Securities Exchange Act of 1934, as amended).

SIGNATURE GUARANTEE

Name of Firm _____
Address _____
Area Code and Number _____
Authorized Signature _____
Name _____
Title _____
Dated: _____, 200

ASSIGNMENT

(FORM OF ASSIGNMENT TO BE EXECUTED IF WARRANT HOLDER
DESIRES TO TRANSFER WARRANTS EVIDENCED HEREBY)

FOR VALUE RECEIVED, HEREBY SELL(S), ASSIGN(S) AND TRANSFER(S) UNTO

(Please print name and address
including zip code of assignee)

(Please insert social security or
other identifying number of assignee)

the rights represented by the within Warrant Certificate and does hereby irrevocably constitute and
appoint _____ Attorney to transfer said Warrant Certificate on the books of the Warrant Agent with full
power of substitution in the premises.

Dated:

Signature

**(Signature must conform in all respects to the name of
the holder as specified on the face of this Warrant
Certificate and must bear a signature guarantee by an
Eligible Guarantor Institution (as that term is defined
in Rule 17Ad-15 of the Securities Exchange Act of
1934, as amended).**

SIGNATURE GUARANTEE

Name of Firm _____
Address _____
Area Code and _____
Number _____
Authorized Signature _____
Name _____
Title _____
Dated: _____, 200

CHANTICLEER HOLDINGS, INC. UNIT AGENCY AGREEMENT

UNIT AGENCY AGREEMENT made as of June , 2012 (“Issuance Date”), between Chanticleer Holdings, Inc., a Delaware corporation, with offices at 11220 Elm Lane, Suite 203, Charlotte, NC 28277 (“Company”), and Securities Transfer Company, with offices at 2671 Dallas Parkway, Suite 102, Frisco, TX 76034 (“Unit Agent”).

WHEREAS, the Company is engaged in a public offering (the “Offering”) of units (each a “Unit” and collectively, the “Units”), each unit consisting of one (1) share of the Company’s common stock, par value \$0.0001 per share (the “Common Stock”) and a warrant to purchase one (1) share of Common Stock for \$6.00 per Unit, subject to adjustment as described herein (collectively, the “Units”); and

WHEREAS, the Company has filed with the Securities and Exchange Commission a Registration Statement, No. 333-178307 on Form S-1 (as the same may be amended from time to time, the “Registration Statement”) for the registration, under the Securities Act of 1933, as amended (the “Act”) of, among other securities, Units, the Common Stock, the Warrants and the Common Stock issuable upon exercise of the Warrants (the “Warrant Shares”), and such Registration Statement was declared effective on June __, 2012; and

WHEREAS, the Company desires the Unit Agent to act on behalf of the Company, and the Unit Agent is willing to so act, in connection with the issuance, registration, transfer, exchange and separation of the Units; and

WHEREAS, the Company desires to provide for the form and provisions of the Units, the terms upon which they shall be issued and separated, and the respective rights, limitation of rights, and immunities of the Company, the Units Agent, and the holders of the Units; and

WHEREAS, all acts and things have been done and performed which are necessary to make the Units, when executed on behalf of the Company and countersigned by or on behalf of the Unit Agent, as provided herein, the valid, binding and legal obligations of the Company, and to authorize the execution and delivery of this Unit Agency Agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

1. Appointment of Unit Agent. The Company hereby appoints the Unit Agent to act as agent for the Company for the Units, and the Unit Agent hereby accepts such appointment and agrees to perform the same in accordance with the terms and conditions set forth in this Agreement.

2. Units.

2.1. Form of Unit. Each Unit shall be issued in registered form only, shall be in substantially the form of Exhibit A hereto, the provisions of which are incorporated herein, and shall be signed by, or bear the facsimile signature of, the Chief Executive Officer, President, Chief Financial Officer or Treasurer, Secretary or Assistant Secretary of the Company and shall bear a facsimile of the Company’s seal. In the event the person whose facsimile signature has been placed upon any Unit shall have ceased to serve in the capacity in which such person signed the Unit before such Unit is issued, it may be issued with the same effect as if he or she had not ceased to be such at the date of issuance. All of the Units shall initially be represented by one or more book-entry certificates (each a “Book-Entry Unit Certificate”).

2.2. Effect of Countersignature. Unless and until countersigned by the Unit Agent pursuant to this Unit Agreement, a Unit shall be invalid and of no effect and may not be transferred by the holder thereof.

