

Operator: Good day, everyone and welcome to today's call. All participants are in a listen-only mode. Later, you will have the opportunity to ask questions during a Q&A session.

Please note today's call is being recorded. And I'll be standing by if you should need any assistance.

It is now my pleasure to turn the program over to in-house counsel, Anthony Crisci. Please go ahead, sir.

Anthony Crisci: Hello, everyone. Forward-looking statements included in this presentation are made pursuant to the Safe Harbor provisions of the Privacy, Securities, 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 activities, 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 affect 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 10-K and other public filings with the Securities and Exchange Commission. If any of these results or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected.

And, any forward-looking statements you read in this presentation reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our obligations, 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'd like to turn over the call to Joe Moscato, President and Chief Executive Officer of Generex Biotechnology Corporation.

Joe: Thank you, Anthony. Good morning to all Generex shareholders and other interested parties. Today was supposed to be a day that all Generex shareholders have been waiting for to celebrate its planned 1:1 dividend payment as Generex continues on building value for its shareholders as we

march to a NASDAQ listing. Those plans, this week, hit a bump in the road; and as the saying goes, not all roads are paved with gold. I'll wade into the dividend dilemma further into this presentation, but I'd like to remind our shareholders--old and new--last year, we did our first dividend to shareholders. It also took three times to get that done. The first time, as we were about to pay the dividend within 30 days, two 13G filings were questioned by the regulators. I had no answer for them at the time; I needed to get back to them with answers.

But by the time I got back to them, the stock went from \$26 a share, approximately down to \$9 in a few days. I found out what happened, it was the 13G filer, a fund, who made a loan to Generex of \$550,000 after extensive due diligence and me giving them the whole confidential non-public information package for them to make a decision on their loan. Days later, they sold us all the way down, chilling shareholder value and making a fortune. At that point, we had to postpone the dividend and once we reorganized, we gave new dates and we were off to the races in paying our dividend.

Then Postponement No. 2 happened. And again, we were about 21 to \$23 a share and our stock value started tanking again. Why? Because a big clearing house for brokerage firms never changed the original payment and ex days to the new dates. So, thousands of accounts were paid the dividend ten days early; we had to postpone the dividend again.

When the stock came down from the 20s to the 12, \$13 range again decimating shareholder value, again, we reorganized and reset the dividend again. And this time, success. Dividend was paid at \$18.99 a share and the company shareholders were all happy. But for the company, that was short-lived because another brokerage clearing firm paid the dividend twice to thousands of accounts, which eventually was all fixed.

While this was occurring, that Monday was the ex-date. Generex was quarter-adjusted to \$0.83--approximately on the open, and that day we hit a high of \$3.25 per share--which, for shareholders--meant a \$62.25 price on their original share purchase. That was a great day for Generex, only after months, and months, and months to get it done.

So, even with the greed and inappropriate windfall from these funds that made a lot of money, that then created a cascade of problems as just outlined and killed shareholder value twice. But in the end, the company won for shareholders and the huge success in that dividend was realized by all.

Then we did a second dividend months later in our private wholly-owned subsidiary, NuGenerex Immuno-Oncology. This company, Generex, at the time, owned 100 percent of. Generex gave the shareholders a 4:1 ratio in that company. This dividend was paid without a hitch and our Generex shareholders now own NGIO. Why were there no problems with this

dividend? Because it was a private company and no one had any reason to screw up unlike the Generex-dividend, because the NGIO shares were not traded, so greed was taken out of the equation.

So, why do I reference this? Because our third dividend has again been hit with greed, because it's real money, and it's liquid, and it's now. And people can't help themselves from doing whatever necessary to be enriched--even with agreements in place, covenants in place, and the expense of everyone else. And I will get into this new situation in a few minutes as I go through our updates, plans, and the overall business in Generex.

Now, I'd like to focus on the updates. This month, on November 12, we filed our Ks, which was very important to check off boxes and see where we stood with compliance for our NASDAQ listing. This K is the lead end filing for our S-1. Our S-1 gives us the ability, once filed, to raise significant monies, a crucial checkbox, which is our going concern. I'm happy to announce Generex received, Wednesday--just this past Wednesday--the final documents for our investments totaling \$40 million. The lawyers would review today, and if the last changes have been made, I will sign these documents sometime next week as the board approval on the deals.

Then we will add to it, the S-1 filing as we are still looking into other equity investment opportunities, we've been discussing with our investment bank and other funds that have shown extreme interest. And now that the S-1 is complete, this would meet those funding criteria for investment.

This month also announced the final deal docs have been signed with ALTuCELL; as a matter of fact, Gary Harlem and his Chief Scientist Officer, Dr. Michael are on the call today to answer any questions that the shareholders may have about this incredible deal.

We couldn't be happier, this offers Generex and its shareholders future great value; this company is really a great find and we expect big accomplishments in diabetes, autoimmune diseases, and anti-inflammatory diseases which our wide patent portfolio covers. In addition, our Arizona operations are progressing along and once funded from the S-1, we would really be up and running.

As it pertains to NGIO's spin-off, as reported, our operating company public vehicle was acquired and we are working on the audits and nearing the corner on completing all the legal work necessary to bring this public and your NGIO shares to trading.

I'd like to take the time to remind everyone of all the accomplishments of these past ten months--and it's a lot. We've acquired controlling interest in Olaregen, plus more ownership throughout the last ten months; we've acquired controlling interest in Regentys, we've acquired Pantheon, we've acquired MediSource, we've acquired an MSO from Veneto, and still

awaiting other assets that have not delivered to Generex as well as other things outlined in the APA, but we're working on that.

We started our Merck Keytruda A37 and recruitment is ongoing for triple-negative breast cancer, and we're quite excited about this trial. We've developed a new product, which we would announce soon; this product is being packaged, and the launch materials are almost complete.

Close to 21 million shares of stock from two insiders--myself and Larry Salvo, our board member--and two outsiders, were put back into treasury for the benefit of the company and the shareholders just recently.

We've developed the DME-IQ and once our S-1 funding, we would launch that program in its entirety.

We've completed our NGIO dividend and now we are in the final steps of spinning it out.

There were many, many more executables and accomplishments we've completed this year and we just don't have the time to go through them all. But I thought it was worth reminding everyone of the larger, valuable initiatives we have completed in just a short amount of time--ten months.

Like any business, we've had many opportunities that we've had go sideways after due diligence, time has worked against us, and many other issues. But all these issues we have accomplished, as well as our future plans such as relaunching the MSO purchased from Veneto, our nationwide full-blown launch of Excellagen, our clinical trials with Regentys, launch of DME-IQ, finalization and implementation of our ongoing new cancer trials, our Arizona operations including podiatry, ophthalmology, neurology, and pharmacy practices, our new Arizona MSO and planned HMO, building and expanding MediSource and our own Pantheon products nationwide--these will all happen because now Generex owns all these pieces and the S-1 funding will allow these initiatives into the future to create a large enterprise.

And I'll leave you with this: our future looks great. Let's now discuss our recent decline in stock price and the dividend which, in my mind, go hand in glove. As we all know, we were steadily above \$2 a share for quite some time. And then, wham! We brought that down to the \$0.80 range, and not only the events found out last week and announced in two PRs is the predominant reason for the sharp decline, but let me outline the pluses, and minuses--and benefits and negatives--this has created for the proposed and postponed dividend.

Here are the pluses and positives about doing the dividend today. Dividend paid to you now would double the amount of shares you have, it would spread goodwill among shareholders only if shares go up in price, fulfilling and delivering what we promised, which we've been doing for the last three

years--this would just be an extension of--and we'd have much more liquidity.

Here are the minuses: share price is \$0.80 today and at the ex-date, this would be auto adjusted to \$0.40, cutting our \$0.80 of share price to half. \$0.40 just makes no sense for a NASDAQ listing--just gets us farther away from that goal. It creates more dilution, which has not been calculated, now giving everyone a dividend that waived, making total share count close to 90 million shares instead of the original forecast of 69 million, increasing the overall number by 21 million shares--and that's before the S-1 funding.

So, the last week's chain of events really would cascade into other problems and right now, we're making all the necessary enquiries about what those potential problems are--legally, as well as with our partners that have waived the dividend, because it's not fair to those folks that waived, that one group would decide to sell stock and hurt this company.

We will also be faced with neurotic fluctuation of share price until it settles and keeping the stock in this range for a long time. It will also enrich the people who created this problem because the shares sold by them would be covered. And ultimately, if we have been shorted by the various individuals in the market, this would help them out considerably with making money.

So, to the best of my thinking, the positives and negatives in either paying the dividend today or paying it in the near future, I don't know what the answer is at this very moment. I do know I want to take a lot of questions today; I want opinions from every one, and I want shareholders' help.

After hearing these pluses and minuses, and understanding we are in this together, and it's important for me to get this right. And right means doing what's best, under all the circumstances for our shareholders, for our company, for our management, for our board, all our employees. So, please think hard, from this presentation, what you would do if you were in my place. It really is all our decision.

I will, from your comments, evaluate the next steps and make definitive decisions in the coming days. I'd like to leave everybody with one thing--and I heard this today--this morning--from one of key members--and I thought it was a perfect quote: As human beings, it's easy to be concerned with ourselves and what we are doing or going to do. However, when we become something bigger as an organization, we can accomplish much, much more together.

