

Operator: Good afternoon and thank you for joining today's conference call to discuss Generex Biotechnology's corporate update. I will now turn the call over to Anthony Crisci in-house corporate counsel. Please go ahead, sir.

Anthony Crisci: Good morning and thank you for joining today's conference call to discuss Generex Biotechnology's corporate update. Before I begin, I would like to read to you the safe harbor statement under the Private Security Litigation Reform Act of 1995. Forward looking statements included in this presentation are made pursuant to the safe harbor provisions of the Private Security Litigation Reform Act of 1995.

These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may, could, expect, intend, plan, seek, anticipate, believe, estimate, predict, potential, or continue" or the negative of these terms or other comparable terminology.

You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially effect actual results, levels of activity, performance, or achievements. A more detailed description of these and other risks and uncertainties may be found in our annual report on Form 10K and other public filings with the Securities and Exchange Commission.

If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you read in this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth, strategy, and liquidity.

We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise. Now, I would like to turn the call over to Joe Moscato, President and Chief Executive Officer of Generex Biotechnology Corporation. Thank you.

Joe Moscato: Thank you, Anthony. Good morning, everyone. On behalf of myself, Generex' executive management team, and the Generex board of directors, I would like to welcome our fellow stockholders and other interested parties to this afternoon's conference call. As you know from our press releases and any case filings over the last few weeks, we have made significant strides in

building Generex as a diversified healthcare holdings company with offerings in a variety of services: diagnostics, medical devices, and pharmaceutical development.

The company's strategy of an end to end patient-centric solution offers access to diagnostic testing and laboratories, therapeutic drugs, medical devices, and additional health related services that greatly improve the patient experience in receiving care. Our corporate mission at Generex is to provide physicians, hospitals and all healthcare providers with an end to end solution to patient-centric care from rapid diagnostics through delivery of personalized therapies, streamlining care and processes, minimizing expenses, and delivering transparency for payers.

Today, I am happy to share a number of significant transactions that we have planned or have recently completed to build revenues, profits, and long-term value for Generex and our shareholders. The first transaction relates to our acquisition of the Veneto group of assets, which we are now operating as NuGenerex Distribution Solutions, NDS. Led by President Terry Thompson, NDS is managing and expanding the company's MSO network, which currently operates in five states, which plans for expansion into a total of 27 states.

I am pleased to announce that we have been able to restructure a \$35 million debt obligation on time with the Veneto Group partners through an agreement on the payment of \$15.75 million in Generex common stock at the upmarket price of \$250 per share, satisfying a significant portion of the \$35 million debt obligation, plus, \$20 million cash or stock to follow within 90 days. The payment to Veneto Group partners is being made already and is already accounted for in shares from the Generex pool, which is non-dilutive to our current shareholders, as the total number of outstanding shares and capital structure remain constant.

I would like to take a minute to review the mechanics for the Generex pool of shares, which we are using to complete cashless, non-dilutive acquisitions of companies, technologies, and assets that fit our strategic plans. The Generex pool of shares that are described in the December 4th, 2018 AK filings have come from four historical investors, including myself, our board member Larry Salvo, our partner Steve Berkman, from whom we acquired HDS, and an investment fund that have all contributed their 21 dividend shares to a pool. All proceeds from that pool go to the benefit of Generex and its shareholders.

These shares are available to the company for non-dilutive financing and acquisitions, and we have used the pool to advance Veneto transactions, as well as additional acquisitions that I will now review. Fuse Medical, as part of our strategy to provide providers and patients end to end solutions, we are expanding into the medical and surgical supply business to provide products,

tools, and services for our own physician network and other providers and hospitals. To that end, we are very happy to announce that Generex has signed a letter of intent to acquire Fuse Medical, subject to completed due diligence.

The transaction has been structured as an all stock deal, valued at \$34 million of Generex common stock at \$2.50 per share, with the potential for earn outs based on certain performance in 2019. Fuse is a publicly traded surgical supply company with revenues approaching \$30 million and EBITDA of approximately \$5 million. You could visit their website at www.fusemedical.com for details on their business and SCC filings.

The company distributes a broad portfolio, especially surgical products, to healthcare providers nationwide, bringing not only sales and distribution channels, but also a network of customers that will advance the Generex mission to deliver innovative end to end solutions to our healthcare partners, physicians and patients. The deal is not diluted to our shareholders as the payment is being made from the Generex pooled shares. We are especially excited by Fuse Medical's line of biologics that augment our Generex Medicine product portfolio.

That includes the previously announced acquisitions of Regentis and Olaregen Therapeutix. We have also come to terms with the group of all the region investors to increase the Generex ownership from 51% to 60.2% through an agreement to acquire all of Olaregen outstanding series A preferred stock in exchange for Generex stock at the upmarket price of \$2.50 per share, plus a second payment of either stock or cash.

We are excited about the prospects for Olaregen as we plan the commercial launch in April 2019 of the Excellagen wound conforming gel that is cleared by FDA for 17 wound care indications, including post-surgical wounds, diabetic wound ulcers, and other hard to manage wounds. Excellagen is expected to be used by NuGenerex Distributions Solutions, MSO's network of surgeons, and pediatricists, illustrating our strategy of end to end solutions for physicians and patients.

Again, these stock transactions demonstrate the commitment of our subsidiary partners to the vision and potential of Generex, and they are not dilutive to our current shareholders, enabling us to use cash for advancing the company strategy and development plans. Further, we are in discussion with the remaining Olaregen shareholders to acquire up to 100% of the company. Adding to our surgical product portfolio, we have agreed to acquire Pantheon Medical Foot and Ankle, a manufacturer of specialty orthopedic surgery products and tools.

Under the terms of the deal, Generex will acquire all the assets of Pantheon Medical, including business operations, accounts receivable, inventory,

contracts, and an FDA letter related to balanced play system on a debt-free basis for \$1.4 million worth of Generex stock from the pool shares, plus an additional cash and stock consideration upon achieving certain sales and profit goals over the next two years. Pantheon Medical Food and Ankle is a multimillion dollar company that began operations in 2014 with a physician friendly, all in one, integrated kit that includes plates, screws, and tools required for orthopedic surgeons and pediatricists conducting foot and ankle surgeries.

Over the next three years, the company will be developing and submitting several new product lines to the FDA, which will include cannulated surgical screws, surgical staples, as well as proprietary hammer toe systems. The acquisition of Pantheon expands the commercial product portfolio of Generex into the surgical field, adding revenue and profits with their current product line and significant upside opportunities for new FDA product introductions over the next several years. Our MSO partners, many of whom are orthopedic surgeons and pediatricists, will immediately benefit from Pantheon's foot and ankle kits.

The acquisition, once again, demonstrates Generex' commitment to providing end to end solutions that enhance physician practice and improve outcomes for patients. In conjunction with Pantheon's deal, Generex has also entered into a letter of intent to acquire MediSource Partners, an FDA registered distributor of medical and surgical products, including ball grafts, biologics, from a range of surgical products and manufacturers.

Under the terms of the deal, Generex will acquire all the assets of MediSource, including business operations, accounts receivable, inventory, and contracts on a debt-free basis for \$1 million worth of Generex stock, plus additional cash and stock considerations for achieving certain sales and profit projections over the next two years. MediSource Partners is a ten year old private company currently contracted with over 25 vendors, including Pantheon Medical, for nationwide distribution of implants and devices for spine, hips, knees, foot and ankle, hand and wrist surgeries.

Additional product lines include biologics, blood, bone, tissue, and stem cells, durable medical equipment, and soft goods. The company also supplies kits to process bone marrow, aspirates, and platelet rich plasma biologics at the time of surgery. With over 25,000 products in its catalog, MediSource distributes a large and broad-based inventory that offers a one stop shop model that increases client profitability and productivity.