2.3. Registration.

2.3.1. Unit Register. The Unit Agent shall maintain books (“Unit Register”), for the registration of original issuance and the registration of transfer of the Units. Upon the initial issuance of the Units, the Unit Agent shall issue and register the Units in the names of the respective holders thereof in such denominations and otherwise in accordance with instructions delivered to the Unit Agent by the Company. To the extent the Units are DTC eligible as of the Issuance Date, all of the Units shall be represented by one or more Book-Entry Unit Certificates deposited with the Depository Trust Company (the “Depository”) and registered in the name of Cede & Co., a nominee of the Depository. Ownership of beneficial interests in the Book-Entry Unit Certificates shall be shown on, and the transfer of such ownership shall be effected through, records maintained (i) by the Depository or its nominee for each Book-Entry Unit Certificate; (ii) by institutions that have accounts with the Depository (such institution, with respect to a Unit in its account, a “Participant”); or (iii) directly on the book-entry records of the Unit Agent with respect only to owners of beneficial interests that represent such direct registration.

If the Units are not DTC Eligible as of the Issuance Date or the Depository subsequently ceases to make its book-entry settlement system available for the Units, the Company may instruct the Unit Agent regarding making other arrangements for book-entry settlement within ten (10) days after the Depository ceases to make its book-entry settlement available. In the event that the Company does not make alternative arrangements for book-entry settlement within ten (10) days or the Units are not eligible for, or it is no longer necessary to have the Units available in, book-entry form, the Unit Agent shall provide written instructions to the Depository to deliver to the Unit Agent for cancellation each Book-Entry Unit Certificate, and the Company shall instruct the Unit Agent to deliver to the Depository definitive Unit Certificates in physical form evidencing such Units. Such definitive Unit Certificates shall be in substantially the form annexed hereto as Exhibit A.

2.3.2. Beneficial Owner; Registered Holder. The term “beneficial owner” shall mean any person in whose name ownership of a beneficial interest in the Units evidenced by a Book-Entry Unit Certificate is recorded in the records maintained by the Depository or its nominee. Prior to due presentment for registration of transfer of any Unit, the Company and the Unit Agent may deem and treat the person in whose name such Unit shall be registered upon the Unit Register (“registered holder”), as the absolute owner of such Unit and of each Unit represented thereby (notwithstanding any notation of ownership or other writing on the Unit Certificate made by anyone other than the Company or the Unit Agent), for the purpose of any separation thereof, and for all other purposes, and neither the Company nor the Unit Agent shall be affected by any notice to the contrary.

2.4. Detachability of Securities underlying the Units. The securities comprising the Units will not be issued separately and will be separately transferable as set forth in Section 3.2 below.

2.5. Uncertificated Units. Notwithstanding the foregoing and anything else herein to the contrary, the Units may be issued in uncertificated form.

3. Terms of Units

3.1. Units. A Unit will be separable during the period commencing on the date that is a minimum of the 30 days from the date of the prospectus included in the Registration Statement unless the representatives of the underwriters determine that an earlier date is acceptable, but no later than 45 days from the date of the prospectus included in the Registration Statement (the “Separation Date”). On the Separation Date, each Unit shall be separable into one share of common stock and a warrant. On the Separation Date the Units will no longer be quoted.

3.2. Separation of Units

3.2.1. Separation. A registered holder shall separate a Unit by delivering, to the Unit Agent at its offices (i) the Unit Certificate evidencing the Units to be separated, or, in the case of a Book-Entry Unit Certificate, the Units to be separated (the “Book-Entry Units”) shown on the records of the Depository to an account of the Unit Agent at the Depository designated for such purpose in writing by the Unit Agent to the Depository from time to time, and (ii) an election to separate the securities underlying the Units to be separated (“Election to Separate”), properly completed and executed by the registered holder or, in the case of a Book-Entry Unit Certificate, properly delivered by the Participant in accordance with the Depository’s procedures.

If either (A) the Unit Certificate or the Book-Entry Units, or (B) the Election to Separate, is received by the Unit Agent after 5:00 P.M., New York time, on the specified transfer date, the Units will be deemed to be received and separated on the business day next succeeding the transfer date. If the date specified as the transfer date is not a business day, the Units will be deemed to be received and separated on the next succeeding day that is a business day. The validity of any separation of Units will be determined by the Company in its sole discretion and such determination will be final and binding upon the registered holder or Participant, as applicable, and the Unit Agent. Neither the Company nor the Unit Agent shall have any obligation to inform a registered holder or the Participant, as applicable, of the invalidity of any separation of Units.