Now, I'd like to open up the call for questions. And again, we have pretty much the whole team on the call, available for any types of questions that pertain to their businesses or to the overall enterprise. But I'm sure there'll be a lot of questions today about the dividends and about what took place last week.

So, I want to open up the call for questions and our plan is to answer them all. Thank you very much.

Operator: [Operator Instructions] We'll take our first question of the day from Boris Mashak. Please go ahead.

Boris: Hi. How are you?

Joe: Hi. How are you, sir?

Boris: My question is why don't you just announce price limits for the new dividend shares... for example, \$2 or \$3, that the shares can be converted [?] to the market when the stock price is retained at this level?

Joe: That's a great idea. So, basically, what you're saying is put a price to say, "When the stock hits \$2, the dividend will be paid."?

Boris: Automatically, the dividend part of the shares will be converted through the market issue.

Joe: Great idea. I don't know if it's a legal idea, I don't know if it can be done, tying a pay date to a specific price. If it is legal--and doable--that would solve this problem, that's for sure. But I do like the idea and I appreciate the idea, and I will have this researched and weighed in terms of if this can be done, if this could be done. It sounds like a very plausible idea. Thank you very much.

Boris: Thank you.

Operator: And we'll go next to James Molt. Please, go ahead.

James: Hello, Joe and the rest of the team. James Molts here. I had a couple of questions and concerns that I just wanted to get addressed. Obviously, like other folks--and like you guys are--I'm disappointed with the delays that have been introduced. And one of the things that I wanted to kind of get a little more clarity on, could you take a step back--and I'm not sure I understood... you talked about readjusting the share price to \$0.40 a share, and I wasn't quite sure on how the math on that worked considering that not all shares were eligible for the dividend at any point in time. So, can you reiterate how you got that math?

Joe: I kind of understand what you're trying to say. So, since... let's call it, like I said earlier in my presentation, let's say 21 million shares, if you double what we have out right now, 44 million to 88 million, and 21 million of those shares would be have been waived, so about 69 million was where we had thought we would be with this dividend. Then the price would be adjusted by FINRA to their brokers at that percentage.

It's unfortunate, but what we did learn from our first dividend that we did, we were auto-adjusted from \$18.99, we paid that dividend--the last one--at \$18.99. We were auto adjusted to about \$0.83, we opened up that morning surging to \$3.25 which is fantastic, it was great for everyone.

But let's realize that we were auto-adjusted 20 times lower for the dividend calculation. So, I cannot believe that the regulators are going to give a percentage this time based upon the retirement of 21 million shares we did last month, as well as all of the people that waived, that wouldn't get the dividend, and then give you a higher percentage. I just don't see that happening, and if the past is any indication, they wouldn't do that, they would auto-adjust it by half.

James: So, I guess I'm not seeing how that has to work if you're not doubling the number of shares on the market, if a certain percentage of our shareholders have waived their rights to the 1:1 share.

Joe: Listen, I thought, for sure, retiring 21 million shares that were in my possession--which, by the way, is unheard of, and I did it--retiring 21 million shares, you would think that I would not be penalized on our market cap... significantly about 60, \$70 million off our market cap at the time and nothing was adjusted.

So, the last time we did the dividend, we were autoadjusted to around the \$0.83 range and that wasn't an equal adjustment, but they adjusted it 20 times lower. So, nothing makes me believe that there would be a percentage other than cut in half. So, we'd be at \$0.40 next week.

So, here's my dilemma: give the dividend, we have this problem, I don't know what's going on, we find out what's going on, why the stock price has dropped dramatically, and this group, we did realize, "Oh, I'll just pay the dividend out of the rest of my shares." Well, it doesn't work that way, because that is shortsighted--which it was--and what they did was they cascaded into other events.

One, I may now have legal problems with everyone else that waived; two, we were so steady at being over \$2--with not a lot of buying in the market--and what you've done is you've transferred these free-trading shares into an account, alerting all the market makers that those shares are now free-trading and there's a huge amount of them, so that opens up the brokerage firm to now--because they all do it--they loan the shares out. And they loan them for as high as 33 percent. So, now, they're making so much money because they're loaning out our shares, because there's this big, huge, account with the shares in the account.

So, now, you're getting to audit, now the stock is being loaned out, and now the increase and unbelievable volume--where there was not because everyone wanted the dividend--just created a cascade into price devaluation. That's

what they didn't take into consideration, they only cared about themselves, they only cared about enriching themselves, and they hurt every single person in this company and every single shareholder in this company.

So, I'm not convinced that there would be any consideration--again, back to your question--on price adjustment based upon great things that we're doing for shareholders to try to build value. We did that--we had problems the last time we did the dividend--we had three problems here, this is our first big problem. It took us a long time to do that first dividend, but hell, that was really worth it because we had stock at \$1.80 when we started and it ended up with those same shares at \$62.25... that ex-date, we got to 3.25. That was a great dividend, though it took a long time to do.

Here, we got hit with this problem--again, another problem because of greed, and we had a postponement. So, now I'm looking to you shareholders to help me, to give me their opinions--because we're all in this together, I don't want to make mistakes.

So, it's important for me to hear everybody out, and then we'll make decisions on how we move forward. But we're still also investigating all our legal ramifications as well as all the other things that need to...

James: Do we have any evidence; do we have legal recourse against the selling of these shares?

Joe: I would say we do, we're still talking to our attorneys, we hired another law firm--a great law firm--for this specific incident, and the person who is works for SEC enforcement, he's fantastic. And we will do whatever is necessary--legally--to make up for what is happening, that's for sure. And that's why I stopped the dividend and that's why I called these folks out...

James: Can we talk a little bit about NGIO? I know our goal was to have NGIO delisted and can we talk about what caused the delay there and what corrective actions we're putting in place to make sure that that gets done quickly.

Joe: Well, there's really no delay there. I mean, obviously, when you're dealing with auditors, and you're dealing with lawyers and outside lawyers, they have other work, they have other stuff. Our goal is to get this thing public as soon as possible; I would love to have had it public at the same time we gave the dividend--which is right about now--but we're close, we're really close. And that's our biggest goal, it's to get NuGenerex Immuno-Oncology public. That would put a huge asset on our books, it'll give us a liquid asset, and in my opinion, it'll be unbelievably value-oriented for our shareholders. That is our biggest goal, to get that public.

But there is a lot of work. There is a lot of legal, there's already auditing work we just got done with our K, that took 45 days--longer than I wanted it--to get

done, but that's pushed us back about 45 days because NuGenerex Immuno-Oncology is public within Generex, it is audited within Generex, so we have to splice that out as NuGenerex was, which now the K is done. And once the K was done, then it became available for us to now splice those orders out, so that's what we're doing now. It did take 45 days longer than what we expected to get the K done, and that's only because... in ten months, we'd done so much. We've acquired so many things; each of those companies that we acquired has their own auditing firms, so it's a very complicated cake. It may not seem that way when you go through it, when it's finally done, but it's the first time our auditors get a K, a full audit, so they had to get familiar with our whole history and our whole past, plus all the companies we acquired and their pasts.

So, it did take longer, but now that the K has finally been filed, we believe that we're very close now to getting the NuGenerex Immuno-Oncology public. And I can assure you that it not only benefits shareholders, but it benefits shareholders not only in NuGenerex Immuno-Oncology once it's public, but it would benefit NuGenerex's shareholders immensely when it's public--as well as the company.

James:

Absolutely. And that's, of course, why I ask, it's because I recognized the value of that. You mentioned earlier about wanting to get a little feedback on what your shareholders think. And I think one thing, there may not be answer right now from me on this, but the challenge that I think we're facing as a company here is we have a lot of great potential--all that potential needs to be realized--and because it's not quite yet realized, we're basing our value in this company frankly on your... if you will, goodwill or good word equity that our shareholders have in you, Joe, and the rest of your management team.

And one concern that I have is we obviously know there are external forces that came into play over these last couple of months and we are _____ [00:33:09] last year, kind of undermining your efforts. But the challenge is that, from a shareholder standpoint, we don't have full visibility, we only have what's released to us and what we're informed on. And what we can't have--and what, unfortunately, I think is becoming the perspective among some of the shareholders--is that we're in danger of overpromising and underdelivering. And I don't mean underdelivering in terms of finally getting there, I mean in terms of timelines, because time is also money.

So, one caution--and I guess one question--is looking at the delays that have come up, I would hope that management is looking at how you can refine your projections and your planning to better account or adjust for potential hiccups, things like the kind of auditing that needs to get done, because delays hurt.

Joe:

Let me address the first part. I mean I would agree with you, the only way I would be able to more finely tune projections of time--and that's where people want these projections because they are real projections--would be to

get rid of everyone outside of this company. Because my delays come from necessities that I need, which are lawyers, auditors, accountants. And again, these folks are going to have other clients, other schedules, and may not be always as... trying as you are.

But you have to give real estimates on time--and we try to do the best we can. As far as what we say, well, I would say about 95 percent of everything that we said we're going to do this year, we've done--at least 95 percent. I don't remember too many things that we have told shareholders that did not come true. I would say 90 percent of all the acquisitions that we said we were going to make, we made.

A lot of the things that we will do is all dependent on raising money through our S-1 like I've said before. That's key because folks that want to be raising money without that S-1 up in convertible notes are... and can I do that? Sure, raise money and have horrible terms and then all of a sudden, we're at 300 million shares of stock out.