Both Pantheon and MediSource Partners will bring an extensive line of surgical and biological products to our MSO partners and hospital systems, integrating our management services to not only integrate purchasing ability, but to also offer better pricing and access to new, innovative products, especially in the field of biologics and regenerative medicine. We're excited

that through the acquisitions of Pantheon and MediSource, together with Fuse Medical, NuGenerex Distribution Solutions will provide access to a whole new line of products that not only enhances our current MSO network, currently operating in five states, and eventually expanding into 27.

We are now in the process of completing the due diligence on the Fuse, Pantheon, and MediSource acquisitions with plans to close transactions in the coming weeks. Additional details of these transactions will be disclosed in the AKs to be filed with the SCC. Let's talk a little bit about some of the acquisitions that we haven't disclosed. To round out our discussion on Generex Distribution Solutions, I want to update you on our plans to acquire a direct to patient pharmacy network and IT systems, which the company had previously announced in a letter of intent and AK filings.

After a year of work, Generex expects to receive the final audit report on the target company. The audit report will enable Generex to finalize the terms and price of the acquisition, thereby providing a path towards integration of the pharmacy network into NuGenerex Distribution Solutions in the near future. We're excited about the opportunity to expand our pharmacy network. That, ultimately, will enhance our distribution and direct to patient capabilities.

We look forward to integrating the pharmacy's cutting edge database systems and operational capabilities to grow our distributions solution business by introducing a number of innovative pharmacy programs. Moving on, I would like to bring everyone up to date on our strategic plan for the company's whole owned subsidiary, NuGenerex Immuno-oncology, previously Antigen Express. As you know, we have initiated a phase two clinical trial of our elite product, AE37, immunotherapeutic peptide vaccine in combination with Merck's Keytruda, for the treatment of triple negative breast cancer.

That trial is being managed by NSABP and will be enrolled this year. The company has several other immunotherapeutic vaccine products based on the II-Key platform technology, as well as ongoing discussions with potential partners in the immuno-oncology field to expand that product portfolio. Management believes that these immuno-oncology assets are hugely undervalued with limited development opportunity within the current corporate structure of Generex.

Therefore, to unleash the potential of our technology, and thereby add value to our investors, Generex will declare a dividend of NuGenerex Immuno-oncology shares. The dividend will be structured such that for every four shares of Generex stock investors will receive one share of NuGenerex Immuno-oncology. The report date for the dividend is tomorrow, January 17, and the payment date is scheduled for Monday, February 25, 2019. Immediately following the dividend payout, Generex plans to list NuGenerex Immuno-oncology to our public exchange.

Additional details on this dividend will be provided in an AK filing to be made with the SCC. NuGenerex Immuno-oncology will operate as independent company with a new board of directors, and we will be assembling a management team around Dr. Eric Von Hoff, President. Additionally, we are in active discussions with academic institutions and development companies in the field of immunology, oncology, and predictive analytics to expand the breadth and depth of our immuno-oncology intellectual property and product portfolio.

Generex has been on the forefront of immunotherapy for 20 years, having completed one of the largest ever immunotherapy trials for breast cancer with AE37, which now forms the basis for our current partnership with SynGen Biosyn, for prostate cancer, and a partnership with Merck, for triple negative breast cancer. With this planned spinout, we hope to realize the full and powerful potential of immunotherapy for the treatment of cancer. Thank you all for your time and attention today.

I trust that you have a better appreciation of our vision, strategic plan to build Generex into the next generation integrated healthcare holding company. We will meet our financing obligations associated with our strategic acquisitions and have positioned Generex for future growth and significant revenues and projected profits. We have highly experienced management teams, both at the corporate and company levels, who are dedicated to achieving our corporate goals and objectives.

As discussed so far, we are focusing on generating revenue and operational capitals through the acquisitions including the MSO, the network of pharmacies, clinical laboratories, and medical device companies with new and improved products. We plan to expand our MSO network in up to 27 states where we are working to contract and/or purchase ancillary service providers for pharmacy, laboratories, and VME. And we are partnering with physicians in those states to promote patient-centric care.

We plan on acquiring profitable companies in the surgical products and supply business, together with our two exciting companies in the wound care and regenerative medicine space. We will be launching our first product, Excellagen, in the coming months. As you can see, we've been building Generex into a revenue generating and cutting edge development company, with the best in class executive team that has the experience and expertise to lead NuGenerex into the future.

Management is excited about what the future holds, and thought the inherent value of the acquisitions hasn't been yet reflected in our stock price, we are confident as we continue to execute our strategy that the market and new shareholders will recognize our vision to build NuGenerex into a new kind of healthcare company that is more responsive to the needs of the different stakeholders in the healthcare value chain, with offerings in a variety of

services, diagnostic, medical devices, and pharmaceutical development. Now, we'll open up the line for a few questions from our shareholders.

Operator: At this time, if you would like to ask a question, please press star and one on your touch tone phone. You can remove yourself from the question queue by pressing the pound key. Again, that is star and one, and we will take our first question from Steve Fraser. Please go ahead.

Steve Fraser: Hi, Joe and everyone. Thanks for taking my questions. Can you hear me?

Joe Moscato: How are you doing, Steve?

Steve Fraser: All right, Joe. How are you?

Joe Moscato: Very good, sir.

Steve Fraser: Good. To start things off, I'd like to make a comment. I want to acknowledge all you and your team -- what you're accomplishing. You guys have taken an investment that I was leaving for dead and resurrected it into a revenue producing, successful business. You, personally, Joe, and some of your original team members, put your own money into bringing NuGenerex' SCC filings up to date.

You provided personal guarantees on certain debt to get the acquisitions going and gave up 95% of your recent stock dividend to provide the company the means to fund your entire business plan without diluting my holdings in NuGenerex. I have not seen that in other companies, and I greatly appreciate that, Joe, and your team.

Joe Moscato: Appreciate that. Thank you.

Steve Fraser: Yes, you're welcome. So now for the tough question first, although it's probably a softball pitch for you. In today's press release, you stated that you were able to restructure the Veneto \$35 million debt, partially using \$15.75 million of your stock dividends you donated. However, at the price of \$2.50 a share, while the stock was only a \$1.94 at last night's closing, that means only 6.3 million shares of the outstanding donated stock was used. How'd you get that done at a higher price using less shares?

Joe Moscato: That's really a good question for the Veneto team. I believe that the Veneto team partners believe in our plan, believe in the company, believe in the model. And we had plenty of offers for other equity--to bring in other equity to fund the acquisition, but the partners liked what we were doing and how everything was working that they decided to fund it themselves. So we're pretty excited about that, that they're highly confident in what we're doing and that we'll be able to create further wealth for them. Of course, now, they're investors in the whole operation.

Steve Fraser: Well, it's obviously paid off. Today, the stock was up to \$2.54 it closed at, so they're already making money. My next question is regarding our old friend Oral-lyn, and I have a two part question on that. First, the last I had read, Oral-lyn was reformulated by Dr. Anderson and I thought was going to go into animal testing. Forgive me if I'm wrong on that since it's been a while on Oral-lyn. Has any new testing been completed on Oral-lyn? Also, is Dr. Anderson still involved? And what is your timeline on moving forward to treat type two diabetes with Oral-lyn?

Joe Moscato: Dr. Anderson is an instrumental team member. He has reformulated Oral-lyn, has done some testing, but as I said, I think, in a previous conference call, it's very important that Generex executes on its new plans so that, this way, we can get back to some of our older technologies, such as Oral-lyn, and put the necessary assets into bringing that huge potential, delivering insulin in type two patients, to a reality.

But to go back to our old assets, especially starting all over in type two, it would be a huge cost. So the decision was made to go after revaluating assets, build a big enterprise, and then we'll be able to fund our own initiatives. For me, we take Oral-lyn very seriously. That asset we will get back to. The formulation is much, much better than the old one. It's much, much more cost effective, as well as much more viable from a utility standpoint.

So we will put the necessary assets into that, and we will get back into clinic with that. But we do need to continue and finish our acquisitional strategy before that occurs.

