



Amarantus
BioSciences

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Amarantus BioSciences Announces Partnership Agreement with Generex Biotechnology

Companies to jointly pursue use of Amarantus MANF-based technologies in treatment of diabetes mellitus

SUNNYVALE – May 31, 2011 – Amarantus BioSciences, Inc. (“Amarantus”), a biotechnology company developing first-in-class, disease-modifying treatments that address an underlying cause of cell death known as apoptosis, today announced a licensing agreement under which Amarantus will in-license Generex Biotechnology, Inc.’s (“Generex”) drug delivery technologies in all therapeutic areas, excluding diabetes mellitus, where Generex and Amarantus will pursue a joint research collaboration.

Under the terms of the partnership agreement, Generex will grant Amarantus a non-exclusive worldwide license for the clinical and regulatory development and commercialization of Generex’ buccal delivery technologies, known as RapidMist™, in combination with Amarantus’ proprietary MANF and PhenoGuard technologies for all disease indications except diabetes mellitus. For diabetes mellitus, Generex and Amarantus will jointly pursue the research and development of Amarantus technologies, where Generex will fund up to \$5 million in research and development costs associated with this disease. As part of the overall collaboration, Generex retains rights to license up to three products developed from the Companies’ research efforts in the field of diabetes mellitus. The collaboration will be advanced through Amarantus’ wholly-owned subsidiary, Amarantus MA, based at the Pioneer Valley Life Sciences Institute, which is focused on MANF-based diabetes research.

MANF, a protein newly discovered by the scientific team at Amarantus, mediates the biological process known as apoptosis (programmed cell death) throughout the body. This special property has been scientifically demonstrated in various pre-clinical models of human disease, indicating that MANF-based products could have a significant impact on the treatment of a myriad of human diseases as first-in-class therapies, including diabetes. Amarantus’ most advanced product development program for MANF centers on the development of a disease-modifying therapy for Parkinson's disease which is currently funded by the Michael J. Fox Foundation for Parkinson's Research.

"Our partnership with Generex represents an important step forward for our development efforts in diabetes mellitus and other diseases mediated by MANF. The combination of Generex’ delivery systems and Amarantus’ technologies allows us to offer more comprehensive disease management solutions for patients as we look to develop new and novel therapies in various

diseases. In particular, we look forward to working with Generex to advance the standards of care for people with diabetes," commented Martin D. Cleary, Amarantus' Chairman and CEO.

"One of the next goals of diabetes treatment is to change the progression rate of beta cell failure," said John W. Commissiong, Amarantus' founding scientist. "The validation of novel targets such as MANF, which we believe plays a critical role in the underlying pathophysiology of diabetes, will greatly facilitate the development of better medicines to treat and potentially arrest the progression of this disease and its often disabling complications."

About Amarantus BioSciences, Inc.

Amarantus BioSciences, Inc. is engaged in the research and development of first-in-class disease-modifying treatments that address the underlying cause of cell death, known as apoptosis, associated with a wide range of diseases, including but not limited to, neurodegenerative and cardiovascular. The Company's most advanced product candidate, MANF, is a therapeutic protein indicated for the treatment of Parkinson's disease and Myocardial Infarction. Currently incubating at the Parkinson's Institute in Sunnyvale, CA, Amarantus BioSciences is the recipient of a research grant from The Michael J. Fox Foundation for Parkinson's Research. See www.Amarantus.com.

About Generex Biotechnology Corporation

Generex is engaged in the research, development, and commercialization of drug delivery systems and technologies. Generex has developed a proprietary platform technology for the delivery of drugs into the human body through the oral cavity (with no deposit in the lungs). The Company's proprietary liquid formulations allow drugs typically administered by injection to be absorbed into the body by the lining of the inner mouth using the Company's proprietary RapidMist™ device. The Company's buccal insulin spray product, Generex Oral-lyn™ is in Phase III clinical trials at several sites around the world. Antigen Express, Inc. is a wholly owned subsidiary of Generex. The core platform technologies of Antigen Express comprise immunotherapeutic vaccines for the treatment of malignant, infectious, allergic, and autoimmune diseases. Antigen Express has pioneered the use of specific CD4+ T helper stimulation in immunotherapy. One of its platform technologies relies on inhibition of expression of the Ii protein. Antigen Express scientists, and others, have shown clearly that suppression of expression of the Ii protein in cancer cells allows for potent stimulation of T helper cells and prevents the further growth of cancer cells. For more information, visit the Generex website at www.generex.com or the Antigen Express website at www.antigenexpress.com.

Forward Looking Safe-Harbor Statement:

The information provided herein may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Exchange Act of 1934. These

forward-looking statements are largely based on our current expectations and projections about future events and financial trends affecting the financial condition of our business. Such forward-looking statements include, in particular, statements about our plans, strategies, business prospects, and the ongoing and future development of disease modifying treatments. These forward-looking statements may be identified by the use of terms and phrases such as "anticipates", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "plans", "projects", "targets", "will", and similar expressions or variations of these terms and similar phrases. Additionally, statements concerning future matters such as planned research and development and the regulatory approval, marketing, and sale of planned future and other statements regarding matters that are not historical are forward-looking statements. Management cautions that these forward-looking statements relate to future events or our future financial performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance or achievements of our business or our industry to be materially different from those expressed or implied by any forward-looking statements.

These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, including without limitation, the following: (a) the risk that our product candidate MANF, which is still under clinical development, may not obtain regulatory approval or be successfully commercialized; (b) the risk that extensive regulatory requirements may limit the scope of future sales or impede successful product commercialization even if we obtain regulatory approval for our product candidate; (c) the risk that we may be unable to arrange for the successful manufacture and commercial supply of our planned product; (d) the risk that MANF, if approved and brought to market, may not be accepted by the medical community; (e) the risk that we may not be successful in undertaking the steps currently planned in order to increase our liquidity and capital resources, resulting in inadequate funding for our planned research and development activities; and (f) other risks and uncertainties described in our filings with the Securities and Exchange Commission.

Neither management nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. All forward-looking statements in this press release are made as of the date hereof, based on information available to us as of the date hereof, and subsequent facts or circumstances may contradict, obviate, undermine, or otherwise fail to support or substantiate such statements. We caution you not to rely on these statements without also considering the risks and uncertainties associated with these statements and our business that are addressed in our filings with the Securities and Exchange Commission that are available on the SEC's web site located at www.sec.gov. Certain information included in this press release may supersede or supplement forward-looking statements in our other Exchange Act reports filed with the SEC. We assume no obligation to update any forward-looking statement to conform such statements to actual results or to changes in our expectations, except as required by applicable law or regulation.