So, the S-1 has always been the biggest piece of being able to deliver everything that we have or what we said we're going to build. So, again, this is a business that has relied upon many, many, many people. And not everybody's clock is tuned into your clock. Let's look at the K, for example. It's was a 45-day delay from where we had planned to file that K. Did we all work like crazy to get that done before October 1? 100 percent. Did I believe, up until the point where it was impossible, that we were going to get it done? Absolutely. And we planned things around it, but it just didn't happen. And unfortunately, those things do happen.

So, when you're constantly putting up a lot of execution like we've been doing the last ten months, it's easy to say that "Oh, you missed this and you missed that." But we didn't miss anything, it just was a little later than what we would have liked. Because every single thing that we said we were going to do, we've done--just a little bit later than what I wanted.

James: And obviously, that's the whole reason why many of us are still here. We--I certainly have faith in you and your management team to execute on deliverables over time. But unfortunately, I think in looking at how shareholder sentiment is done, time is also part of that and that has hurt us. And so, one thing that we would ask--

Joe: Well, I don't think there's any other company out there that's more communicative than we are--I've never seen a company do a conference every single month--or when it's necessary--I've never seen that ever in my life. I've never seen a company that allows their shareholders to weigh in on initiatives as well as takes all questions on conference calls--my line is always open; anyone can call me anytime they want--I wish I had more calls.

So, as far as being communicative, as far as being totally transparent, as far as explaining things the best we can, being executable, I think we're hitting the mark on all those things.

James: I agree.

Joe: What we don't hit the mark on always is time. And unfortunately, we're not always in control of timing. But in the end, we've always executed and come through.

James: And I would agree with all your assessments; you guys have delivered on most, if not all, of the key things that I was concerned about. The issue I guess, for me, is if we know that there's so many juggling factors in terms of other people's--whether it's attorneys, accounting firms--schedules on delivering certain items, it seems to me that knowing that having that delay will hurt investor sentiment--and it has--let's pad our estimates based on what's more realistic now that we know the amount of time that goes into some of these processes.

Joe: Listen, when I give a project out--and I'm sure you're had experience in this area--you'll ask when would that project be done? "I'm paying you to do that project, I want to know when the deliverable would be complete," and you'll give me that time.

I expect people, when they give me a time, to follow through with that time. So, for me to pad people's times that they give me, would be a new approach for me... I tend to...

James: Maybe I didn't word it correctly. The issue is holding them accountable for not following through on the time that they promised you. So, if they need to be better at estimating and padding their time to you so they're not overpromising you on their timeline, then that's maybe what needs to happen.

Joe: Oh, listen, there's been plenty of times that I've come close to choking someone, but unfortunately, I have some really good people behind me that always held me back. So, sometimes, I forget that that's not a way of keeping people accountable, but the truth is that... I'm listening to what you say and I will definitely keep that in high regard for the future. And I appreciate--I definitely appreciate the advice.

James: Thank you, sir.

Joe: Thank you, sir. I really appreciate your calling and you call me any time. Thank you.

Operator: Thank you. And we'll move next to John Niccole. Please go ahead.

John: Joe, good morning. And I have a few questions, but I'd like to find out how your health is first.

Joe: Well, it's pretty funny. I went into the hospital last fall, had my surgery, got my nerves, I bone my new bone grafts in place, and then I had to rushed back into the hospital because I caught a very bad bone infection, I was there another nine days. And now, every morning, I've got a nurse that comes to my home and feed my PICC line with all the necessary drugs for a 24-hour period until they get here again the next morning.

But my spirits are good, and I'm healing well, and hopefully, I get rid of this infection. And I thank you for the ask.

John: Well, I can relate to that because I know more about those than I do neighbors. What is your mailing address there for the company in Florida?

Joe: Our mailing address? It's on... it on our website but let me give it to you. It is Generex Biotechnology Corp, 10102 USA Today Way, Miramar, Florida 33026.

John: And that was Suite 200, right?

Joe: No, it's not Suite 200. It's... I would say it's 10102 USA Today Way. No suit numbers.

John: That's interesting. Because I copied--I've sent you quite a bit of correspondence, and all of it--in fact, one of them was a get-well card, and in there I had said that--

Joe: Let me just say I'd gotten your mail. Now, I know who you are. Dr. _____ [00:43:46] has read mail off my chair. But again, I haven't been in the office for a while, with all of my hospital stays and surgeries I've had in the last couple of months. And I am home bound right now. As I said, I have a PICC line--

John: Well, that's the reason that I asked the question that I asked about your health, because I was hoping that... I had mixed emotions, let me put it that way. I sent registered, certified mail down there, and all of the mail that I have sent down, it seems to me, is being returned. And I put some of it together in that last one that I sent down, and it came back. That was the certified...

Joe: Then maybe you're not the one. And I have gotten other cards... and as far as registered mail, that will definitely come to me if you had sent them to the address, they just gave you. What I've done, have I opened it yet? No, probably not, unless it was certified and the people in the main office thought it was necessary for me to get it. They would have scanned it, sent it to my phone, or brought it to my home.

- John: Well, I appreciate that information. The Post Office put a stamp on it, that after ten days or whatever it was, it was not picked up, they were unable to deliver. And I've talked to Todd about this and he expressed some concern. But anyhow, let me get on to a couple of other questions that I have here.
- Joe: Just realize that I will not answer anyone... like if they were asking me any questions as it pertains to nonpublic, confidential information. If you're sending me a letter and you're asking me about specific things I haven't talked about in public, or I haven't input in the media, I will not answer that whatsoever. So, I don't know if that's the case, but I will not answer any questions that I haven't put into the public domain whatsoever.
- John: Okay. Now, I read the 10K and it was... there were more red stop lights in there than there were green lights as far as I can tell--
- Joe: Why don't you tell me what they are, and I would see what I can about answering?
- John: Part of it had to do with... you've been talking about buying companies to add value to Generex, but I only saw just a couple of them listed--and I guessed that's because the acquisitions were not finalized until after the closing date of that 10K.
- Joe: Well, let me ask you a question: if you took the K for the last year and you put the K from this year side by side, I would say that that K is leaps and bounds from looking anywhere near that K.
- So, for instance--I'll just give you one example. We have \$7.5-plus million in shareholder equity and last K, we were -43 million. So, how do you think we get to +7.5 from -43 million? That means we did a lot of stuff.
- So, I don't know what red flags you're talking about... if you want to be specific and point me to one or two, I'm sure I can answer those questions and give you real good answer to them. But I need some specifics.
- John: Okay. I'm just going to ask them, was ALTuCELL worth it? This, supposedly, was supposed to get the new GNBT off the ground, and all we got was a crash in the price of the stock. Same with Olaragen Therapeutix.
- Joe: I don't know what you're talking about. ALTuCELL, we just announced that we were acquiring; we just announced--last week, I believe it was--that we signed definitive agreements and that we're going to be closing that by the end of December.
- John: And that tells me, right there, that--
- Joe: But that's not in the K yet--that and any subsequent events.

John: That's what I would say, yes, I understand that. But what I'm--

Joe: I thought we were talking about the K, though.

John: Well, I compared '17 to '18, and there were more stop signs in there than there were no signs for people who wanted to the end of the company.

Joe: Wait, let's back off. You're not telling me about any of the stop signs you're talking about. All you're doing is keep saying the "stoplights." Then you brought up ALTuCELL, which ALTuCELL is not even indicated other than in the subsequent events. So, let's pause, let's pull out one or two of those stop signs you keep talking about, and then ask some questions, because I do have to move on to other people.

John: Do I need to hire an attorney to go up the creek mountain, or is that something that you're going to do?

Joe: Right now, we are looking at every legal remedy at our disposal; we've discussed this with our attorney, our attorneys are looking into many things. Right now, all we want from Creek Mountain--which they still have not done--is to file their Form 10G and all of the other necessary documents as it pertains to what an insider has to do, an affiliate has to do, because the persons responsible for those sales were on the board of directors of Olaregen up to August of this year.

So, we want those things done first, we're still talking to our lawyer, our lawyers are doing the research necessary to make decisions on what areas we will go after--if any. But this has all just happened, and I'm not going to make jump decisions on what we're going to be doing and putting that into the public just yet. But I will keep everybody informed.

John: Okay. That was the next question. Because if we're not--I know I'm a small player in all this, but we are not--if we are not included in whatever type of settlements that you work out with whoever it is--if you can even reach a settlement to repair the damage that has been done--then I want to know because I want to go after somebody. My whole philosophy in life is when there's a problem, fix it right now. And I have tried to relate that to you on several occasions that done is better than perfect. And it has appeared to me that you're trying to set up the perfect organization before going forward on this, and it would seem to me that if you had something in place that you could add to, that would be more in line with the value added that you have talked about all this time.

Joe: I don't understand that comment. In ten months, we've acquired all the pieces to do the next part of the plan, which is to build the enterprise. So, we haven't done that yet. You have to acquire the assets, you have to acquire the things that will make you successful, which we've done. And then you need to put the necessary resources--and in our case, that is our S-1 funding--to make

those pieces plug into an enterprise, which we will do, to create the whole. And we haven't created that whole yet.

All we've done in ten short months, is to acquire all of these pieces. Now, if it was three years later, I would be agreeing with you. But ten months to acquire all of these we've acquired and down all the things we've done? I mean, if you talked to any lawyer and said, "We want to buy this company..." a typical acquisition takes three to four months to do--just that one, if not longer.