Steve Fraser: Okay. Well, then that kind of answers my second part, probably. My second part of that question was the rapid mist device is being used for Oral-lyn, and I know there were other drugs that we were looking to use rapid mist for. I was just wondering if there's any update on applications you were working on to promote rapid mist. But it sounds like that's probably another technology that'll be put off for the time being until we get plenty of revenue coming in, or plenty of net profit coming in, to help fund some of those.

Joe Moscato: Well, we do have a major license with the cannabis company. They licensed our technology. They are working in the clinic with our device to get a cannabinoid product through it. They've made significant headway, and I'm hoping to update our shareholders on their progress in the coming months. And then we have been in discussions with other potential types of treatment paradigms that can potential go through the device, but those are early stage discussions.

Steve Fraser: Okay. Now, today, you discussed the stock dividend of NuGenerex Immunology, and back on October 5, you had stated in a press release about Syngen Bioscience waiting for a pending acceptance of regulatory package to

start off the prostate phase two trial in Europe in 2019. Is there any update on whether that acceptance was received and if we have a trial start date yet?

Joe Moscato: You know what, Steve? I'm going to have Dr. Eric Von Hoff answer that. He's on the call with me, since we are talking about the spinout as well as the dividend of NuGenerex Immuno-oncology. So I had Eric come on. Eric, why don't you give an update on where we are with both Merck partnership, as well as the Syngen.

Dr. Eric Von Hoff: Sure. Yeah. Hi, Steve.

Steve Fraser: Hey, doctor. How's it going?

Dr. Eric Von Hoff: So Syngen is in the process now, as Joe mentioned, of getting filings ready for China. They'll also be doing the study in the EU, so the phase one was done in the EU. And that's where it's easiest to set up the phase two from that. But at the same time, they're getting the application in China, which is, of course, where they have rights. We do not yet have an exact start date from the trial, but they're in the process of getting that lined up. So we hope to have an update in the next probably month or so to determine when that trial is going to be started.

Steve Fraser: Okay. Great. Thank you so much for that update. Joe, let me ask you about the--

Joe Moscato: You've got a lot of questions.

Steve Fraser: I know. I don't think people ask enough questions, and I want you to be able to get your word out there. So if you don't mind, I've got two more questions. One, NuGenerex Immuno-oncology rights offering that was talked about in the past. Today's announcement, obviously, was one dividend share for every four shares of Generex that you have. Is there going to be a rights offering coming out as well that you can explain about now? Or is that something you still need to wait on?

Joe Moscato: We're right now talking to investment banks. I was at J.P. Morgan last week, and we specifically talked to a few of the investment banks for a rights offering for our Generex shareholders. It's being contemplated now, and it's highly likely that we will put together a rights offering for our shareholders once the company is public, as well as the dividend is distributed. So we're working on that. I'd like to give one to the shareholders, give them the opportunity to become more significant holders of antigen Express.

I should say NuGenerex Immuno-oncology, formerly Antigen Express. But right now, we have a bunch more work to do before I can definitively say we'll be doing that.

Steve Fraser: Okay. As it stands right now, then, you're spinning off 25% of the old Antigen Express to shareholders. I know you had mentioned in your press release that NuGenerex will want to hold a majority stake. What do you guys consider a majority stake, after all is said and done? Are you going to hold just 51%? Are you going to try to hold 60%? Do you have a ballpark?

Joe Moscato: I don't know where you came up with we're going to be giving any 25%. That's just not true. It'll be less than 10% we'll be dividening out to Generex shareholders.

Steve Fraser: I just took it from one share for every four shares. I just took that as 25%.

Joe Moscato: No. Generex, from the dividends that we did, with our existing shareholder base, not counting the pooled shares or anything that's been given out--well, there's nothing been given out. But it's 26 million shares altogether, approximately. So out of that 26 million shares, it's four for one, so you can do the math from there.

Steve Fraser: Okay. So it's not on the 60 million shares. It's not on the shares that you guys donated back to the company. It's on the, for all intents and purposes, I don't want to say slowed, but it's the shares that are out there in investors' hands.

Joe Moscato: Correct. The pooled shares or the four individuals that contributed all of their dividends for the benefit of Generex will not receive that dividend.

Steve Fraser: Oh, that's even better yet, Joe. I'm very impressed that you guys are willing to do that. So that's very nice. I do appreciate that on my behalf. Regarding the--I'm not going to say this right, but Olaregen and Regentis purchases, I know you sealed them with stock. Their initial purchases, you sealed them with stock just a couple weeks ago. Were those also done with--obviously, they were done with stock that you guys had donated, but it was also done at \$2.50 a share? Or was it at the share price at the time, which was like \$1.65?

Joe Moscato: They never received any stock. There was no stock involved with Olaregen and/or Regentis. For Olaregen, we have obligatory commercialization payments throughout the year we need to make to them. We already own 51%. We're contracted right now to get a little over 60% by taking out some of their shareholders and exchanging their shares for Generex shares at the \$2.50 share price.

But out of that pool, we will raise the money that we need to make those obligatory payments, as well as Regentis to get through the clinic, to get an FDA approval--a hopeful FDA approval. We're highly confident they will and then up through their commercialization. So these are all--the monies that we have to pay both companies are either for commercialization or to getting their product approved.

It's not for the cost of acquisition. It's the cost of furthering science or commercializing and having a viable product which we can sell, either through our MSO or through our other distribution channels.

Steve Fraser: Okay. I must have misread. I thought it had said you filled the \$1 million. I guess it was the \$400,000 cash up front, and the \$1 million to each one of them was done in stock. And I must have misread that, so I do apologize.

Joe Moscato: I have a stock pledge that if I don't pay that loan then that investor can get the stock, yes. But it was not a stock deal. It was a loan, and I had to pledge my personal shares.

Steve Fraser: Gotcha. All right. My last question, then, for many of us long time investors, we want to come to the next annual meeting that you mentioned. It's going to be coming up, I guess, fairly soon. Do you have a general idea of what month and where you're going to hold that? Maybe New York City would be wonderful, but do you have any ideas?

Joe Moscato: Right now, no, we don't have a definitive place yet, but we will need to do a shareholder meeting in the next few months. And we'll work with that with our in house counsel and outside counsel in the coming weeks to address that. But we will need one eventually and we will do one.

Steve Fraser: Okay. All right. Well, thank you for answering my questions, Joe. I've taken up enough of your time. And again, I'm truly amazed at what you've been able to do and accomplish so far, and I'm excited for the future of NuGenerex and my investment. So thank you for fight through the battle for us long time small investors and all investors.

Joe Moscato: Well, I appreciate the call, Steve, and I wish you the best. We will keep trying to provide the greatest value for shareholders. That's our main goal.

Steve Fraser: You're doing well so far. Thanks so much.

Operator: Thank you. Our next question will come from Mark Ellis. Please go ahead. Your line is open.

Mark Ellis: Hi. Good afternoon.

Joe Moscato: Hi, Mark.

Mark Ellis: Hi. I've been a Generex stockholder for well over a decade, and I'm just really encouraged with what's been going on lately. I have a question regarding the dividend, the latest one here. I purchased additional shares today, and I notice there's a report date and a record date. I'm just concerned about--I spoke with Schwab, who I go through, and they were unsure as far as what the active dividend date and what--it's a little unclear to even them of

who's going to be able--like if I purchased stock today, am I going to enjoy the dividends in the additional shares I purchased today?

Joe Moscato: Of course you will, yes, and we will detail who will be entitled to what and on what dates. But all shareholders up through the pay date will be entitled to the stock.

Mark Ellis: The pay date being?

Joe Moscato: February 25, the Monday in February.

Mark Ellis: That's the way I was reading it, but I appreciate the clarity. I just want to say, again, that I really appreciate what you guys are doing. And thank you so much.

Joe Moscato: Well, we really appreciate that, and we're doing our absolute best to make sure we keep adding value for you guys.

Mark Ellis: Thank you, sir. Have a good day.

Joe Moscato: You too.

Operator: Thank you. And our next question will come from Dustin Frederickson. Please go ahead.