3.3. Issuance of Certificates Representing the Securities Underlying the Units. The Unit Agent shall, by 11:00 A.M. New York Time on the business day following the transfer date of any Unit, advise the Company or the transfer agent and registrar in respect of (a) the shares of Common Stock and Warrants issuable upon such separation of Units in accordance with the terms and conditions of this Agreement, (b) the instructions of each registered holder or Participant, as the case may be (to the extent different than the instructions for the delivery of the Units), with respect to delivery of the shares of Common Stock and Warrants upon such separation, and the delivery of definitive certificates evidencing the Common Stock and Warrants, as appropriate, (c) in case of a Book-Entry Unit Certificate, the notation that shall be made to the records maintained by the Depository, its nominee for each Book-Entry Unit Certificate, or a Participant, as appropriate, evidencing the shares of Common Stock and Warrants after such separation and (d) such other information as the Company or such transfer agent and registrar shall reasonably require.

The Company shall cause the Unit Agent, by 5:00 P.M., New York time, on the third business day after the termination date, execute, issue and deliver the shares of Common Stock and Warrants to which such registered holder or Participant, as the case may be, is entitled, in fully registered form, registered in such name or names as may be directed by such registered holder or the Participant, as the case may be, to the registered holder or Participant, as the case may be.

In lieu of delivering physical certificates representing the shares of Common Stock and Warrants issuable upon separation, provided the Company's transfer agent is participating in the Depository's Fast Automated Securities Transfer program, the Company shall use its reasonable best efforts to cause its transfer agent to electronically transmit the shares of Common Stock and shall use its reasonable best efforts to cause its warrant agent to electronically transmit the shares of Common Stock issuable upon exercise of the Warrants upon separation to the Depository by crediting the account of the Depository or of the Participant through its Deposit Withdrawal Agent Commission system. The time periods for delivery described in the immediately preceding paragraph shall apply to the electronic transmittals described herein.

3.3.3. Valid Issuance. All shares of Common Stock and Warrants issued upon the separation of a Unit in conformity with this Unit Agreement shall be validly issued, fully paid and nonassessable.

3.3.4. Date of Issuance. Each person in whose name any such certificate for shares of Common Stock and Warrant is issued shall for all purposes be deemed to have become the holder of record of such shares on the date on which the Unit was required to be separated under the terms of this Agreement, irrespective of the date of delivery of any such certificate, except that, if the date of such separation is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares of Common Stock and Warrants at the close of business on the next succeeding date on which the stock transfer books are open.

3.3.5. No Fractional Separation. Units may be separated only in whole numbers of Units. No fractional shares of Common Stock and Warrants are to be issued upon the separation of the Unit. If fewer than all of the shares of Common Stock or Warrants evidenced by a Unit Certificate are separated, a new Unit Certificate for the number of Units remaining shall be executed by the Company and countersigned by the Unit Agent as provided in Section 2 of this Unit Agreement, and delivered to the holder of this Unit Certificate at the address specified on the books of the Unit Agent or as otherwise specified by such registered holder. If fewer than all the Units evidenced by a Book-Entry Unit Certificate are separated, a notation shall be made to the records maintained by the Depository, its nominee for each Book-Entry Unit Certificate, or a Participant, as appropriate, evidencing the balance of the Units remaining after such separation.

3.3.6. No Transfer Taxes. The Company shall not be required to pay any stamp or other tax or governmental charge required to be paid in connection with any transfer involved in the issue of the shares of Common Stock or the Warrants; and in the event that any such transfer is involved, the Company shall not be required to issue or deliver any shares of Common Stock or Warrants until such tax or other charge shall have been paid or it has been established to the Company's satisfaction that no such tax or other charge is due.