So, what we've done is, in my fair opinion, pretty incredible. It's what we do with those things into the future that will make the difference. And you can't do everything at once, you've got to get the assets first before you can build something, and I think we have that down.

So, our next phase is building the enterprise. And I definitely agree with what you're saying, but I definitely don't agree that you can do all that in a short ten months, which is where we are.

John: Okay. Are we looking at another reverse stock split?

Joe: Why would I be looking at another reverse stock split? That is probably the most ridiculous thing I would hear, because I would never do that.

John: Well, I'm glad to hear that, because the only thing that I can see--to get us back up to where we can qualify for the NASDAQ, is a reverse stock split.

Joe: That's absolutely not true. We were at \$0.83--when was it, ten months ago--we were \$0.83... that's not compliant with NASDAQ. Today we're at \$0.83 too. Did we not go to \$3.28? Sure, we did. Did we not trade at \$2 a share for months, and months, and months? Sure, we did. From the 0.83, 44 million shares out--not a lot--and there's absolutely no reason for me to do a reverse. What I will say is if we keep executing, I believe we're going to get back over \$2 pretty quickly. That's my belief, because we've done it before. If we didn't do it before, I have no basis for what I'm saying.

But for sure, this temporary blimp and downturn in stock price, there are reasons for it. And again, if no one is selling stock and we have very low volume, and then all of a sudden, a massive seller comes in--which occurred--and they start selling into the market--like they did--people start thrashing ahead and going, "How the hell could this be? Everybody waived and who would want to sell their stock if they're going to get a 1:1 dividend?"

Well, unfortunately, one group is. They sell their stock totally shirking their responsibility of the waiver they signed, broke their covenants with the company, and they created a cascade effect of panic. And that, in my opinion, is what's going to happen.

So, because of panic--I'm not going to panic, that's for sure--and think that we're not a highly executable company, that we're not going to build value in our stock price because of this debacle.

John: Well, I do appreciate your insight in this. And Joe, I do appreciate the effort that you've been putting and all, but particularly with the issues that you've had. And like I say, I'm an old man and I've had big health issues and I understand exactly what you're going through--I think. But as I said, I'm an old man and I'm getting impatient as hell over what's going on here, and I'd like to see some progress. Anyhow, thanks for the answers, Joe.

Joe: Let me ask you one question: are you an old investor in Generex, prior to me taking over?

John: I was involved in this company back in... '13 or '14... '12--sometime in there. It looked like a good deal to me at the time and I jumped in big time--I thought--I had over a million shares in it, and now I'm sitting here with zip--well, not zip, but every time it looks like I've stepped forward, I go two steps back and that was one of the things that I had...

Joe: Well, listen, let me just answer your questions as best as I can. I feel for you... I feel for anybody that loses money and that's why I do the things I do, and I go after the people try to hurt you in all this--like I will be doing with what just happened.

But I'm not responsible for 2014, '13, '12...

John: No, I understand that. And that's why I thank you for the effort that you put into this.

Joe: Yeah, that's other management teams' problem. Not mine. And for sure, when I took over this company, it was a dead, dormant, going-nowhere situation. And all I can say is I'm responsible for when I took over, 2017 and onward.

So, our first year was cleaning this company up, before I went to '18. Then in '18, we started looking at what is our plan going to be, how are we going to grow this business? And we started that program through an acquisitional strategy.

We've accomplished everything that we set out to do so far in our overall plan, we have all the pieces to be highly successful. Generex was highly successful in the past--and we still have those assets. And now, we have so much more. So, you've got to have time to build the things after you buy, it takes time to understand what you've bought, and in ten months, I would argue that it's not any timeframe to gauge with all the things that we've done.

John: Joe, I do appreciate it and I hope I live long enough to see the fruition of all this, instead of living it all to my kids and grandkids. But you take care of

yourself--you're the key player in this thing and you're the one that's going to have to get everything in motion and I appreciate that fact.

Take care of yourself and thanks for listening to me. I had to dump and thanks for being the dumpster.

Joe: Listen, I totally understand how you feel, and I understand how all the wrongs of this company feel. And I think that we tried our best to understand the pain that's gone before and we're trying our best to understand that pain. But again, I have to only look at what we've done and where we're going into the future. I'm quite confident and happy about where we are today and what that future looks like based upon all the things that we've done.

So, hang in there and call me any time, and I really do appreciate the call--and the questions.

Operator: Thank you. And we'll go next to Allen Stone. Please, go ahead.

Allen: Hi, Joe. Allen Stone from Wall Street Research. It's good to get some background on your recent activities. And I guess my first question goes to... you talked about filing an S-1 in the near future. Maybe you could talk a little bit about you plans as to the potential timing of that. You also mentioned that you have an investment bank that you're working with... I don't know whether you're at liberty to share who that investment bank and what the size--or potential range of size of this offering would be.

Joe: The potential size would range... the total offering is about \$70 million, we've got the final documents on 40 of that from the fund that is ready for my signature, I believe--there are a couple more changes that need to be done in those final documents of the deal. The investment bank is probably one of the better ones on the Street, they're a large one. I'm not at liberty, don't have their permission to use their name... like everything in life, you have to check in with folks and ask them if I could use them. But once the S-1 is filed--and I don't [?] know who our investment bank is--but they're handling the offering.

So, the S-1 is a complicated document from the K, has all the numbers in it, and it's very specific to raising money. And we needed to get that K done, which we filed on 12 November, to file this S-1. We believe--and I believe strongly, because this has been the missing link for us for a while--and what we've been holding out and raising money--stupidly--is that S-1. So, we believe by next week--and that's the plan--and it is done, the S-1 is complete--we believe by next week, we'll have that file sometime during the next week, we believe.

Allen: Great progress, then. And then I assume you'll be starting...

Joe: That's 40 million, and then if we can get--we believe the investment bank will raise additional capital to that. We get those monies in, then I start turning on... we go from the pieces of the companies that we acquire with little or no money--which is pretty amazing--to actually putting those resources--money resources--into those very businesses to build huge value. And to build a full-on enterprise--we can't do that without money, and it's amazing what we've done with not a lot of money.

So, we've acquired the pieces, we're now going to raise the money next year--like I said all along, to get that going concern off, which is one more piece in NASDAQ listing prong, getting that going concern off. And then putting those dollars into those pieces that we've acquired to build a very, very large enterprise.

So, it's sold out. And you can't build it without money and raising the kind of money from a registered offering is the only way to go.

Allen: So, the 40 million that you speak about, is that from funds that have committed to participate in this offering? I'm not really sure about that 40 million pieces of it.

Joe: We have definitive documents for \$40 million in equity. That will give us enough capital over the next two or three years to build everything we need. We're not going to stop there--the goal is 70, we believe we can get there. I would like to see the share price go up a little bit more.

But I will say we will file the S-1 immediately--hopefully, by the end of next week. And then we can add to it if we're able to get one of the other interested funds that requires the S-1 to be filed to invest.

So, this is a pivotal and it's the only way to raise real capital. Otherwise, you get stuck that convertible not situations where, eventually, you'll run out of gas and you can never raise significant money.

Allen: Would you be taking the funds in tranches or will it be... one closing or a series of closings or... when would that potentially commence? Sometime in January or...?

Joe: It's all one closing. It's all part of the S-1, it's all registered stock. So, I don't know because I don't have all of the funds in yet, I only have one and that's for \$40 million.

But it will be filed and then 30 days later we'll add what the investment bank had filed, and then 30 days later, we'll add all of the offerings, everything else to it. But we'll be filing the S-1 hopefully, definitively, by the end of next week. And that is the biggest thing we could do this year.

Generex Investor Call Transcript Nov. 29, 2019.

Allen: You're hitting the ball out of the park with that kind of announcement and that's a major transformation of the company.

Joe: Yeah, that would give us the runway and the capital over the next few years to be able to do everything that we need to do with all these unbelievable pieces that we've acquired.

Allen: Sure, and I think it'll help you smooth out all the volatility that you've experienced also.

Joe: Yes, absolutely.

Allen: Well, good luck with that, and enjoy the rest of this Thanksgiving weekend and thanks for any updates.

Joe: Thank you very much for getting on the call. Thank you.

Operator: Thank you. We'll go next to Frank Solara. Please, go ahead.

Frank: Hi, Joe. Frank Solera in Ohio, and hope your health improves significantly going forward. My question regards the NASDAQ up listing. I think the stock has suffered mostly because of that factor in itself, and all the other negative things going on. Secondly, I'm wondering what the status of that action is.

Joe: You mean the NASDAQ application that's in and still in process?

Frank: Yes.

Joe: The NASDAQ application is in, I've no negative feedback other than our own internal negative problems, which is the decline, I need to get back over \$2 for five days, and I need the last checkbox for--in my mind, anyway, the last checkbox--which is to get the going concern off, which is only done through an S-1 registered offering to raise the money to get that going to concern off. And then I believe we'll be complete in all of our checkboxes.

Frank: Okay, the S-1 is capital infusion, then. You hadn't mentioned that in all your earlier statements, was this something that's unforeseen, or a new condition, or... how does that play into the up listing?

Joe: Oh, I've said that before. We have a going concern, I've said that we have a going concern, and I've talked many times about the S-1. The S-1 is something that was always part of the plan and that needs to be filed after the K was done.

Frank: So, your statement today is that the application is pending, and it looks positive. Is that the bottom line--for the up listing?

Joe: Well, would you want me to talk?