Dustin Frederickson: Hey, Joe. Can you here me?

Joe Moscato: Yes, I can, Dustin.

Dustin Frederickson: Number one, I just want to say I'm a long time GNBT stockholder. I had a lot of shares back then. I had 370,000 shares at one point. I've been through the rough times with you guys. I saw what you guys had in the vault, knew what was going on, obviously commend you and the board for everything you guys are doing. I really do appreciate that you guys were giving up your dividend shares to better the company. The new shareholder and, I'm sure, the existing shareholder are really thankful. I'm thankful.

I just want to say, obviously, more and more you guys keep adding things to the company, which is great. I do have just a small question, and they're probably easy to answer. So if I wanted to acquire more, because I keep buying more, if I bought--just say I can acquire more funding in the next week or two and be able to buy more GNBT, I would be entitled to the dividend on February 25?

Joe Moscato: Correct. That is true. You would be entitled to the dividend. I appreciate the kind words. Thank you.

Dustin Frederickson: Okay. One more question, too. I won't make it long. Thank you, number one, to the previous caller, Steve. He did ask a lot of questions that answered a lot of mine, which is nice. But for the NDS, when you give us, for four shares that we have, you're going to give us one share of the new NDS, we'll call it. Does that kind of just sit somewhere until that is up and running? Is that how that works, just so people understand that?

Joe Moscato: Yeah. What we will do is that our transfer agent--and again, the lawyers will put together the exact formulation of how, and metrics of how, it will work. But it will be distributed through pretty much the same way, but just on a private basis. So it will either be book shared at our transfer agent. And then as soon as we're public with that entity, you guys will all have your stock already. It'll be in the entity. Either we can book share it into your account, based upon knowing your accounts.

It will be distributed to the brokers, so it will be done pretty much the same way. I could be wrong. I haven't gotten the actual directions and/or the formulation yet. We'll have that in the coming days. We'll announce those directions and we'll AK the whole thing. As soon as that's done, it will be out there, and you'll have all your answers.

Dustin Frederickson: Perfect. And then, let me just be clear. Because again, maybe I just didn't hear everything exactly when you started talking to Steve about this. But when you guys get NDS going, obviously, I would love to buy, existing shareholders also, would love to buy NDS, also. So that is going to be made available--I'm asking a question here--to the existing shareholders first, before the market, to buy additional shares?

Joe Moscato: Yes, that's the way it would work. We would--so obviously, we would be transferring over a significant amount of shareholders through the dividends to the new entity, well, to NuGenerex Immuno-oncology, but the new public entity. And yes, the intention would be that we would raise enough money to pay for our clinical trial work in a couple different areas. We would have enough operating capital for at least a year, if not a little longer, as well as potentially some of the acquisitions we'd be making in either new IP that would complement the IP we already have in NuGenerex Immuno-oncology, as well as the potential of maybe merging NuGenerex Immuno-oncology with another company.

But yes, our intention would be to all the rights offering, and, hopefully, that investment bank that we would pick would be able to bring in the necessary money to make an up list occur, have enough capital for the clinical work, as well as maintaining a NSDAQ or New York Stock Exchange listing.

Dustin Frederickson: Okay. And that's for--just so I'm clear, that's for the NDS once that gets going; correct? It will get on the national exchange?

Joe Moscato: Correct.

Dustin Frederickson: One more, I promise. I'm sorry, Joe. GMBT, is that going to try to get to a national exchange also?

Joe Moscato: Oh, yes. That's our main focus. We decided that we need to execute completely on our acquisitional strategy after we got done with phase one and two, since I've taken over as CEO. The value will drive the necessary capital we need to raise, as well as getting the company from a rules perspective to a listed. So it's all about different matrix, negative shareholder equity, turning that into positive.

We've been able to significantly wipe out a lot of negative shareholder equity into a positive. And we're hoping that within the next couple acquisitions we will have positive shareholder equity. And that really is our last piece that we'll need to get that listing.

Dustin Frederickson: Well, thank you so much. I really appreciate it again. Joe, and the board, I really appreciate, and the doctors. I really appreciate what you guys are doing with this. Again, I was there when you guys were, obviously, grinding through to get out of the red and get things onboard with making it the company it is. So thank you so much and I appreciate your time with my questions today.

Joe Moscato: Thank you so much for calling in. I really do appreciate that.

Operator: Thank you. And our next question will come from Raymond Piles. Please go ahead.

Raymond Piles: Hey. Hi, Joe. Thanks for taking my question today. I'll make this quick. I wanted to talk about on November 26, 2018, a press release when you guys announced that there's an agreement going on that's anticipated to add over a million dollars of sales with the new product NuGenerex CBD HydroHealth water. I have a few questions. The first one is are we still on track to generate that, a little over a million dollars in sales, with the new product?

That's one question. The second is how is that agreement with the new company, I believe it's Puration, going? And the third question is is that something that's going to be produced in-house at the Generex location, or is that something that PURA is actually going to be producing on their own?

Joe Moscato: Well, it's in combination. We came up with a formulation that we were pretty happy with, with our new NuGenerex health forum. Right now, we're almost done with the labeling and the audit work for a branding of the product. Our formulation is significantly a little bit higher than most of the other CBD waters out there, and it's a high alkaline water. So we believe a million bottles of water is really not a lot at all. We have our own pharmacy network.

We're potentially going to sell a lot of water through that pharmacy network, as well as other distribution channels that have already shown significant interest in carrying the product, as well as other distribution channels. So CBD is hot right now. And for us, it really was being able to put enough into our own pharmacy networks to sell the product. It's a great product. Everybody wants it. It's in high demand. Since we own pharmacies, we thought it was a great idea to get in the business.

Raymond Piles: All right. Thank you for that. I think part of the question was is that agreement going well with the new company, or are you guys trying to get other companies into the game for the new product, as well?

Joe Moscato: As a matter of fact, myself and a few management team members had dinner last night with the CEO of PURA. The meeting went well. They manufacture their product in Portland, so we're definitely on track with bringing that product to market. So the contract is going quite well. The partnership is going quite well.

Raymond Piles: Awesome. Thank you, Joe, for answering my questions, and I do appreciate all the work that you guys are doing. Trust me, I did buy more shares, a little less than \$0.80 price margin when you guys were going through a little bit of a hiccup before and stayed quite well. Thank you so much for the great work. I appreciate that.

Joe Moscato: I'm very happy. That makes me very happy when shareholders can monetize and make money.

Raymond Piles: Yeah. Great company. Thank you.

Joe Moscato: Thank you.

Operator: Thank you, and our next question will come from Glenn Johnson. Please go ahead.

Glenn Johnson: Hello, Joe and team. Thank you so much for having this call today.

Joe Moscato: I appreciate that. How are you?

Glenn Johnson: So I want to let you know that I'm a shareholder. I'm also a physician in a pain management setting, so I'm particularly excited about the MSO model and a number of the products that you're working on bringing to market. I would also be remiss if I didn't say hello to a lot of the people who are probably listening to this call on a message board community called Investors' Hangout. Joe, I want you to know you've got a lot of fans out there. In particular, the members of that community are very positive about what's happening, and we're super excited.

Joe Moscato: That's terrific. I appreciate that, and I wish all of you guys on that board much success with us.

Glenn Johnson: My only question, because Steve and some of the other callers already did a great job in asking questions, is really about the Excellagen product itself. It's been around quite some time, and I'm curious, moving forward, it's got a lot of applications. But to this point, it probably hasn't been utilized as well as it hopefully will be in the future. My question just really revolves around can you provide a little color to the history of that product and technology and how Generex is going to be able to move that forward in a more meaningful way in clinical settings in the future?

Joe Moscato: I wish I had Tony Dolisi with me on the call, but unfortunately, he is quite busy and traveling. But I can say that the team at Olaregen--they're all big pharma folks. They know how to commercialize a product probably better than anybody out there. Tony Dolisi and his team members are all world-class in that area. They've all--if you take a look at their backgrounds, take a look at Tony's background. I believe he's up on our website. If anybody's going to be able to commercialize products, Tony Dolisi is.

