

Part 1: "Elevator" Introduction

AniCell Biotech extends the ACTIVE life of companion animals by recycling amniotic material to create an ALL-NATURAL regenerative treatment for veterinarians to treat tissue-related injuries in animals. Existing cellular regenerative therapies work by using the blood or fat stem cells harvested from a donor or wounded animal to heal career and life threatening injuries such as tendon, joint, or eye injuries. The issue with these cellular therapies is that they are invasive, painful, and as of last year, illegal to administer without approval from the FDA. Today, the only commercially-available acellular regenerative product on the market today is developed and manufactured by AniCell.

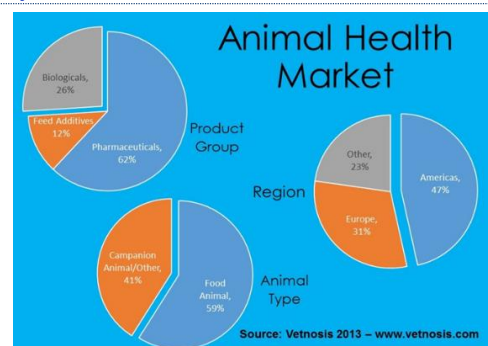
AniCell is different. It uses provisionally-patented collection and processing technologies to create acellular bioscaffolds that help the body repair itself. These implantable and superficially applied bioscaffolds use amnion, the placenta material discarded during the birth of healthy animals. Best of all, AniCell's technology is noninvasive not needing to create a wound to cure a wound. It is affordable since it can be administered ONCE in the field at the time of tendon, ligament, bone, eye or open superficial injuries. There is no painful harvesting, culturing, waiting, sterility collection concerns, or ongoing therapy. The technology has a significant proven track record in human burn victims and diabetic cases. Finally, the treatments are not subject to FDA Guidance 218 fulfilling a void in the market place vacated by existing cellular treatments.

Unlike our service-based competitors who harvest the stem cells from the animals by creating injuries to cure injuries, AniCell produces affordable, field-ready, "Human Tested, Animal Approved" products available the same day as diagnosis and with no harm to the animals.

Part 2: Market and Industry Analysis

The 2015 Global Veterinary Health Product Market is \$31.61 billion. The compound annual growth rate (CAGR) has increased from 5% to 7% per year with the U.S. Veterinary Health Product Market accounting for \$14.86 Billion. Our specific segment (Biological Market) is growing at 10% per year according to Pharmaceutical Commerce and Trimark Publications, industry research companies. The US companion animal biological segment is responsible for \$1.59 billion of the worldwide market with \$158 million spent on equine with the remaining percentage accounting for other companion animals.

We have had great results with our initial focus on the North American market. We expect this success to increase exponentially in the United States thanks to the window of opportunity for AniCell created by FDA Guidance 218 due to the restrictions now placed on universities and commercial cell-based services. Therefore, we plan to focus heavily on educating the US market in 2017 while engaging both Mexico and Canada. At the end of 2017, we will evaluate performance and determine whether to expand into Europe or the Middle East.



Part 3: Go-to-Market Plan

AniCell's products have been on the market for just over a year and we are seeing substantial traction in the market with sales achieving operational breakeven of \$19,800 per month. Here is what our customers are saying:

"I would rather use this product right away for a corneal ulcer than put the horse and the owner through the difficult task of treating the eye 4-6 X daily. Amazing! Happy owner, happy pony, happy veterinarian!"

Dr. Erin Moore DVM, State Veterinarian with the Commonwealth of Pennsylvania, Renfrew, PA

"I have been extremely impressed with the StemWrap and AniMatrx products for the treatment of complicated wounds, including those over joints. These products accelerate healing and promote the formation of healthy granulation tissue. They are also well packaged and easy to use."

Dr. Lauren Schnabel, DACVS, PhD, DACVSMR, Assistant Professor, Equine Orthopedic Surgery, NC State University

Our competitive advantage centers around five things:

- It's Safer:** A non-invasive procedure that does not require "creating a wound to cure a wound." No painful harvesting of bone marrow or fat stem cells. No sedation or anesthetics required.
- It's Better:** Amnion is regenerative fetal material safely collected during birth without harm to mother or baby! It includes the basic building blocks for connective tissue growth such as collagens and all-natural hyaluronic acid.
- It's Faster:** Amnion is immune privileged so there is no risk of rejection! It lacks the MHC type II expression (blood antigens) that would normally elicit an inflammatory immune response. This means the body will not recognize it as a foreign tissue, and we can use it during the acute inflammatory stage of the injury.
- It's Affordable:** Because there is no harvesting, culturing, or lab work needed, we can deliver a better product for less.
- It's Convenient:** Anicell opens up regenerative medicine to a whole new market enabling mobile veterinarians, who lacked access to these types of treatments, to treat the same day as diagnosis in the field.

AniCell is using a B2B model to distribute our products directly to veterinarians. Regenerative therapies are not new to veterinarians but to date, they have all been in the form of a service formulated at their practice or sent off to a lab. We distribute these products through MWI who has 565 representatives covering 66,759 private sector veterinarians.