Frank: Yes, sir. I just said that we need to be at \$2 for five consecutive days even as the going concern is off. As of right now, we're in the 80s, right? I think you have your question answered already. So, right now, our goal is to build that stock price value by execution, because of the huge downturn that this one individual fund created. So, right now, is it looking good today? No, we're not at \$2 for five days, are we?

Frank: So, does this application stay alive for how long until the price readjusts higher? I don't understand how you can say \$2 for five days if the application...

Joe: Hold one a second, let me answer. You gentlemen should let me answer, please. So, let me educate you: this application for the NASDAQ does not go in with all your papers, and then there's one guy sitting there that goes, "Approved, declined..." and they send back everything saying "Denied" and now you have to reapply when you fit the criteria.

It's a going application. That means it's open. That means you check the boxes off of the criteria in all the areas that require a listing. That's what we've been doing all along since the application has been put in. Then, once you're full reviewed, they give you time to cure areas that you're deficient in. And so, it's not a definitive, "No," "Yes", it's a rolling process and they allow you time to cure things based upon your deficiencies--if there are deficiencies. But they also allow you to check the boxes off as you want. So, our boxes consisted of do an annual meeting, shareholder equity, assets under management, board alignment, and many, many, many others as well as...

Frank: One more question, in the near term, what aspect or positive event or situation, or change, do you think can bring your share price up to meet the requirement of five days?

Joe: Oh, I think I have answered that many, many, many times. But let me say it to you again. When we spin out NuGenerex Immuno-Oncology, that's a huge asset for us--and it should be public. Generex would be massive shareholder. So, let's just call 100 million shares, because we haven't figured out the security structures. Let's just say 100 million shares, Generex who owns that company, plus still owns 90 percent of the company--even after the dividend we gave out--and these are hypotheticals, I'm giving you a formula in my mind.

So, let's say the stock--of course, it's clean, pristine, and it's doing fantastic as far as all the executables the company is doing right now. Let's just say it's a \$1/share. Well, \$1/share at \$100 million in value and liquid assets now goes on Generex's books. I believe it's going to be \$100,000 million [?], but I'm giving you the low, low, low value of what it could be.

With \$1 and if it's 100 million shares we own, a \$100 million is a liquid asset on our books, on Generex books. Well, I can only imagine what \$100 million of a liquid asset on Generex book will do to the value of the shares of Generex. And as that company--as a public company--keeps executing, it builds our value even more, and more, and more.

So, for me, that is one of the biggest things we can do right now, and that's why we're working like hell to get that spun out.

That's one thing--I mean there's so many others, but that's one.

Frank: It seems as though, a lot of large shareholders have sold in the recent decline in the last 30 days, and they're in know more than the little guys--I mean there was very little volume there for the longest time.

Joe: That's untrue, you're making a misstatement. And I know what you're trying to do--

Frank: No, sir. I'm intending to but--

Joe: You're making a misstatement, I know what you're trying to do, but... let me correct you though. Again, we put out two press releases last week. There was one large seller--not many, many, many sellers. There was one large seller. Read my press releases that I took the time to put out to inform shareholders. You're not informed. And I would appreciate it, if you're going to get on the call, you would be informed, and then ask an informed question. As of today, that hypothetical statement you made that there were many is just not true, and it's a lie.

Frank: Well, I've been watching the value and it's been far above the average daily value for 30 days.

Joe: Yes, one big shareholder, like I announced last week, sold their shares.

Frank: How many shares was that trade, do you think--and in the aggregate?

Joe: How many shares cumulatively? At least 2 million.

Frank: Two million. Okay.

Joe: At least 2 million.

Frank: Well, I'm seeing over 200,000 shares per day traded. Okay, Joe, well, you've answered most of my questions. Keep up the good work, okay? I hope you feel better.

Joe: Thanks. I hate to be curt with you, but I wanted to make sure that everyone understands what the facts are. The facts are one big seller, not many.

Frank: Well, I didn't misrepresent the facts, I'm just interpreting data I see, and I don't have the data you have, but... what we see on these reports, daily trading... we try to interpret it, but you have better knowledge than I do. So, thank you.

Joe: I don't know how you could interpret that, because how would you know if it's one or 20? The bottom line is the only thing you see is the number of shares that were sold, and by different market makers. I can have a million shares and put them in ten different accounts, that ten different market makers sell. How would you know that?

Frank: Well, that's the better knowledge that you have and I'm sorry I misrepresented that if you feel I did.

Joe: Yeah, you did. I mean, I would ask a question rather than come out with a negative and then ask questions.

Frank: That's what I did.

Joe: Yeah, I would ask a question rather than come out with a negative and then ask a question. But the negative was not right and not correct.

Frank: Alright. Well, I'm sure your listeners heard your defense of that. Thank you.

Joe: Yeah, thank you. Thank you very much for the call.

Frank: Thank you. And we'll move next to Aaron Sycrest. Please, go ahead.

Aaron: Hello, it's Aaron Sycrest from North Carolina. How are you doing?

Joe: How are you doing sir?

Aaron: Good. good. I pressed to jump in, but you've answered all my questions in the other questions that were asked, and I appreciate you taking the time to talk to us and help us understand you're building shareholder value. And I look forward to getting back to the share price that we all know and are hoping for in the next coming weeks, and I thank you very much.

Joe: Well, I appreciate that. And just know this is my reality. My reality is the S-1 files, we raise the cash that we need to now put into those pieces that we have, that will build huge, huge value. The dividend is not going to build value by itself, the dividend is given because we firmly believe that we're going to build huge value and those shares will be worth something after that value is built in the organizations that we've acquired.

So, just look at the assets that we've acquired, look at the opportunities that they present in building value and that's really the key to what we've done this year. So, I thank you too.

Aaron: And I understand too, that if you did the dividend now, it would just be... we would have more shares, obviously, but it would be even keel with our... I understand that. So, it doesn't make sense and I understand that.

Joe: I mean, potentially, everybody that waived, I have to give this dividend to because as I told everyone, I got all of the necessary waivers that I needed to make this dividend happen. And then one group ruined it for everybody. And by ruining it for everybody, how can any of the waivers now come back to me now and say, "Oh, wait a minute, how could you allow one? They signed a waiver; we signed a waiver. But you allowed them to sell it." I didn't allow anybody do anything.

I take people at their word. I take people by the agreements that they sign and I can't even believe that someone would do something like this when they signed a waiver to not sell. But then, responses are, "Oh, I needed to do a little..." "Oh, I'll cover it with the other shares." Well, it's not about that. It's about the chain reaction you've caused and then all the other things that you caused, which now is--it's not right to the other people who waived.

So, people never look past themselves and that's why I gave that quote earlier about the simple little things they do that they believe is okay, and still breaks covenants and agreements, but then don't realize all the other ramifications of what their actions have caused, and that's what, right now, I'm dealing with, and hopefully, would get to the bottom of it, and hopefully, we can get this deal back on track when it's appropriate.

Frank: Alright. Well, thanks for your time. And you have a wonderful weekend.

Joe: Thank you very much for the call.

Operator: Thank you. We'll move now to Carl Pomet Please, go ahead.

Carl: Hi, Joe. Carl here. Been a shareholder from way back, ten, 15 years now.

Joe: Hey, how are you?

Carl: I've been good, adding to my position because you're doing great for the company. A concern I have is last week, I added some more shares and if I'm understanding, Creek sold maybe 2 million shares that does not have the bill due, which means I may have bought shares that I will not get the dividend for, which is... to me, sounds like fraud or something that somebody should definitely be going to jail for if they're selling something worth half of what it is. Is that my true understanding, that I and other people might have bought shares that will not get the dividend?

Joe: No, what Creek has done is make it abundantly clear to me and to others in Generex--as well as our attorneys, as well as in an email to us--that their intention was always to pay the dividend and to pay due bills. That, we have

iron-clad, and they did represent that; I believe them 100 percent. There's no reason for them to lie about that because they sold half of their position.

So, I definitely do not question whether they have covered that, it would have been covered, so you would have been saved if that dividend was paid today. But the problem here is that they sold that stock when they waived the dividend and that was important to all of our other waivers. They sold that stock, made a lot of money-- a lot of money--and everybody else has been holding, and everybody else did make a lot of money. Whether they paid the pay due bills or not, there is another extreme damage has been caused by this action.

So, you would have been covered. That I can assure, you would have been covered.

Carl: That's definitely good, and actually, the only positive was when they kept dumping the price went so low. It was a buying opportunity because I really believed in the company and I just figured, "What the heck?" But it just dropped for unknown reasons.

Joe: Yeah, I can say that they sold at the absolute worst time, and that's because you have shareholders that are loyal to the company, that are either buying more shares, have positions, and that are hanging in there--not trading the stock, because they want the dividend, they want the value, and they believe that we're going to build more value--but the value is the same, right? If I do the dividend or I don't do the dividend, you lose nothing--you're at \$0.80 and you have your 100 shares, or you're at 200 shares at \$0.40. So, either way, you're even.

Now, the key here with the dividend, is do you believe in the company to go from \$0.40 after the dividend, and stock up because of all of the great stuff we've got going on. That's only when the dividend is worth something. Just getting double the number of shares you have is meaningless.

Carl: Yeah, just like a split.