So my faith is in not only the companies, the scientists that those companies keep, but those management teams that are either running the science to get to commercialization or are passed that point and now are ready to commercialize. So we're not only buying companies. We're not only partnering with companies, but first and foremost, we're buying great operators with--great companies with great growth trajectory, as well as great companies with great science, with great management teams to get those sciences to the finish line.

That team is working very hard. I can tell you that there are significant contracts they're working on. I can tell you that there are many healthcare institutions, many have called me, that are highly interested in partnering with us with that product. And based upon the calls that they have as part of that team and advisory team, they say that this product is exponentially a game changer in the space that that will serve. So we are in the middle of commercializing it, and sales will start within the next couple months. I can't speak for the past with this company.

My science guys dug down knee-deep in understanding the science. If you read the FDA's weigh-ins on all the trial work that they did, it's quite impressive. I can't speak for other management teams. I don't know why the other company didn't commercialize. There could be 100 different reasons why. Look at Generex.

We've had great products, and not all of our products, or none of our products, were able to get commercialized. So I don't know what other management teams have done. I don't know why they had deficiencies in

bringing products to the market, but I do know that this management team will bring that product to the market in a very effective, lucrative way.

Glenn Johnson: Well, that sounds great. Thank you so much for having the call today, and we look forward to continued good news coming from Generex.

Joe Moscato: By the way, where are you located? What state?

Glenn Johnson: Tennessee.

Joe Moscato: Tennessee's a great state and is one of our 27 target states that we'll be building an MSO in. So you should definitely give us a call, and we'd love to talk to you about joining one of our MSOs.

Glenn Johnson: Oh, that'd be terrific. I'd love to do that, and we'll follow up on that.

Joe Moscato: Yup. That sounds great. Thank you very much for the call.

Glenn Johnson: Okay. Have a great day.

Joe Moscato: You too.

Operator: Thank you. And our next question will come from Joe Kanig. Please go ahead.

Joe Kanig: Hi, Joe and the board. Thank you all, as well, for taking this company. It's almost like finding money under a rock. It's unbelievable. My question is what ever happened to Shreya Lite? What's the status?

Joe Moscato: Well, the Shreya Lite came out of a former management team. To be honest with you, we have to get back into the clinic with the new, much better Oral-Lyn, our belief anyway. But quite honestly, I don't believe in that. Once we bring Oral-Lyn back out, I don't believe in going through countries outside of FDA, MEA for approvals. You get approval here with FDA, all of those countries come onboard.

So focused clinical work, get approved through FDA, and then you can go to those countries. That's always been a formula that I've been trained in and then spent most of my career in doing. So we have no--anything with Shreya up to this point. They licensed the product, the older product. They weren't able to commercialize it, so it's unfortunate.

But I haven't spent a lot of time on any of the old management's pathways or directions that either they were starting, they got in the middle of, or even almost finished. It's a new Generex, and I have no interest in following any other management's lead in how they were trying to do things.

Joe Kanig: Excellent. Thanks, Joe.

Joe Moscato: Appreciate it.

Operator: Thank you. And our next question will come from Matthew Johnson. Please go ahead.

Matthew Johnson: Hi, Joe. I'm a longtime GMBT shareholder, also, from Connecticut. Over a decade here. Thank you for bringing this from the bottom of the well, which is where I felt it was. My simple one question is so when this NuGenerex shows up on my brokerage account it's going to be a separate symbol for NuGenerex?

Joe Moscato: Yeah. NuGenerex Immuno-oncology will definitely be a different symbol. The company will still be majority owned by Generex Biotechnology, but yes, it will be a standalone, public company with its own symbol.

Matthew Johnson: Alrighty. Good luck, and I'm hoping all of us have good luck with this new company.

Joe Moscato: I do too.

Matthew Johnson: It's been a long, long road.

Joe Moscato: Well, I'm really glad that we've been able to get to where we are and we're able to put some value back into the older Generex shareholders' coffers. So hang in there, and we'll keep creating value for you guys.

Matthew Johnson: Yes, I hope so because it got so bad to the point it wasn't worth selling. It was almost like it would cost me more to sell it then it was worth.

Joe Moscato: Well, hopefully, this management team, as well as all its partners and operating partners, will be able to never make you want to sell it. That's our goal.

Matthew Johnson: Exactly. Well, I've held on this long. Thanks, Joe.

Joe Moscato: I really appreciate the call.

Matthew Johnson: All right. Thanks for answering. Bye-bye.

Operator: And as a reminder, that is star and one to ask a question. And our next question will come from Richard Stephens. Please go ahead.

Richard Stephens: Hey, Joe. I'd just like to congratulate you, join the chorus of the other shareholders. Steve and the other guys did such a great job with the questions I'm also struggling to come up with a few. I just wanted to ask a question

about Excellagen. I heard the doctor asking about why prior companies maybe had a hard time commercializing it. But isn't it now a different route of administration? Before, it was a gel that was rubbed on wounds, but now it's an injectable? Or do I have that wrong?

Joe Moscato: Yeah. As a matter of fact, our first big batch is being--is at the packager, and it does come in a pre-loaded syringe. All the information on--

Richard Stephens: In different sizes?

Joe Moscato: Yeah. In different sizes. As a matter of fact, the Olaregen team just got FDA clearance for the 3CC, which that's a one and done application on most sizeable wounds. So pretty excited about that one. So are doctors and so are the calls that we have consulting with. Again, I don't know much about--

Richard Stephens: Some of those changes, that's evident of the work Anthony Dolisi, who I'm not familiar with, but I read up on your press releases. It shows the benefit of a better team compared to the previous ownership of that Excellagen. I was also looking at Fuse Medical's website. I was check out the 10Q, period ending September 30. Revenue is pretty high at \$6.8 million, and you're anticipated \$30 million a year moving forward.

With Veneto, in one of your filings in December, it showed them at \$74 million revenue for the previous year. So we're already looking at \$100 million in revenue a year just in those two companies. And that's before you move into 27 states. So a question I never thought I'd be asking a GNBT CEO: next year, when you're taking a conference call, what type of revenue numbers do you expect to be looking at?

Joe Moscato: As great as possible, but forecasting at this point, while we're in the middle of building out all the additional stage four, the MSO--Terry Thompson has does a great job here. Terry, as well as Anthony Crisci, have been down in Texas now every week. Maybe it'd be a good idea. Terry is sitting right next to me. Terry, why don't you say hello to Rich and maybe give you input on where we are here with NuGenerex Distribution Solutions. Since you've got your finger on the pulse here, you can please--

Terry Thompson: Hi, Rich. It's Terry Thompson.

Richard Stephens: Hi, Terry.

Terry Thompson: I just wanted to say that we have been working with the new asset and preparing it for the future growth and setting it up for the expansion to at least 27 states with the model we have today. We've got a new product line that we've launched and just signed our first contract for a product that's not an MSO product, but it goes to all the different physicians that we had in our network in the orthopedic side. It's called DMEIQ. So we are preparing for

an expansion geographically and getting new products to send through our MSO to improve our profitability as well, such as some of the products that Joe outlined in the surgical space.

So we're on track for what we're planning to do, and we've got another platform similar in size, that Joe mentioned, that we've got the audit just about completed on, that we want to move forward on. Which we should be able to complete in the next month or two.

Joe Moscato: Rich, you have to look at it like this. Veneto had substantial revenues prior to us acquiring the business, but it didn't have any of their own products that they manufactured or that they distributed. So here, we're acquiring businesses that we can tap into those product breadths and then run through our distribution channel, especially our MSO and increase that revenue exponentially because we own all of the products that those doctors will be using.

It's building this in a much bigger dynamic with now, one, entering all the new stakes; two, having your own product breadth that you can run through in the very application areas of the doctor mix. So we have surgeons, so that's why the surgical manufacturing companies are very important. We have pediatricists, and that's why the Olaregen product is very important. If you see the companies and the future companies we'll be acquiring, it's not only that we can distribute outside our own networks, but we're matching them up to our doctor and patient makeups and then controlling costs, providing better costs, providing better treatment and better outcomes through our own networks.

