



**Amarantus**  
BioSciences



Generex BIOTECHNOLOGY™

## **Amarantus BioSciences and Generex Biotechnology Collaborate on Cell Therapy for Late Stage Diabetes**

### ***Partnership Aimed at Groundbreaking Beta-Cell Replacement***

**Sunnyvale, CA and Toronto, Canada – August 4, 2011** – [Amarantus BioSciences](#) (OTCBB:AMBS), a biotechnology company developing a first-in-class anti-apoptosis therapeutic protein known as MANF, and Generex Biotechnology Corporation (OTCBB:GNBT) ([www.generex.com](http://www.generex.com)), a biotechnology company developing a buccal insulin spray technology known as Generex Oral-lyn™, currently in a Phase III trial, today are making public the details of their intended third joint diabetes research collaboration. In this third research project, the companies will use Amarantus' proprietary [PhenoGuard](#) cell immortalization process to develop beta cell replacement therapies to aid diabetes therapy. The two companies are currently planning to develop a MANF-based diagnostic test to identify a sub-population at risk of developing Type 1 or Type 2 diabetes as well as a MANF-based therapeutic to be administered using the [RapidMist™](#) delivery system for the treatment of diabetes and impaired glucose tolerance.

“The potential of Amarantus' proprietary PhenoGuard cell immortalization process to create a stable source of representative beta cells that can be used in cell replacement therapy in patients who have lost virtually all beta cell function represents a potential major breakthrough for the treatment of chronic, late-stage diabetes,” said Dr. James Anderson, Senior Scientific Advisor and Director of Generex. “Patients whose beta cell function is most impaired are the ones most at-risk of developing life-threatening complications of diabetes. Beta cell replacement therapy taken together with the development of a diagnostic test able to track the progression of beta cell dysfunction, and the ability to administer MANF prophylactically and therapeutically to alter the course of beta cell apoptosis and dysfunction in patients with diabetes and pre-diabetes disorders, these three research collaboration programs represent major research and development initiatives that could dramatically alter the course of treatment in the diabetes space. The breadth and scope of this research collaboration provides Generex with an incredible opportunity to position itself as a long-term market leader in the treatment of diabetes-related metabolic disorders.”

“To date, the Amarantus PhenoGuard technologies have been able to immortalize cells in a manner that maintains the phenotypic characteristics of the cells being immortalized,” said Dr. John Commissiong, Chief Scientific Officer of Amarantus. “The potential to create immortal

clones of beta cells that could be used in cell therapy procedures would further validate the Amaranthus technologies, positioning Amaranthus as a unique resource for novel cell lines, while creating a powerful tool to change the clinical outcomes in patients with the most severe forms of diabetes.”

### **About Amaranthus BioSciences, Inc.**

Amaranthus 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. 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, Amaranthus BioSciences is the recipient of a research grant from The Michael J. Fox Foundation for Parkinson’s Research. See [www.Amaranthus.com](http://www.Amaranthus.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](http://www.generex.com) or the Antigen Express website at [www.antigenexpress.com](http://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](http://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.

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