Joe: Yeah, it's the company's ability to then turn those shares and build price again, like we did the first time. We were auto-adjusted the first time we did the dividend to \$0.83 approximately. And then that ex-date, we got as high at \$3.25. That's \$62.50 quad spaces. So, people who bought the stock last August or had stock before we did the first one, are sitting there with \$62.50 stock they bought at \$1.60. Best day in their lives. Who builds that kind of value in such a short time? No one I see. And for sure, we were anticipating the same thing happening, and I would have been very happy if that would happen.

But again, there's always got to be one that's got to ruin it for everyone else. And as of right now, that's the way I'm looking at it. And if I can use this

dividend--and I've listened to all you good folks, I've read all the emails, and I've taken the private calls and listened to people, how they feel about this, once I get to the bottom of what we can do as a company legally, proactively, as well as every other area, we will do that. And if I can do this dividend quickly from postponement, I will.

And this time, I'll do it as quickly as possible. The reason why I set the dividends so far apart was because I thought I learned something for the first time. We had three postponements the last time--three. And it took months and months to get that dividend done. But it was so worth it when we delivered it, right?

So, I figured, "Let me get an extra month or two to make sure that any problems that come up would be covered," and at the end, somebody's got to blow it even after all the months and the extra time I put in to get this thing done.

So, it never ceased to amaze me that no matter how you plan, there's always something or someone that can screw it up at some point.

Carl: Yeah, it sounds like the book, A Random Walk Down Wall Street, no matter what happens, something is going to screw it up, totally unrelated. Okay. Thanks for your time.

Joe: It's just incredible how we're trying to help people and trying to build value, and somebody got to take it away.

Operator: Thank you. We'll move next to Scott Mayne. Please, go ahead.

Scott: Hi, Joe.

Joe: Hey, Scott. How are you?

Scott: Good. How are you? Wanted to see if you could educate me a little bit... on the S-1, I presume that's the NGIO offering that you've been discussing?

Joe: Yeah, you mean in terms of where we are in the process of taking that public?

Scott: Well, you've mentioned the S-1 several times, but--maybe I missed it--but I haven't heard you explicitly say the S-1 for the NGIO spend, is that what that is? When you say 40 million, that's regarding NGIO, right?

Joe: No, no. The 40 million that we have in the final document, as well as the S-1 that is literally complete, which that 40 million will go into to register those shares as well as other monies potentially that we are trying to raise--that's for Generex.

What I did say about NGIO is that we needed to file the K, which we did on November 12. That K already has NGIO... let's call it audit in the overall Generex. So, we needed to file that K to take NGIO public, because we need that full audit completed to Generex, to split out those numbers and the full audit of that company, which is being done now, so we could take it public-- as well as other things we would work on--legal, and then filings that are required.

But again, we have folks that are working on that. Right now, I've been dealing with Generex, dealing with my health, dealing with surgeries and other things, and my hope is to get that thing public as quickly as possible like I've been saying.

Scott: So, that S-1, then, is regarding strictly Generex, and that is a stock issue? And what does that do to the...?

Joe: That is not a stock issue, it is a registration to file registered shares in a public offering.

Scott: And so, presumably, that public offering is outside of the 70 million shares, correct? So, what we're saying is this S-1 will increase the shares outstanding or...?

Joe: I don't understand 70 million shares. Right now, it's 44 million shares approximately out.

Scott: But you said the steady state was going to roughly 70, 69 million shares, right? You said that a number of times. So, we've raised \$40 million--

Joe: Well, that's incorrect. Because if you had listened to my presentation from before, as of right now, we're looking at 90 million shares, because of the group that sold their shares in the last couple of weeks, bringing our stock price down and creating a cascade and other people selling off and creating a panic.

Scott: Yeah, so I understand that--

Joe: Hold on. Because I don't know--because they sold those shares when they signed the waiver, everyone else signed the waiver. Now, if I hold that dividend right now, does that mean those other dividends go by the wayside? Does that mean that now, it's a full-on dividend to everyone that waives because of the one that waived and... that went against it? Those are the things we're looking to now. But right now, the way I'm looking at it--and I have to look at it this way--it's close to 90 million shares that would be out if I did the dividend today.

Scott: And that 90 million would include the shares for the \$40 million you're looking to raise.

Joe: Absolutely not. That would be just the dividends. As of right now, we have 44 million approximately out, without dividends, and with all of--like I had said--with all of the waivers, would have brought me up to about 69 million shares like I said. Now, because of someone breaking the waiver, potentially, it would add 88 to 90 million shares all total.

Scott: So, where does the \$40 million come from?

Joe: From registered offering.

Scott: Of additional shares of GNBT stock. I'm not complaining, Joe. I'm just trying to understand because I thought, initially, that we were talking about the NGIO spin. So, what you're saying is there's 40 million or possibly 70 million that's going to come directly into Generex regardless of the NGIO spin giving us the operating capital that we need.

Joe: Well, you'll see that in the S-1 that will get filed soon. But we would need capital, we haven't raised any significant money, and we need that S-1 filing to raise the necessary monies to now turn the engines on all the pieces that we just acquired in the last ten months. That's always been the plan, that has nothing to do with NGIO. NGIO, once it's spun out, we'll file its own S-1, we'll do its own registered offering and more than likely would be a NASDAQ company before we could ever be a NASDAQ company, because it is so clean, it doesn't have any hair on it, and it doesn't take much in raising money to get to the NASDAQ for that company.

Scott: Okay. So, that points to the going concern. And obviously, if we raise \$40 million, and \$20 million--whatever--and put that on the balance sheet, that takes care of the going concern. I asked on the last call about this.

Joe: If we don't make any revenue, it'll take care of us for at least two to three years in the going concern. But the big thing is that you put that kind of money into the assets we've acquired--big revenues will definitely be generated.

Scott: So, that takes care of the going concern for the NASDAQ up listing and equity pieces check. That does still leave that net tangible assets. So, on the K, you guys took the net tangible assets from the previous quarter, and you split out goodwill as a separate line item. If you take that and ignore the goodwill--which I don't know how much more intangible of an asset you get in goodwill, but if we ignore that goodwill, we come up with 1.9 million and the requirement is 2, are we assuming that we are meeting that checkbox at this point from the K?

Joe: Well, you just answered that question. I mean 1.9 to 2--don't forget Generex was a NASDAQ-listed company in the past. Will the NASDAQ punish us because we're so close? Will the Q that we're going to be filing, the cost we're going to acquire ALTuCELL pushed that well over the top? Absolutely. I

don't know, there's no way of me knowing that until we have the last checkbox, the last checkbox in, which is the going concern.

Scott: Okay. So, we haven't gotten any confirmation on that net tangible assets yet?

Joe: Nothing negative, no. Nothing negative no.

Scott: So, if they require--if they look at the Q, is it okay? Presumably, your Q is not audited, correct? So, does that count or do you have to get the Q audited? You won't normally have the Q audited, correct?

Joe: I don't know, that's a question for the NASDAQ. I mean, I didn't think about that, but I don't see a problem at all. Again, I haven't gotten there to maybe have that problem. So, I need to get the S-1 filed, get the going concern checkbox off, and then I'm sure we'll hear, once that part is checked off, whether...

Scott: Do you have a feel for how long once we get that, once we get the going concern checked, do you have an idea of how long it takes to hear back on... are we looking at a week or...?

Joe: Again, this goes right to the question from earlier. Now, you're talking about regulators, NASDAQ authorities... I can't even broach... or even think about how long it's going to take to do anything. I could tell how long it would take me to go from here to the store, but for sure I can never tell you how long an official person at NASDAQ... this person, that person, or that person is going to take to do something. I couldn't possibly do that.

Scott: So, you asked for feedback on the dividend. To use one of the previous caller's analogies of the dumpster, it does look like a dumpster fire, I don't envy your position straightening all this out. I appreciate that you're trying to do that, and I for one back totaling it. As I much as I really want to be done--and I'm sure you want to be done--I look forward to the days when we're not talking about dividends, and we're not talking about NASDAQ up listing, but we're talking about the business that you're trying to run--and I'm sure you do, more than anybody.

So, my two cents is I fully back you delaying the dividend even though I've been saying all along, "There's no way they're going to delay this dividend again." I understand what you're doing, I back what you're doing, and I hope you can just straighten it out as quickly as possible, so we can move on to bigger and better things.

Joe: Yeah, I didn't want to postpone it, but listen, if I don't have all the facts and I make a bad decision... it doesn't hurt me because I gave up my 20-plus million that I had, right? It affects you guys. I haven't been paid anything yet in stock--I don't even have any options. You go to Page... I think it's 98 on the K, and you look at me, I'm the only guy that doesn't have anything.

So, this doesn't affect me, it affects the company, it affects all you shareholders if I make the wrong decision, that's why it's important for me to hear you--everybody. And again, if we get cut in half from \$0.80 to \$0.40--or we stay at \$0.80, it's the same value. But what it does is it creates a huge problem, if I have to give all of the waivers the dividend, because one person screwed it all up. And that's the thing we're evaluating right now.

Scott: Understood. And good luck with that. So, to move on from that onto more business-oriented questions... well, we'll get to those. I guess this isn't directly related. But on the 10K on Page 75, it talks about the payments due to Olaregen. And 4.3 million of those--again, as of the printing of this K, 4.3 million of that is past due and 6 million of it is due tomorrow. Do we have checkboxes for that?

Joe: Yeah, that's incorrect. That company has signed an extension, so then that supersedes what that's saying. And I've got to tell you, it's pretty amazing that these companies' management teams are really into our program, are loyal, and just are unbelievable statesmen when it comes to their belief in what we're doing.