So that's where we're going with this whole enterprise. As the coming months go by, you'll see more and more of how there will be a lot more added, as well as the synergies and how they all wrap into one. Let me introduce Chris Reed. Maybe he can answer some of the financial questions you asked. Chris is the CEO of Fuse. He happens to be on the call as well. So Chris, why don't you say hello to Rich, and maybe you can answer a few of his questions about Fuse and what your take is on what we're building.

Richard Stephens: Thanks, Joe. I was looking at their ticker, and it's lightly traded. But I wasn't really sure why because it looks pretty good. Assets: \$15.2 million. Revenues growing year to year. I think there was a press release that they were just named one of the top growing countries in the country.

Joe Moscato: Say hello to the CEO, Chris Reed. Why don't you say hello to Rich and answer some of his questions.

Chris Reed: Yeah. Thanks, Joe, and thanks, Rich, for the question. Fuse Medical, we have maybe a little similar history in the fact that we were trying to build our enterprise being over the counter and eventually make a major exchange. So

we've been in the distribution and manufacturing business for ten years as a closely privately held entity. So we've developed our supply chain and our network and our products and two years ago, then, reversed into the Fuse Medical shell.

So it was an existing entity with Fuse Medical in the same business space, but we just reversed into that entity. That \$26 million revenue that we popped in there was what put us on the Deloitte Fast 500 Growing List in North America for publicly traded companies. We're also the 143 out of 150 largest public corporations in the Dallas/Ft. Worth area. Which given some of the executive offices that are here in Dallas, I'm surprised that we made that list, but we're proud of that achievement as well.

We think that this opportunity to merge with Generex and NuGenerex is perfect. We've had a couple year history with the legacy Veneto members as a supplier. So as Joe mentioned, bringing this all under one roof to be able to service and manage, make the products, own the product lines of five 10K and the IPS, and then be able to have your own network to deliver those products and realize the profits and the substantial savings to healthcare systems, it just makes perfect sense.

And as I mentioned, it was our goal to do this on our own. But if we were looking at three to five years to build our own revenue and get up there to the large exchange, then obviously with what Joe's created here and the team, we see that as a perfect fit and hopefully a chance to get up there sooner.

Richard Stephens: Excellent. I can see some synergy between you and Pantheon. I see on your website you also have a section for foot and ankle. There's a lot of similarities, and you said you worked with the legacy Veneto company. With the network of 17 hospitals coming onboard, that will take place, Joe, in the next few months, if all goes well?

Joe Moscato: Well, it's not 17. It's 13 hospitals. We're in deep discussions with acquiring the hospitals plus the management company. They also manage hospitals. But they own 13, plus the management company. That's another distribution platform that we're looking at acquiring. And I'm quite confident that soon we'll have some good news on that. But again, we're in deep discussions. We haven't finalized anything yet, but I'm hopeful that we can get those two large entities under the belt because hospitals will provide another pivotal injection point in our overall plan.

Richard Stephens: That's in Texas, as well?

Joe Moscato: That one is--they're spread out in a bunch of states, and they have a bunch of offices. I really can't get into too many details about who they are or what they are. But as soon as we're able to, you guys will be the first to know about it. I am very excited about the potential of that one.

Richard Stephens: I'm excited about the potential here too, especially seeing you, through your MSOs, selling to your own network of surgeons. It just seems like this is a real company that could suddenly start growing rather rapidly and I'd like to see it.

Joe Moscato: Travis, since we're talking surgical and talking about the new acquisitions, maybe Travis Bird might want to say a few words. Travis is the CEO of Pantheon, as well as MediSource. So Travis, if you would, just say a few words and maybe give a summarization of why you're excited about joining the family of Generex companies.

Travis Bird: Yeah. Thank you very much, gentlemen. This is Travis H. Bird here, CEO of Pantheon and MediSource partners. It's a great opportunity for us to be a part of what Generex and meeting with Joe and the other executives to really see their holistic view of how medicine needs to be treated in this time of age, where we're at where healthcare has been a big product discussion in a lot of major companies, as well, too.

So with the track record of over 22 years of me being in healthcare and having a number of IP ideas and biologics ideas, having worked with Fuse Medical and Generex and Veneto and a lot of the other companies, as well, too, it really was a synergistic viewpoint of what we all were trying to accomplish. That's where sitting down with Joe and the executive, seeing where they were going with their view of healthcare, really matched to where we wanted to be with our view as MediSource being an all-in where we could be a full-service provider for hospitals and for physicians.

To be able to not only distribute products, but also manufacture our own unique ideas that our physicians came to us, as well, too. It's been a great relationship thus far. We're excited to close this as soon as possible and really see where the year's going to go for 2019. We're all excited, and we're really excited to hear from the investors, as well, too, of the buzz that's going out there. So I thank you guys for giving me the time to talk a little bit about Pantheon and MediSource Partners.

Joe Moscato: Thanks, Travis. I really appreciate that. Rich, I believe that you want to say something about one of the questions about Olaregen.

Richard Purcell: Yes, Joe. Hi, this is Rich Purcell. I'm the Executive Vice President of Research and Drug Development for Generex. Just to comment on the question regarding the Excellagen and previously failed commercialization. The original company was a bunch of scientists. They weren't commercial people, and they didn't have the pieces and parts together to get it to a commercial stage.

And they also didn't have a patent that was fully approved yet. Just recently, when Tony came onboard and took over the company, they were able to get

the patent. So they had an FDA approval without a patent, so they weren't able to raise the capital without a standing patent. Now that we have a patent, it changes the game, and that's one of the reasons why I think we're going to be successful here with the Excellagen product.

It's always been a good product. It wasn't packaged right. It wasn't put into a commercial team properly. It was a scientist team, and now we're positioned to move forward. So that's all I wanted to say. Thanks.

Joe Moscato: Thanks, Rich. Appreciate it.

Richard Stephens: I didn't realize that about a patent. That's actually a very good point. Joe, is Regentis still part of your deals here because you didn't mention them today in your press release?

Joe Moscato: I didn't mention a lot of the companies that we own. I didn't mention anything about--it was really about the new developments. That's why I didn't mention Regentis, but yes, Regentis is a very instrumental, as well as strategic, part of everything we're building. Those folks are another great management team. So yeah. I just wanted to bring up today--keep everybody informed on the new developments since we're constantly evolving and we have so many new things that we're doing each and every week. I didn't think it was necessary to bring up every company that we have into the mix.

Richard Stephens: Got you. Well, like everybody, we over speculate sometimes and come up with our own thoughts instead of just asking questions. I just wanted to ask Dr. Eric Von Hoff a question about the combination study with Keytruda, with the NSABP. First of all, congratulations, Eric. You hung in there a long, long time on a shoestring budget, and now you're finally seeing life back into NuGenerex Immuno-oncology.

Eric Von Hoff: I appreciate that, Rich. I recall seven, eight years ago, we had some interactions. You wrote a nice review on A37, so we are seeing it bear fruit now.

Richard Stephens: It's about time, and I'm glad to see it. Could you tell us how many patients will be--I know that the previous phase two was the largest ever vaccine trial. The sub group for triple negative that did show statistical significance, at least according to the ASCO abstract that I read for 2017. That was a smaller group within the larger study. So how many triple negative subjects will we see enrolled for this study?

Eric Von Hoff: Sure. So we're going to be enrolling 29 patients for this combination study. It's not a controlled, randomized study like the previous phase two. So the way we worked this out, and this was in collaboration with Merck and NSABP, was to do a non-blinded study. The idea is, if we see a response rate greater than what we would expect from Keytruda alone, that would warrant

a larger controlled, randomized study. But currently, we're anticipating enrolling 29 patients for that combination study.

Richard Stephens: Okay. And if you do find success and some robust clinical activity, would Merck potentially come in in a greater, let's say, partnership role? Is that the hope?