Our customer acquisition/incumbent displacement strategy is has several facets:

1. Our "TAKE TWO Sample to Sales" model places 2 samples with targeted veterinarians acquired through tradeshow or direct sales calls which upon adoption generates usage of 4-6 treatments per month. Veterinarians specializing in regenerative therapies are doing 3-4 treatments a week.
Currently we have 5 channel sales reps around the US working with our distributors reps to provide training and support to our channel in the way of product support and education to veterinarians.
2. We use the power of public relations to promote brand awareness to animal owners. We refer to this as the "Cialis Effect" of using brand awareness to drive end-user demand eliciting engagement of the veterinarians. So far, lead uptake is 84% in the cases where the owners brought our brands to the veterinarian for use on the owner's animal. We are using a combination of traditional and online media to drive awareness through advertorials.
3. Finally, strategic growth is being addressed through exports. AniCell is in negotiation for licensing agreements to market our products in Mexico and Canada.

Part 4: Technical Product Description and Plan

The EquusCell and CanisCell brands are regenerative treatments derived from fetal, amniotic material obtained aseptically from animals during parturition (birth). It is then processed and cryo-frozen for preservation and delivery.

This technology has grown in popularity over the last 6 years due to innovation in rapid cryopreservation of the amnion material without altering the biological characteristics of the amniotic cells or tissue. There is extensive research on the use of amniotic membrane-based products for *humans*. In 250,000 cases, no adverse side effects in patients have been reported.

In 82.23% of the 965 Equine and 112 Canine cases, we have demonstrated improved quality and acceleration of wound, bone, joint, and tendon healing resulting from AniCell's treatment. Customers continue to comment about the ease of use of our "One and Done" treatment protocol resulting in reduced wound treatment costs over the existing repetitive therapies.

Though there is extensive human-related research, AniCell has embarked on several animal trials to prove efficacy of our products. In a bone study that we replicated of a competing regenerative therapy at a University in Mexico, preliminary results show we achieved bone growth in 1 month what took them 3 months to grow!

For 2017, there are two products on our product roadmap. One is a lyophilized (breathable) version of the product that can be used to treat respiratory issues in animals such as exercise induced pulmonary hemorrhage (EIPH) in racehorses. This is key due to the upcoming elimination of Lacix for "bleeders" in the US racing industry. AniCell will also introduce a non-cryogenic injectable that will further reduce the cost of production and open our export market. We believe that the evolution of our processes with stringent documentation and attention to quality will further remove risks from our model.

Our largest risk in our market is the reluctance to change. Large pharmaceuticals "symptom based" approach dominate the market place with veterinarians slow to change their standard of care to a new product. Our product SOLVES these tissue related problems. Based on current research, amnion-derived technology offers superior healing to that of adipose and bone marrow derived stem cells or PRP. The gap in the legacy technologies represent opportunities for AniCell and fuels our competitive advantage. We are the first to market this technology.

Our technology is provisionally patented globally for all non-human applications including innovations in the (i) collection raw materials from animals during parturition, (ii) cryopreservation and "banking" animal placental tissues and (ii) allograft preparation for use in an injectable form. This currently gives a protected market space in which to deploy this technology.

Because similar legacy technologies are already currently being used, many of the barriers to entry for this market have already been overcome. Educating our customers on the science, teaching them to properly position our products and ensuring them a safe, sterile and quality product will overcome any remaining barriers.

Part 5: Risk vs. Talent Narrative

AniCell has had many successes its first year in business perfecting our collection process, proving efficacy in a variety of treatments, and developing the CanisCell line a year ahead of schedule. As we assess the dangers ahead, the top two involve consistent execution of our "TAKE TWO" market incursion strategy, release of our AlloMotion and working with the FDA to properly categorize this new technology in the veterinary world. These programs all involve a diligent commitment to ongoing process improvement and disciplined adherence to written procedures.

Our team includes the following:

Brandon Ames – President; 25 yrs. as an owner of three businesses in computer technology, communications carrier and aviation. BS Degree in Business Operations from DeVry. Speaks globally to entrepreneur groups on building scalable growth based businesses. Member of the Entrepreneurs Organization.

Dr. Moises Barcelo, DVM, PhD – Research Veterinarian with a PhD in Cellular Biology and Genetics from Colorado State Univ.

Dr. Ashley Culp DVM – Equine Veterinarian from Washington State University - Market Dev. and Treatment Advisory Support

Michael Pintar – Masters in Business from CSU of Business Development

In the future, we will need a marketing manager and an office/logistics manager to handle fulfillment. We have put together a job profile for the type candidates that we are looking for as well as a job description. As we continue to grow, we will continue to fill out sales support and operations staff as well as marketing, financial and regulatory.

Our key advisors include Edwin French, former CEO MedCath, Inc. who was the owner of Arizona Heart Hospital, Jay Jennings, Former Owner of Safeguard Security & Steven Bolick, Admin. Lab Director with Sonora Quest Laboratories. Tom Fulcher, Annette Zinky and Christine Bailey from NACET.