4. Adjustments.

4.1. Reclassification, Consolidation, Purchase, Combination, Sale or Conveyance If, at any time while the Units are outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another person whereby such other person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other person or other persons making or party to, or associated or affiliated with the other persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent separation of a Unit, the registered holder shall have the right to receive, for each Unit that would have been separable immediately prior to the occurrence of such Fundamental Transaction, the number of shares of Common Stock, if any, of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock and Warrants for which this Unit is separable immediately prior to such Fundamental Transaction. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the registered holder shall be given the same choice as to the Alternate Consideration it receives upon any separation of this Unit following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") and for which shareholders received any equity securities of the Successor Entity, to assume in writing all of the obligations of the Company under this Unit Agreement in accordance with the provisions of this Section 4.1 pursuant to written agreements and shall, upon the written request of the registered holder of a Unit, deliver to the registered holder in exchange for this Unit created by this Agreement a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to the Unit which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity), if any, plus any Alternate Consideration, receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock and Warrants for which the Unit is separable immediately prior to such Fundamental Transaction, plus any Alternate Consideration (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of such Unit immediately prior to the consummation of such Fundamental Transaction). Upon the occurrence of any such Fundamental Transaction the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Unit Agent Agreement and the Unit referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Agreement and the Unit with the same effect as if such Successor Entity had been named as the Company herein.

The Company shall instruct the Unit Agent to mail by first class mail, postage prepaid, to each registered holder of a Unit, written notice of the execution of any such amendment, supplement or agreement. Any supplemented or amended agreement entered into by the successor corporation or transferee shall provide for adjustments, which shall be as nearly equivalent as may be practicable to the adjustments provided for in Section 4.

The Unit Agent shall be under no responsibility to determine the correctness of any provisions contained in such agreement relating either to the kind or amount of securities or other property receivable upon separation of the Units or with respect to the method employed and provided therein for any adjustments and shall be entitled to rely upon the provisions contained in any such agreement. The provisions of this Section 4.1 shall similarly apply to successive reclassifications, changes, consolidations, mergers, sales and conveyances of the kind described above.

4.2. Notices of Changes in Unit. Upon the occurrence of any event specified in Sections 4.1, then, in any such event, the Company shall give written notice to each registered holder, at the last address set forth for such holder in the warrant register, of the record date or the effective date of the event. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such event.

4.3. Form of Unit. The form of Unit need not be changed because of any adjustment pursuant to this Section 4. However, the Company may at any time in its sole discretion make any change in the form of Unit that the Company may deem appropriate and that does not affect the substance thereof, and any Unit thereafter issued or countersigned, whether in exchange or substitution for an outstanding Unit or otherwise, may be in the form as so changed.

5. Transfer and Exchange of Units.

5.1. Registration of Transfer. The Unit Agent shall register the transfer, from time to time, of any outstanding Unit upon the Unit Register, upon surrender of such Unit for transfer, properly endorsed with signatures properly guaranteed and accompanied by appropriate instructions for transfer. Upon any such transfer, a new Unit representing an equal aggregate number of Units shall be issued and the old Unit shall be cancelled by the Unit Agent. The Units so cancelled shall be delivered by the Unit Agent to the Company from time to time upon request.

5.2. Procedure for Surrender of Units. Units may be surrendered to the Unit Agent, together with a written request for exchange or transfer reasonably acceptable to Unit Agent, duly executed by the registered holder thereof, or by a duly authorized attorney, and thereupon the Unit Agent shall issue in exchange therefor one or more new Unit s as requested by the registered holder of the Unit s so surrendered, representing an equal aggregate number of Unit s; provided, however, that except as otherwise provided herein or in any Book-Entry Unit Certificate, each Book-Entry Unit Certificate may be transferred only in whole and only to the Depository, to another nominee of the Depository, to a successor depository, or to a nominee of a successor depository; provided further, however, that in the event that a Unit surrendered for transfer bears a restrictive legend, the Unit Agent shall not cancel such Unit and issue new Unit s in exchange therefor until the Unit Agent has received an opinion of counsel for the Company stating that such transfer may be made and indicating whether the new Unit s must also bear a restrictive legend. Upon any such registration of transfer, the Company shall execute, and the Unit Agent shall countersign and deliver, in the name of the designated transferee a new Unit Certificate or Unit Certificates of any authorized denomination evidencing in the aggregate a like number of unexercised Units.

5.3. Fractional Units. The Unit Agent shall not be required to effect any registration of transfer or exchange which will result in the issuance of a Unit Certificate for a fraction of a Unit.

5.4. Service Charges. A service charge shall be made for any exchange or registration of transfer of Units, as negotiated between Company and Unit Agent.