Eric Von Hoff: That's certainly the hope and I think you could also say expectation. I don't think they would have entered into this agreement if they didn't see the potential for moving forward. So yeah, that would be the hope.

Richard Stephens: Awesome. Thank you very much, gang, and congratulations. I'm looking forward to hearing about all of your achievements moving forward.

Joe Moscato: Thank you, Rich. Appreciate the call.

Operator: Thank you, and our next question will come from Robert McCann. Please go ahead.

Robert McCann: Guys, congratulations on the great news. I'm sure you must be rather thrilled, happy, satisfied that the legion of detractors have gone away, and you're now surrounded by an army of proponents. So count me as one of them because I used to be a detractor. But I'm not now.

Joe Moscato: You did leave one out and that was "very tired."

Robert McCann: I get that. I have three very quick questions, and I know you guys must be getting tired. Has anyone on your team, whether they're in your executive suite or--I don't know how you want to define your team. But has anyone on your team sold any stock since this runup?

Joe Moscato: No, not at all. We've had a few form forward filed for purchases and then we just gave out a very few options, which vest over three years. But nobody on the management team really has any stock, other than myself and one board member. If I sold stock, it's definitely got to be form forward, and if my board member sold stock, he's got to do the same. So you would know within three days after I sold something. I have to automatically get that up there, or I would be not following the rules.

So no, no one has stock. Again, I've hardly given out any stock. I've given stock out through the purchase of the diagnostic company when we first acquired that two years ago. I've given out stock for Veneto. That six million shares plus hasn't gone anywhere. That's come out of the pool, so I can't think of really anyone else I gave stock to. I may be wrong, but no management team has sold stock. And no board member has sold stock, as well as any affiliates. That's for sure.

Robert McCann: Okay. What is the cost basis of the 20 to 1 dividend? Of the 20 shares that were dividended, what is the cost basis of those shares?

Joe Moscato: In what way?

Robert McCann: The day they hit our account was the cost basis zero? Was the cost basis--I know on the day that they hit I think the stock got to three bucks. Is the stock basis wherever the stock trades? I just don't know what the cost basis is on those 20 extra shares. I know what the cost basis are on my shares, which dictated the 20 to 1. I don't know what the cost basis is for the extra 20.

Joe Moscato: I happen to have our executive vice president and head of financing here, Dick Suedkamp. Dick, do you have any clue? Because it would be all over the board for you as an individual. Let's just say you bought the stock at \$2, and then--if you bought it at \$2, and then on the pay date it was \$18.99, and then on the X date--realistically, you didn't sell anything. You still have the same value of \$18.99. And then it ran up to \$3. That would be \$60 a share. It all depends on where you bought in, at what stage.

Robert McCann: Whoever got that 20 share dividend, we all got it on the same day. We all got it at the same time, so our cost basis--is our cost basis unique to each of us where we got in originally? Or is it the day it hit our account? I just don't know that answer.

Joe Moscato: Dick, you can answer that.

Dick Suedkamp: Yeah. Your cost basis would be the same. Whatever you paid for your initial shares, let's say you bought 100 shares at a point in time for \$1,000. Once you received the dividend, you got an extra--multiple that by the dividend amount. Your cost basis is still the same because you didn't pay any more money to get those shares. So that would hold constant.

Joe Moscato: And the nice thing is that dividend is not income. It's not considered income. When you sell it, if you make a gain, then it's a capital gain. Your tax professional can help you with that. But if it was a forward split, let me be very clear here. If it was a forward split, those additional shares would be immediately taxable because they would be income. A dividend is not income. So if you got a forward split, your percentage of holdings would also change.

In a dividend, they don't change. So if you own 1% the day before the pay date or 1% the day after the pay date, you still own the same amount. The ratio of holdings doesn't change. At a forward split, that would change, as well as the additional 20 shares would be income. And you'd pay taxes on the income, as well as you'd pay taxes on the capital gain when you sold it.

Robert McCann: So if I could just try to distill this, my cost basis on the 21 shares that are in my account--let's say I owned one share, and now I have 21 shares. It's going to be whatever the cost basis is for that single share, the original single share, divided by 20? Is that correct?

Dick Suedkamp: Correct.

Robert McCann: Great. Perfect. I've now got an answer. Not that you were hiding it. My broker didn't even know. The second question is--

Joe Moscato: Well, why don't you say this? That's been another major problem. The cost of corporate actions--let me explain this because this has come up so many times, and it's just ridiculous how many times I get calls over this. But FINRA provides oversight and prevue of corporate action from a regulatory standpoint. So when you go to the FIDRA website to apply for your corporate action, there is no place on that site for a split, I mean, for a dividend.

The only thing they have on there is a forward split. We didn't do a forward split. There was no mutative number. There was no exchange of your one share for the 20 new shares. There was no anything with the same characteristic of a forward split. So just because the regulators only have that one way of articulating it to their brokers that they oversee, unfortunately, that's how we got categorized. But from a tax standpoint, from a ratio standpoint, we gave a dividend.

And the thing is I'm not giving you any tax advice, so please do not go by what I'm saying as anything other than my complete understanding of what occurred. Talk to your tax professional because I'm not a tax professional, but I can only tell you that the differences between a forward split and a dividend.

Robert McCann: Last question, so we're about to get a four share dividend for every share of Generex we own. Under the same vein, this cost basis of those four shares will be wherever it IPOs when it IPOs? Is that true?

Joe Moscato: Well, first of all, it's the other way around. For every four shares of Generex, you will received one share of NuGenerex Immuno-oncology.

Robert McCann: Yes, my mistake.

Joe Moscato: So I guess, Dick, you would be the best person to answer this question.

Dick Suedkamp: So on the day of, whatever--the cost basis that you'll get out of that share should be the value that described to you when you receive it in your account. Once again, and you'll have to excuse me because the transaction hasn't transpired yet, and we're working through it with our outside advisors. But to

my knowledge, again, it's a situation where it's not a capital type transaction in terms of receiving a capital gain. It's just a dividend from your original because we're spinning out a company.

So some of the value of the overall company is being spun out. In theory, the value that is attributed to that is the value that it had internally. But again, we recommend that you talk to your tax professionals for any specific tax advice.

Joe Moscato: Because we haven't taken it public yet, there's no real stock value. There's no price up. So if we opened up at \$5 a share and you got four of those shares, if you had 100 shares, it's be worth \$500. I guess that would be your starting cost basis, whatever we open up at.

Dick Suedkamp: Again, you want to be careful and make sure you're talking to your tax professional about how to handle the transaction for your taxes.

Robert McCann: I get the tax advice thing. But cost basis--you don't need a tax advisor to tell you what a cost basis is the way I'm looking at it. Maybe I'm dead wrong, but it's a little concerning that you guys don't have a more firm answer on what the cost basis of NuGenerex is going to be.

Joe Moscato: Let me ask you a question. If I give you four new shares of stock from a dividend that doesn't affect the ratio of holding and I give them to you, what would your cost basis be? It'd be zero because you're getting four free shares of something new. So there's your cost basis: zero.

Robert McCann: That's different from what your accountant just said, or whomever it was.

Joe Moscato: Well, understand, we're not talking about Generex here. We're talking about a new entity that we will be spinning out that has no price per share yet. But I'm giving you one share for every four Generex that you have. So there really is no cost basis because you're getting a new share for free.

Dick Suedkamp: Just to clarify, what I had mentioned was, since we're spinning a piece out of the overall, it's not changing the overall ratio. So whatever your original cost was for your original shares, again, it's working like a stock dividend. So kind of back to the example of the 20 to 1, again, there is no cost. But again, we always recommend you talk to your tax professional.

Robert McCann: The last thing I'm trying to do is play gotcha with you. I'm just truly confused. Maybe it warrants a little internal investigation on your side to say, if it's indeed zero, it's indeed zero. If it's something else, we'd love to know. And if this is just so far afield of what you're doing in building your business, that's an answer, too. But I worked on Wall Street for a long, long time, and I have trouble trying to figure out what it is that--what it's worth. That's all. I'm not trying to embarrass anyone and please don't think of it like that.

