Summary of MSC Project:
January 28, 2018

MSC Commercialization Strategy Overview

Neil proposes a proven fast track strategy to get FDA Approval by razor focus on three (3) orphan diseases which he knows he has treated successfully with MSCs (already approved under a current IND). They are relatively small in population so that significant statistical sample size should be such that the trials can move forward quickly together they will result in a lower overall cost. Estimated to be total cost of trials for the 3 is about 20 million (roughly 6.5 Million each).

Focus on Three (3) Pediatric Orphan Diseases (POD):

1. **Duchenne Muscular Dystrophy (DMD)**
   Already under a compassionate use IND where FDA has reviewed safety data and cell manufacturing methods.
2. **Spinal Muscular Atrophy-Type 2**
3. **Leigh Syndrome**

The Orphan Disease strategy leverages both the IP related to cell selection process patents, held by Neil Riordan, as well as the 10 years of human clinical trial data from Medistem Panama. Furthermore, there is an FDA Fast Tract Coupon ($100 million) aspect of the Orphan Disease strategy that could help fund additional clinical trials. *See recent Wall Street Journal article on the FDA Coupons: put link here*

Required $45M Funding or Stock Exchange: *to get IP, Data, Revenue and Working capital into - Cell Medicine Inc. a US Company*

Exchange stock for Neil's cell selection IP - *current and to be developed derivatives*

Acquire/Exchange Medistem Panama (100%) - *Revenue and Clinical Data use license ($15M)*

Working Capital for CellMedicine, Inc. - *to fund three clinical trials for 3 years ($20M)*
Plus overhead expenses for 3 years... ($10M)

Possible funders for, Cell Medicine, Inc. *(a new venture to be capitalized with at least 45M)*

Lee Roy Mitchel

Bryce Anderson

Gene Phillips

Joe Gregory NC – Pharma CEO/Chairman

Dean Kennedy

Doug Deason - Deason Capital

Brint Ryan

Bob Rowling - TRG (O&G, Golds, Omni) – Jim Caldwell

New Entity Type Determination – Public vs Private

Investors preferred vehicle is Public Stock Exchange Company vs Private R&D Company with offshore clinical revenue as per the following rationale (Pro & Con). *Insert significant bullet points*

Public Company:

- .
- .
- .
- .
- .
-

Private Company:

- .
- .
- .
- .
- .

Current Entities and Ownership – as of Jan 2018

CellMedicine, Inc a Deleware company

93% Riordan
2% Rivers
5% Medistem Panama *with*
(63% Riordan, 25% Active insiders & 12% friendly outsiders)

Medistem Panama, Inc. a ???? Panama Company *(with less than 10 shareholders)*

63% Riordan
25% Active Insiders
12% Friendly Outsiders

Proposed Offer to Neil Riordan and Medistem Panama

Neil transfers IP to Cell Medicine for Cell Medicine shares

Medistem Panama *data, revenue and shareholders*

The next page will detail several alternatives proposals

Proposed Offer to Neil Riordan and Medistem Panama to result in the following:

1. Acquire 100% Medistem Panama by Cell Medicine, Inc

   Result:

   Neil has $5M cash plus 30% equity in Cell Medicine (including IP equity)

   Other Panama shareholders get $ _____M and _____% in cell Medicine

2. Acquire Neil's 63% Interest in Medistem Panama merge the others into Cell Medicine

   Result:

   Neil has $5M cash plus 30% equity in Cell Medicine (including IP equity)

   Other Panama shareholders get $ _____M and _____% in cell Medicine

3. Acquire all 12% non-active Medistem shareholders along with part of the 25% active shareholders and a part of Neil's 63% so that non-actives are bought out and Neil and actives get some cash and the rest in stock in Cell Medicine.

   Results:

   Neil has $5M cash plus 30% equity in Cell Medicine

   Active shareholders in Medistem get $____ and _____% in Cell Medicine

   Non-Active shareholders in Medistem get $____ and __0__% in Cell Medicine