5.5. Unit Execution and Countersignature. The Unit Agent is hereby authorized to countersign and to deliver, in accordance with the terms of this Unit Agreement, the Units required to be issued pursuant to the provisions of this Section 5, and the Company, whenever required by the Unit Agent, will supply the Unit Agent with Unit s duly executed on behalf of the Company for such purpose.

6. Intentionally Omitted

7. Other Provisions Relating to Rights of Holders of Units

7.1. No Rights as Stockholder. Except as otherwise specifically provided herein, a registered holder, solely in its capacity as a holder of a Unit, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Unit Agreement be construed to confer upon a registered holder, solely in its capacity as the registered holder of a Unit, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the registered holder of the shares of Common Stock or Warrants which it is then entitled to receive upon the due separation of a Unit. A Unit does not entitle the registered holder thereof to any of the rights of a stockholder.

7.2. Lost, Stolen, Mutilated, or Destroyed Units If any Unit is lost, stolen, mutilated, or destroyed, the Company and the Unit Agent may on such terms as to indemnity (including obtaining an open penalty bond protecting the Unit Agent) or otherwise as they may in their discretion impose (which shall, in the case of a mutilated Unit, include the surrender thereof), issue a new Unit of like denomination, tenor, and date as the Unit so lost, stolen, mutilated, or destroyed. Any such new Unit shall constitute a substitute contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated, or destroyed Unit shall be at any time enforceable by anyone.

7.3. Reservation of Common Stock. The Company shall at all times reserve and keep available a number of its authorized but unissued shares of Common Stock and Warrant Shares that will be sufficient to permit the issuance in full of all outstanding Units issued pursuant to this Unit Agreement.

8. Concerning the Unit Agent and Other Matters.

8.1. Concerning the Unit Agent. The Unit Agent:

- a) shall have no duties or obligations other than those set forth herein and no duties or obligations shall be inferred or implied;
- b) may rely on and shall be held harmless by the Company in acting upon any certificate, statement, instrument, opinion, notice, letter, facsimile transmission, telegram or other document, or any security delivered to it, and reasonably believed by it to be genuine and to have been made or signed by the proper party or parties;
- c) may rely on and shall be held harmless by the Company in acting upon written or oral instructions or statements from the Company with respect to any matter relating to its acting as Unit Agent;
- d) May consult with counsel satisfactory to it (including counsel for the Company) and shall be held harmless by the Company in relying on the advice or opinion of such counsel in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion of such counsel;
- e) solely shall make the final determination as to whether or not a Unit received by Unit Agent is duly, completely and correctly executed, and Unit Agent shall be held harmless by the Company in respect of any action taken, suffered or omitted by Unit Agent hereunder in good faith and in accordance with its determination;
- f) shall not be obligated to take any legal or other action hereunder which might, in its judgment subject or expose it to any expense or liability unless it shall have been furnished with an indemnity satisfactory to it; and
- g) shall not be liable or responsible for any failure of the Company to comply with any of its obligations relating to the Registration Statement or this Unit Agreement, including without limitation obligations under applicable regulation or law.

8.2. Payment of Taxes. The Company will from time to time promptly pay all taxes and charges that may be imposed upon the Company or the Unit Agent in respect of the issuance or delivery of shares of Common Stock and Warrants upon the separation of Units, but the Company shall not be obligated to pay any transfer taxes in respect of the Units or such shares of Common Stock or Warrants. The Unit Agent shall not register any transfer or issue or deliver any Unit Certificate(s) or shares of Common Stock or Warrants unless or until the persons requesting the registration or issuance shall have paid to the Unit Agent for the account of the Company the amount of such tax, if any, or shall have established to the reasonable satisfaction of the Company that such tax, if any, has been paid.