Joe Moscato: What it will be worth--the day NuGenerex Immuno-oncology goes public will determine what it's worth. We're doing valuation work now, so I could tell you what it would be worth in a private setting once I get done with the valuation work. But as of right now, we don't know what market makers will put up as the price based upon that valuation that we have to support. So as of right now, the cost basis for your one share for every four you have of Generex, if you want to factor it in to the overall investment you made in Generex, then I'm sure your accountant can figure that out.

But I'm giving you one share for free for every four shares of Generex you own. Me personally, because I'll get some shares--I'll get a dividend out of this, and I'm considering it as there is no cost basis.

Dick Suedkamp: Again, basically the entire transaction is a zero sum event in which the total cost basis of all the shares owned after the spinoff equals your total cost basis in the shares owned before the spinoff. So again, it all goes back to your original cost basis.

Robert McCann: Okay. Thank you for your time, guys. Keep up the good work. I think I speak for everyone on this call. We're thrilled with what you're doing and couldn't be happier with it. So happy New Year.

Joe Moscato: Thank you very much, sir. Appreciate it.

Operator: Thank you. And our next question will come from John Vecensi. Please go ahead.

John Vecensi: Hi, Joe. First of all, I'm a long time owner of GNBT. Joe, everything rises and falls around leadership, and your leadership has been second to none. And your vision of the future has been phenomenal. You're making a lot of people on this call very wealthy. I just want to thank you for that. I was listening to the conversation about the cost basis, Joe. Being that it's a dividend--I'm not an accountant, but this is what makes since. I've been buying stocks for like 30, 40 years now.

The cost basis of the NuGenerex will be zero because you didn't pay anything for it. You got it for free. The same thing with the additional 20 to 1 shares. If you sold the original shares after we got the dividend, and most people would have probably taken a little bit of a loss on that, whereas all the additional 21 shares, the additional shares that we got, the cost basis was zero because it was a dividend. I think the best way to account--again, I'm not an accountant, but it just makes sense that the original shares the you had, when you sell them, you're going to take whatever loss or gain you had from when you bought those shares.

But the 20 additional shares that you got, the cost basis was zero because it wasn't a forward split. It was a dividend. The same thing would apply to

NuGenerex when you get the four to one. The cost basis is zero. You got it for free. You didn't pay anything for it. Does that make sense?

Dick Suedkamp: Yes, it makes sense. Just real quick, just because there may be a number of different callers who all have similar questions about tax basis and what not. We just want to be real clear. It sounds like, since there is quite a bit of consideration and concern over it, the company, to the extent the same information is applicable to all stockholders, we will publish, basically, the treatment for the cost basis and whatnot. But as it's specific to any individual stockholder, again, we would always caution that you should speak to your own tax professional.

Just to revisit what you were saying, though, generally speaking, when we say there's zero cost basis associated with these new shares or whatnot, that's not technically true. The difference is there's no change in your cost basis. If I give you 20 shares for 1, technically now, each one of those is 1/20 what the one was. So your cost basis was diluted. There's no change in total cost basis, but to say that you have zero cost basis in something I don't believe is technically accurate.

It's just diluted down to the number of stocks--or the amount of stock you now own. But again, to reiterate, we will publish a Q&A around this to the extent that it applies to all stockholders.

John Vecensi: Okay. Very good. I just wanted to say, Joe, I think most of the other callers basically answered my questions. There was a lot of great questions. I took a lot of notes. I'm just very happy with what you've done with this company. You've turned it around from a nothing company to making us all very wealthy. Just believe in your future, and I'm going to continue to be a long time stock holder of GNBT as you unfurl your plans for the future.

Joe Moscato: I appreciate that, but I have to just say that I have one hell of a great team and a very dedicated team. So I couldn't do this without all the good folks that are all around me. So I appreciate it. The team appreciates it for sure. Thank you very much for the call.

John Vecensi: Thank you, Joe.

Joe Moscato: Thank you, buddy.

Operator: Thank you, and our next question will come from Jackson Rod. Please go ahead.

Jackson Rod: Hey, guys. Can you hear me?

Joe Moscato: Hey, Jackson. How are you? Yes.

Jackson Rod: Hey, Joe.

Joe Moscato: How are you, sir?

Jackson Rod: Yeah. Good. One quick because I don't want to take too much of your time. You guys spoke about taking this to a higher exchange some point down the line, and I was wondering what is the timeline that you're looking for? Is there a share price we need to reach before we take it for the application on any of the high exchanges?

Joe Moscato: Yeah. You can go to NASDAQ.com. You can go to newyorkstockexchange.com, and they have all of their list of requirements there. They're pretty much all the same for everybody. There are lower to medium listing points on all of them, based on different criteria. And then there are certain circumstances where they'll list you for not meeting certain criteria. So we hired a well-known firm that specializes in uplists.

They, right now, have been evaluating and analyzing everything that we're doing. And we're getting much, much closer every day to fulfilling all the requirements to getting to that listing. We're very close. The new additions, the new revenue from those additions will surely get us, I think, over the hump, and my hope is to get that application in for that uplisting to one of those exchanges very, very quickly.

Jackson Rod: Okay. Now, my only concern was is it a particular price minimum that they're looking for? It could be \$3 or \$1 for share. That was the question basically.

Joe Moscato: It all depends on the company, but there are specific rules. So if you just look up NASDAQ listing rules, they'll give you two categories. I think one is two and one is four, if I recall. On the New York, or I should say the former AMEX, which is the lower exchange of the New York Stock Exchange, I think that's two. And I think the New York Stock Exchange is a much larger requirement. That would be significant holdings if you should get there. But between two and four, I believe, there are different plateaus. So if you really want all of the definitive listing rules, I would Google it, and you'll be able to find it either on NASDAQ or New York Stock Exchange.

Jackson Rod: Okay. No, I wanted to know what the application point of view from you guys. Like you guys get to apply it and submit the application to the exchange before. Did you guys already submit that application as of yet? Or are you guys waiting for the price to go up to a certain level before lifting those groups?

Joe Moscato: No, as I just said, we didn't put the application in. We hired a pretty well-known firm that all they do is listings. They're made up of all listing guys, all former marketing execs or executives from both exchanges, and they

specialize in this area. And they will do all the necessary work on the application, as well as the discussions with either one of the exchanges that we chose to go on. So there are certain criteria. There are about eight or nine areas of criteria that you have to hit.

Jackson Rod: Okay. Thank you. And one quick question--yeah. Go ahead.

Joe Moscato: I would say the biggest one is market cap. You have to have a market cap of over \$75 million, or to get to a bigger on it's \$110 million. So our market cap now is fitting right in the range of where we need to be to list on any one of the exchanges. So I'm confident that in the next 30 to 45 days we can hopefully and potentially, if all goes the way we've been planning, to get that application in.

Jackson Rod: Thank you very much for that. One last question, regarding the trial that was on the second phase of the trial that you guys posted on the PR, do you know any time line when it occurred or the final trial that's going to go for the last drug that you guys have been working on?

Joe Moscato: You mean the breast cancer trial that we're doing?

Jackson Rod: Yeah.

Joe Moscato: Eric, why don't you field that?

Eric Von Hoff: Sure. The trial is scheduled to be enrolled within one year. So by the end of 2019, we anticipate having the entire trial enrolled. A follow up for efficacy is going to be one year. So by the end of 2020, we'll get the results for that trial and should be in a position to move forward at that time for a follow-up study.

Jackson Rod: Okay. So we are talking about a time span of like two years, from now, right?

Eric Von Hoff: Correct.

Jackson Rod: Thank you very much for your time.

Joe Moscato: Thank you.

Operator: And we have no further questions at this time.

Joe Moscato: Great. Thank you all, everybody. I really appreciate, and we'll reconvene tomorrow. Thanks, guys. Thank you all. Appreciate it.