Because could I go out and raise the money to give them that we owe them? Absolutely. Will that hurt you the shareholder? Well, yes, because I'm going to raise a 40, 35 percent discount to market, because we're an OTC company.

So, those defaults--or those payments that then get extended offer benefits and betterment of view. Because when you make those payments, it would be with good money--and not terrible money, which is what I'd have to do right now. And these management teams and these owners of these companies who have entrusted Generex, believe in what we're doing.

Now, could I have paid the same? Sure. But I'll tell you this, we'll be decimated with 150 million shares in the market right now, that's for sure.

Scott: Exactly. So, to date, we can be thankful they have renegotiated, we are current on payments for Olaregen and Regentys, and so forth as far as they're concerned, and there's no issue of them trying to claw back ownership or...?

Joe: No, nope. Every quarter they have to, they've been signing extensions. So, extensions mean that those terms get pushed out. So, we're very fortunate to have unbelievable management teams in these companies that understand the problems that we've had and understand that doing it right is the most important thing.

Scott: Well, kudos to them. I assume they're listening, and I think them because if they wanted to, they could claw this thing back on you. And so, the statement that they want to do that speaks volumes, Joe--and everybody should listen to that. Because if these guys have given up their company and they've given up

their payments over time, that tells you they want to be involved with this-- and that tells me that I want to stay involved with it, Joe. So, kudos for that.

So, now, to move to actual business-related questions, are you able to give us... I understand that it's hard to look forward on sales and you're just getting these things rolling. But for something like Excellagen where you've got actual... these BAC is being approved and you're getting an addressable market--we know the total addressable market is huge, right? You can get on CNBC and watch these unicorns come out and say, "Oh, the total addressable market is \$50 billion."

Well, we know that the diabetic market is huge, the colitis market is huge. Are you able to look forward to what is actually hitting the road with, say, Excellagen, and give us numbers that don't break any rules on Q reporting and so forth?

Joe: I can't give you individual numbers because right now...

Scott: Well, let me finish my scenario. So, with Excellagen, you need to stock the shelves, it only stays good on the shelves so long. So, presumably, you're building inventory to a target: are you able to look forward and say, "Hey, in 2020, here's our rollout we think we're going to have and we think that we can sell this many 3 cc syringes and our gross margin is 5700 bucks..." per your comments and the _____ [01:44:28] presentation. Because what we really need to see is revenues, right?

Joe: Well, but you can't get to revenues without... what have I been saying along? The S-1 files and us being able to raise S-1 money, which will fully fund all of the pieces, because every single company, even the MSO we acquired from Veneto--and then we rejigged, we need to put money back into that asset to rise up. So, until we're fully funded--and I mean fully funded; now, if we get half-funded, then it's half the numbers; if we only get quarter funded, then it's quarter numbers.

But I can tell you this, we've done extensive pro forma on all our equities and then the enterprise. And if fully funded--which looks like we are going to be--we are projecting Year 1 from funding, a little over \$250 million in revenues for the first year. So, I can't give you breakdowns because those vary... and let me give you an--

Scott: And you would consider the S-1--this current S-1 is considered...

Joe: Let me give you an example of why I can't break it down for you. Okay, as you know--and as we've announced--we're not at the national level of, say, the VA. So, if had the national audience of the VA, if we got approved VA-wide--about 200 VAs, whatever the number is throughout the country--then it's one set of numbers on pro forma.

But as Tony Dolisi, the CEO of Olaregen, has stated, they've been going one, by one, by one, by one and hitting those VAC communities. Now, let me give you an example: there is one state, one VAC community that we saw five months ago. We go, "Why haven't heard back yet? We did everything they wanted." And we went to that particular VA, we said, "What's going on?" They said, "Oh my gosh, this, this, this." And we gave them additional information which they then said, "We're approving right away." This took five months. Some VAs are one month, some maybe two weeks, some could be longer than what we just went through with this one. It's an unknown because they're launching.

And to fully commercialize outside of the VA and all the other areas, we need to be funded. So, that's our last piece which is the funding, offer the S-1, which then, all of those sums would be paid--those monies that you referred to earlier--which then they can really effectively build those businesses--which has always been the plan. And then, we will announce our pro forma based upon, "Is it 100 percent of the funding we got?" because then we can give all of the money to each and every one of them. Is it half? Then it's half of the money. So, what would that pro forma look like with only half the money, how much should they build?

So, there are a lot of differences, it's not just as easy as you want it to be--or are hoping it would be or just rattle off what it could be. And I'm not going to make up numbers.

Scott: That's why I specifically chose Excellagen, Joe. I mean this company, right now, is priced for zero success. If you guys make--

Joe: Why is that?

Scott: If you make 2 million bucks in 2020, this company is underpriced. I mean people are not valuing this company.

Joe: Usually. Usually. You're not going to get value on the OTC. That's just the fact. I've said that.

Scott: And I've listened, Joe. So, what I'm saying is if you were to take--and just hear me out, and if you don't want to do it, fine--if you were to take your existing footprint on Excellagen, where you're approved to sell what you think you're going to sell in 2020. If that number were a thousand vials of 3 cc at 5700 gross margin and you were to put out a PR Monday saying, "We think our 2020 bare minimum Excellagen sales are going to be this," and there was a number like a thousand of those at 5700 bucks gross margin, I'd go out and celebrate--and a lot of other people would too.

Joe: Well, you know what companies do that? Are companies on the OTC that are a sham company, that typically do things like that. I cannot, in good conscience, do anything like that unless I'm fully funded, unless these

companies get the necessary dollars to fully execute on their plan or... [crosstalk] Until that happens, I am not going to hypotheticalize on what potential sales could be.

Scott: I'm not asking for hypotheticals. You are stocking your shelves with a product, correct? You have said you have sales from Excellagen, correct? You have that manufactured...

Joe: Again, as of right now, that would be very hard for me to gauge because I don't... am I going to have--you tell me, am I going to have 20 VAs with the money, am I going 50 VAs...?

Scott: That was what I'm saying, just tell us, "Worst case... here's what we've gotten..."

Joe: I can't tell give that to you.

Scott: You don't have to tell me now, but if I have an asset that I'm producing for a company that is not able to... where else are we producing revenues?

Joe: Listen, I appreciate what you're trying to make me do, but I'm not going to hypotheticalize what we could do based upon so many different variables at this point. I'd like to get the money in, full-funded, and then I'll project based upon having all the money necessary to give you what you want in a forecast.

Scott: Okay. So, how long after we get the S-1 through do you think that would happen, that we'd see something that says, "Here's what we're projecting."? You've said that you think 250 million--

Joe: I don't know... it would be a guess. I don't know. How long will the STC take to review the S-1 and then render it effective? I don't know.

Scott: No, I'm saying once you have the S-1, the 40 to 70 million is in the bank, do you think that you'll put out a projection in X weeks, X months after...

Joe: If we are fully funded, I would out projections pretty immediately, because then I know--I know already what it costs to get to... put \$1 million in, get \$10 million out. I know what that is already. So, if I'm fully funded, then I'll be able to forecast, but not until. And there's no way of me knowing yet if I'm going to be fully-funded--I know I'll be funded, but I don't know if I'll be fully funded.

Scott: Okay. So, after the S-1, whether it's fully funded or partially funded, you intend to project out and say "Given the money that I have, here's what I think would be."

Joe: That's what most public companies do when they have revenue, yeah. That's typically the game plan.

Scott: Alright. Well, if you feel that anything is... the rubber has hit the road and there's an announcement worthy of making, if this process takes longer than you think, then we'd appreciate hearing that.

Joe: Well, listen, I'm sure we'll be having another conference call soon... and I've never seen anyone do as many as we do... so, we're right at the end here. We've got to get the S-1 filed as I'm saying, got to get funding; once we're funded, then we turn on the pieces that we acquired with no money--or hardly any money--and then away we go and build the enterprise and deliver the going concern.

Scott: Alright. Well, thanks for your time, Joe. Good luck on that S-1 then, it sounds like that's the--

Joe: Well, keep your eyes open, it should be filed within the next week or ten days for sure. Done--I can tell you it's done, but filing it is a different story sometimes.

Scott: Great. Thanks a lot, Joe.

Joe: Thank you very much.

Operator: Thank you. And we have a follow-up question from Boris Mashak.

Boris: Hi, Joe. It's me again, Boris. Just for the record, my name on the Yahoo message board is oyemasterUSA, and some investors cannot stand my positive idea about the company and calling me insider. I would appreciate it if you can say that I'm not working for you, please.

Joe: I have nobody that works in that kind of capacity for Generex. I've neither paid anybody to do any kind of promotional or social media work for us. I have one PR firm, they're one of the best in the business, and they stick to building value in a stock by getting us coverage in our products, our services... we just had a bunch of articles in diabetes publications and other publications, and we concentrate on the assets we have, not on having minions go out and posting things for us. [Crosstalk]

Joe: I will say, on that board though, it's been brought to my attention--we have hired investigators to do this--we know that X employees, X management teams, member of the past are specifically going on that board and are bashing this company because they were fired years ago, and another party has taken over.

So, I do have a list of these few... LilNat, that's an ex-Generex employee, Jamie, that's an ex-Generex employee, Jamie, that's an ex-Generex employee, Justin is an ex-Generex employee. We've found out half of them via the investigation, we have their IP addresses, we've been able to verify who they

are, and we'd be going after them. Because what they're doing, in my opinion, is highly illegal and we take slander very seriously here.