8.3. Resignation, Consolidation, or Merger of Unit Agent

8.3.1. Appointment of Successor Unit Agent. The Unit Agent, or any successor to it hereafter appointed, may resign its duties and be discharged from all further duties and liabilities hereunder after giving sixty (60) days' notice in writing to the Company. If the office of the Unit Agent becomes vacant by resignation or incapacity to act or otherwise, the Company shall appoint in writing a successor Unit Agent in place of the Unit Agent. If the Company shall fail to make such appointment within a period of 30 days after it has been notified in writing of such resignation or incapacity by the Unit Agent or by the holder of the Unit (who shall, with such notice, submit his Unit for inspection by the Company), then the holder of any Unit may apply to the Supreme Court of the State of New York for the County of New York for the appointment of a successor Unit Agent at the Company's cost. Any successor Unit Agent (but not including the initial Unit Agent), whether appointed by the Company or by such court, shall be a corporation organized and existing under the laws of the State of New York, in good standing and having its principal office in the Borough of Manhattan, City and State of New York, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority. After appointment, any successor Unit Agent shall be vested with all the authority, powers, rights, immunities, duties, and obligations of its predecessor Unit Agent with like effect as if originally named as Unit Agent hereunder, without any further act or deed; but if for any reason it becomes necessary or appropriate, the predecessor Unit Agent shall execute and deliver, at the expense of the Company, an instrument transferring to such successor Unit Agent all the authority, powers, and rights of such predecessor Unit Agent hereunder; and upon request of any successor Unit Agent the Company shall make, execute, acknowledge, and deliver any and all instruments in writing for more fully and effectually vesting in and confirming to such successor Unit Agent all such authority, powers, rights, immunities, duties, and obligations.

8.2.2. Notice of Successor Unit Agent. In the event a successor Unit Agent shall be appointed, the Company shall give notice thereof to the predecessor Unit Agent and the transfer agent for the Common Stock not later than the effective date of any such appointment.

8.2.3. Merger or Consolidation of Unit Agent. Any corporation into which the Unit Agent may be merged or with which it may be consolidated or any corporation resulting from any merger or consolidation to which the Unit Agent shall be a party shall be the successor Unit Agent under this Unit Agreement without any further act.

8.3. Fees and Expenses of Unit Agent.

8.3.1. Remuneration. The Company agrees to pay the Unit Agent reasonable remuneration in an amount separately agreed to between Company and Unit Agent for its services as Unit Agent hereunder and will reimburse the Unit Agent upon demand for all expenditures that the Unit Agent may reasonably incur in the execution of its duties hereunder. One half of the total Unit Agent fees (not including postage) must be paid upon execution of this Unit Agreement. The remaining half must be paid within fifteen (15) business days thereafter. An invoice for any out-of-pocket and/or per item fees incurred will be rendered to and payable by the Company within fifteen (15) days of the date of said invoice. It is understood and agreed that all services to be performed by Unit Agent shall cease if full payment for its services has not been received in accordance with the above schedule, and said services will not commence thereafter until all payment due has been received by Unit Agent.

8.3.2. Further Assurances. The Company agrees to perform, execute, acknowledge, and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments, and assurances as may reasonably be required by the Unit Agent for the carrying out or performing of the provisions of this Unit Agreement.

8.4. Liability of Unit Agent.

8.4.1. Reliance on Company Statement. Whenever in the performance of its duties under this Unit Agreement, the Unit Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a statement signed by the President of the Company and delivered to the Unit Agent. The Unit Agent may rely upon such statement for any action taken or suffered in good faith by it pursuant to the provisions of this Unit Agreement.

8.4.2. Indemnity. The Unit Agent shall be liable hereunder only for its own gross negligence, willful misconduct or bad faith. The Company agrees to indemnify the Unit Agent and save it harmless against any and all liabilities, including judgments, claims, losses, damages, costs and reasonable counsel fees, for anything done or omitted by the Unit Agent in the execution of this Unit Agreement except as a result of the Unit Agent's gross negligence, willful misconduct, or bad faith.

8.4.3. Limitation of Liability. The Unit Agent's aggregate liability, if any, during the term of this Unit Agreement with respect to, arising from, or arising in connection with this Unit Agreement, or from all services provided or omitted to be provided under this Unit Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid or payable hereunder by the Company to Unit Agent as fees and charges, but not including reimbursable expenses.

8.4.4. Disputes. In the event any question or dispute arises with respect to the proper interpretation of this Unit Agreement or the Unit Agent's duties hereunder or the rights of the Company or of any holder of a Unit, the Unit Agent shall not be required to act and shall not be held liable or responsible for refusing to act until the question or dispute has been judicially settled (and the Unit Agent may, if it deems it advisable, but shall not be obligated to, file a suit in interpleader or for a declaratory judgment for such purpose) by final judgment rendered by a court of competent jurisdiction, binding on all parties interested in the matter which is no longer subject to review or appeal, or settled by a written document in form and substance satisfactory to the Unit Agent and executed by the Company and each other interested party. In addition, the Unit Agent may require for such purpose, but shall not be obligated to require, the execution of such written settlement by all the Unit holders, as applicable, and all other parties that may have an interest in the settlement.

8.4.5. Exclusions. The Unit Agent shall have no responsibility with respect to the validity of this Unit Agreement or with respect to the validity or execution of any Unit (except its countersignature thereof); nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Unit Agreement or in any Unit ; nor shall it be responsible to make any adjustments required under the provisions of Section 4 hereof or responsible for the manner, method, or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment; nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any shares of Common Stock to be issued pursuant to this Unit Agreement or any Unit or as to whether any shares of Common Stock will when issued be valid and fully paid and nonassessable.

8.5. Acceptance of Agency. The Unit Agent hereby accepts the agency established by this Unit Agreement and agrees to perform the same upon the terms and conditions herein set forth and among other things, shall account promptly to the Company with respect to Units separated.

9. Miscellaneous Provisions.

9.1. Successors. All the covenants and provisions of this Unit Agreement by or for the benefit of the Company or the Unit Agent shall bind and inure to the benefit of their respective successors and assigns.

9.2. Notices. Any notice, statement or demand authorized by this Unit Agreement to be given or made by the Unit Agent or by the holder of any Unit to or on the Company shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Company with the Unit Agent), as follows:

Chanticleer Holdings, Inc.
11220 Elm Lane
Suite 203
Charlotte, NC 28277
Attn: Michael Pruitt, Chief Executive Officer

Any notice, statement or demand authorized by this Unit Agreement to be given or made by the holder of any Unit or by the Company to or on the Unit Agent shall be sufficiently given when so delivered if by hand or overnight delivery or if sent by certified mail or private courier service within five days after deposit of such notice, postage prepaid, addressed (until another address is filed in writing by the Unit Agent with the Company), as follows:
Securities Transfer Corporation

2671 Dallas Parkway
Suite 102
Frisco, TX 76034
Attn: Compliance Department

9.3. Applicable law. The validity, interpretation, and performance of this Unit Agreement and of the Units shall be governed in all respects by the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction. The Company hereby agrees that any action, proceeding or claim against it arising out of or relating in any way to this Unit Agreement shall be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenience forum. Any such process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 9.2 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim.

9.4. Persons Having Rights under this Unit Agreement. Nothing in this Unit Agreement expressed and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or give to, any person or corporation other than the parties hereto and the registered holders of the Units, any right, remedy, or claim under or by reason of this Unit Agreement or of any covenant, condition, stipulation, promise, or agreement hereof. All covenants, conditions, stipulations, promises, and agreements contained in this Unit Agreement shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns and of the registered holders of the Units.

9.5. Examination of the Unit Agreement. A copy of this Unit Agreement shall be available at all reasonable times at the office of the Unit Agent in the city of Frisco, Commonwealth of Texas, for inspection by the registered holder of any Unit. The Unit Agent may require any such holder to submit his Unit for inspection by it.

9.6. Counterparts. This Unit Agreement may be executed in any number of original or facsimile counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

9.7. Effect of Headings. The Section headings herein are for convenience only and are not part of this Unit Agreement and shall not affect the interpretation thereof.

9.8. Amendments. This Unit Agreement may be amended by the parties hereto without the consent of any registered holder for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein or adding or changing any other provisions with respect to matters or questions arising under this Unit Agreement as the parties may deem necessary or desirable and that the parties deem shall not adversely affect the interest of the registered holders. All other modifications or amendments shall require the written consent of the Underwriter and the registered holders of a majority of the then outstanding Units.

9.9. Severability. This Unit Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Unit Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Unit Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

9.10. Force Majeure. In the event either party is unable to perform its obligations under the terms of this Unit Agreement because of acts of God, strikes, failure of carrier or utilities, equipment or transmission failure or damage that is reasonably beyond its control, or any other cause that is reasonably beyond its control, such party shall not be liable for damages to the other for any damages resulting from such failure to perform or otherwise from such causes. Performance under this Unit Agreement shall resume when the affected party or parties are able to perform substantially that party's duties.

9.11. Consequential Damages. Notwithstanding anything in this Unit Agreement to the contrary, neither party to this Unit Agreement shall be liable to the other party for any consequential, indirect, special or incidental damages under any provision of this Agreement or for any consequential, indirect, punitive, special or incidental damages arising out of any act or failure to act hereunder even if that party has been advised of or has foreseen the possibility of such damages.

IN WITNESS WHEREOF, this Unit Agreement has been duly executed by the parties hereto as of the day and year first above written.

CHANTICLEER HOLDINGS, INC.

By: _____

Name: Michael D. Pruitt

Title: CEO

SECURITIES TRANSFER CORPORATION, INC.

By: _____

Name:

Title:



350 EAST LAS OLAS BOULEVARD
LAS OLAS CENTRE II, SUITE 1150
FORT LAUDERDALE, FL 33303-0310
954.462.4150 MAIN
954.462.4260 FAX
www.ralaw.com

May 30, 2012

Board of Directors
Chanticleer Holdings, Inc.
11220 Elm Lane, Suite 203
Charlotte, NC 28271

Re:
Registration Statement on Form S-1

Gentlemen:

We have acted as counsel to Chanticleer Holdings, Inc., a Delaware corporation (the "Company") in connection with the preparation and filing of a Registration Statement on Form S-1 (the "Registration Statement") filed by the Company with United States Securities and Exchange Commission under the Securities Act of 1933, as amended ("Act"). The Registration Statement covers (i) 2,500,000 Units (the "Units"), with each Unit consisting of one share of common stock, par value \$0.0001 per share (the "Common Stock"), and one warrant (the "Warrants"), and (ii) up to 375,000 Units (the "Over-Allotment Units") which certain Underwriters will have a right to purchase from the Company to cover over-allotments, if any, (iii) all shares of Common Stock and all Warrants issued as part of the Units and Over-Allotment Units, (iv) all shares of Common Stock issuable upon exercise of the Warrants included in the Units and Overallotment Units.

In rendering this opinion, we have examined: (i) the forms of the Articles of Incorporation and By-laws of the Company, each as presently in effect and included as exhibits, respectively, to the Registration Statement; (ii) resolutions of the Company's Board of Directors authorizing the issuance of the Units, the Warrants and the preparation and filing of the Registration Statement; (iii) the Registration Statement; (iv) drafts of the Warrant Agreement, and the Warrant certificates (the "Warrant Documents"); (v) drafts of the Unit Certificate, (vi) all applicable provisions of the Constitution of the State of Delaware, statutory provisions of the State of Delaware and reported judicial decisions of the courts of the State of Delaware interpreting those laws and (vii) such other statutory provisions, certificates and other documents as we have deemed appropriate or necessary as a basis for the opinions hereinafter expressed. We have also reviewed and considered such legal matters as we have deemed necessary and relevant as the basis for the opinion set forth below. With respect to such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as reproduced or certified copies, and the authenticity of the originals of those latter documents. As to questions of fact material to this opinion, we have, to the extent deemed appropriate, relied upon certain representations of certain officers and employees of the Company.

Based upon the foregoing, we are of the opinion that:

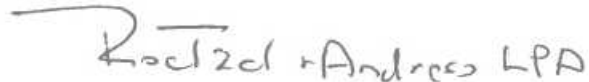
NEW YORK CHICAGO CLEVELAND TOLEDO AKRON COLUMBUS CINCINNATI
WASHINGTON, D.C. TALLAHASSEE ORLANDO FORT MYERS NAPLES FORT LAUDERDALE
6322112_1.DOCX

1. The (i) Units, (ii) Over-Allotment Units, and (iii) Common Stock and Warrants included in: (a) the Units, and (b) the Over-Allotment Units, have been duly authorized and, when issued and sold in accordance with and in the manner described in the Registration Statement, will be validly issued, fully paid and non-assessable;
2. The Common Stock issuable upon exercise of the Warrants has been duly authorized and, when issued in accordance with the terms of the Warrants, will be validly issued, fully paid and non-assessable; and
3. The Warrant Documents, when duly executed and delivered by or on behalf of the Company, will be duly authorized and will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference made to this firm in the Registration Statement under the heading "Legal Matters."

Very truly yours,

ROETZEL & ANDRESS, LPA

A handwritten signature in black ink that reads "Roetzel + Andress LPA". The signature is written in a cursive, slightly stylized font. The word "Roetzel" is written with a long horizontal stroke above the 'e', and "Andress" is written in a similar cursive style. "LPA" is written in a simpler, more upright font at the end.