I'm also sure there are some shorts out there or other types of entities that would do that, but for sure, this management team, as well as the NuGenerex has done nothing to deserve any kind of harsh claim, or lies, or slander. And so just like I'm taking it very seriously about the last two press releases that I put out about the huge downturn of stock, I will be going after those people, and I will be putting that on a pedestal to show that you do that to us, we will get you--eventually.

Boris: Thank you very much and good luck.

Joe: Thank you very much.

Operator: Thank you. And we'll move next to Richard Procter. Please, go ahead.

Richard: I have a question about the NGIO, you said there might have been a second offering coming up on that dividend?

Joe: On NGIO?

Richard: Yeah, you mentioned in a press release on the agenda for this conference call.

Joe: Well, my whole agenda got blown because of the situation that reared its ugly head last week. So, right now, I need to get through this dividend, this problem, and get to the bottom eventually. And once I do that, I'll reorganize and if there are any other potential dividends or other things, we want to put in place to give to shareholders, then we'll do that. But right now, I need to deal with what we have in front of us, and that's what we're doing.

Richard: Okay. Now, did we do anything that caused... I can't remember the name of whatever company that sold the shares--did we breach anything that allowed them to do this?

Joe: No, not at all. Not at all. There were no breaches that we had done. Clearly, they signed the waiver for the dividend; clearly, they did not--

Richard: But it sounds like you've talked to them in the meantime--since they've dumped the shares, you've had communications with them, are they done now and no one else is going to be dumping, that signed the waivers?

Joe: As of right now, I have the waivers in place, like I had said a little while ago. Will they be honored now because somebody has broken that waiver? That's what we're endeavoring to find out. But again--

Richard: How solid are the waivers if they could be broken that easily?

Joe: But again, if there was no waiver in place, they were fully entitled to sell their shares. We bought 20 percent of Olaregen from them, and they are fully entitled to do that. What makes this grossly not right, is the fact that they signed that waiver. And my representations to everyone else that signed that waiver was based upon me getting all the waivers that I needed. And I believe I got all the waivers I needed to make this dividend happen, they broke the covenants we had in place, and now I need to investigate and find out what the ramifications are of that from everyone else that has the waiver.

Richard: Well, they gave you the waiver because they believed in the company or they gave the waiver... I don't understand why a waiver, which is a document that has some legal restrictions would be broken, and then why would everyone else that signed that waiver would now be free to sell shares because someone else broke...

Joe: Well, if I represent to you--which I've done--that everybody I need to waive has waived--including inside management and others internally, including option-holders internally--would you be happy and would you call me offside if you found out one of them was selling and made a lot of money while you were holding?

Richard: Well, I know we're going to take them to court and we're going to get our money back, we're going to make them hurt. But my original intention in signing that waiver is because I want to help the company, not...

Joe: But that wasn't your question. Your question was, it's not about what we do with this and if we make a lot of money or we go into a legal situation over it, it was specific about will other people who have signed the waiver start selling? I can't answer that right now.

Richard: Okay, Joe, here's the deal: I believe in you and I think you're an honest guy doing a hell of a job, but also, I've seen the dividend as a way of holding on to shareholders and keep saying, "There's a dividend here, there's a dividend there..." and I get it.

Joe: I don't agree with you whatsoever on that, because...

Richard: But it does help maintain our shareholder.

Joe: No, that's your choice and you're incorrect. Let me explain why.

Richard: Right, but if I'm going to get a dividend in two months...

Joe: You're incorrect. Let me explain why. You asked a question, give me the time to answer you, please.

Richard: Sure.

Joe: Now, if I was giving you something that would immediately give you more value, then you would be correct. But you're not getting more value with the dividend, it's what we do after the dividend that gives you the value. So, you--

Richard: I understand that. I understand that.

Joe: Let me finish. Let me finish, okay? You would be cut in half; there is not value you're getting by getting the additional shares; you have the same exact value the day of the dividend that you have... it being higher. There's no difference, right? Now--

Richard: You've said that three times today, Joe, so far.

Joe: But you asked that question.

Richard: Yeah, but I heard that answer earlier. What I'm saying is that I'm buying the stock and I'm getting twice as much, or four times as much--20 times as much, because I believe, in a few years, this company is going to be worth a lot of money.

Joe: No, you mean in shares, not in value, you're not. You're getting the same value.

Richard: You're right. I get the same value. Right. So, I have--

Joe: Now, in two years, if we did our jobs as a management team, and we executed and built this huge enterprise, then yes, you're right. And then the more shares would be worth more money, right.

Richard: Correct. So, that entices me to stay in--

Joe: But that's a hypothetical, right?

Richard: Correct.

Joe: If I don't build the business, we don't execute, stock would keep going down, and there would be no value because of that increase. But what it will do is put out another 44 million shares for absolutely no reason.

Richard: Right. One guy sells 2 million shares, now it looks like there's a possibility that everyone is going to get a dividend. That seems weird.

Joe: Well, that's what we're investigating. So, right now, what we're trying to figure out, "Is it worth doing the dividend?" We're trying to get opinions from you good folks, and we're trying to explain it, all of the pluses and minuses of doing this. But again, it's all just happened, and we still need to reach out to everyone and find out, will they sign a new one based upon this? Do we need

a new waiver before we do a dividend or do it from a postponement? Right now, I don't have the answers.

I had this conference call planned and I felt it was important to do it and not postpone the conference call which would have just not boded well for you guys--and us. I don't have all the answers, we're investigating those answers, we will find out and we will do what's necessary if it's still valid to do and it makes sense to do.

Richard: Alright. As a shareholder, I look for value. If I can triple or get 20 times my value by owning that many extra shares, I hang on. The fact that there is a potential dividend now to be deemed later is going to keep me in the game. The people that gave you the waiver--

Joe: We postponed the dividend three times the first time. This is our first time to-

Richard: But I bought more shares every time you postponed, and I bought again yesterday.

Joe: So, you did phenomenal the first time. I'm happy for you. Very happy.

Richard: Yes, well, I did. Now, I'm back where I started, but that's not the point. The point is that these enticements keep us going as the regular shareholders, and-

Joe: They're not meant to be--I didn't mean them to be enticements, they were never meant to be enticements.

Richard: Well, they are. Everybody that's buying is looking for the dividends. The NGO dividends, that was a beautiful thing--if there's value placed on it.

Joe: Well, I had no problems with the NGO dividend. Why? Because I kept the greed factor out to private companies.

Richard: Well, greed is where we gain, though.

Joe: That went off without a hitch. But the first dividend, the 20:1, the greed factor came in, you had a fun that made fortunes because they sold shares illegally--that's my opinion--because they have my whole due diligence package, they could just loan [?] me money. That, to me, was the most egregious. But we overcame, we conquered, and we were able to make that one work. We're going to do the same here... I just need a little bit of time.

Richard: I'm going to cut it short, because I don't want to be that long-winded guy. But listen, you've got 20, 30 people that signed waivers on the dividend--and I don't know how many there are. I assume they did that because they believe

in you and they believe in the company, why would they give up the dividend if it wasn't for an honorable cause? Am I correct in that assumption?

Joe: Most people would have anticipated some of the noteholders to not waive. Our noteholders waived--that's unheard of.

Richard: Why? Why?

Joe: I would hope the same reason why you're in the stock, because they believe in what we're doing.

Richard: Okay. So, why would have to renegotiate a new waiver if one of those backed out of their deal, everyone else should be still be as solid into the company as they were to begin with, except this is pre-planned.

Joe: I hope you're really not asking me that question, because it's a legal question, one, and it's pretty simple for me. If someone breaks the threshold of a covenant, then why am I bound to the covenant? And I don't know if that's what you're thinking of.

Richard: Yeah, but it frees everybody up. Now, everybody is freed up, but if you just give the dividend out to all the non-waivers, everybody gets the dividend, and the whole idea of the waiver, to begin with, is a charade, because everyone is going to get a dividend.

Joe: The whole idea of what... I don't understand what that means.

Richard: Okay. Creek Mountain sells half its allotment of shares; that dissolves all the other waivers and now everyone can qualify for a dividend. So, all that goodwill is gone, and everyone is going to get a dividend.

Joe: So, you want me to put out 44 or 21 million more than I forecasted, is that what you're saying?

Richard: No, no, no. I'm just saying that because Creek Mountain sold their 2 million shares, you're indicating that that would make the waiver that everyone else signed subject to interpretation, so you might have to reissue.

Joe: Potentially, yes. I don't have the answer like I just told you. I don't know. I've got to get--

Richard: So, because Creek Mountain sold 2 million shares, these other waiver people can say, "Hey, Creek got their money, we want ours. We're not signing another waiver."

Joe: Correct. I mean I would be saying, "Can I sell half my shares even though the stock is way down?" That's what I would be asking. But I don't know that yet, I don't have the answer yet.

But what would be fair to them--let's be fair to them now, too, right? What would be fair to them is for me to go to them and say, "Listen, as disgusting and horrible what these guys did--that's my opinion, as evidenced by the huge downturn in the stock price and now making the hurdle further away from our NASDAQ listing." But this is what I'm willing to do--this is what I should do--is--because you're asking me questions and I can only tell you from a moral perspective, the way I'm thinking--and that would be for me to go to everyone and say, "Listen, it's not fair what these guys did. You, you, you--everyone--can sell half of everything they've got." So, instead of 21 million, I put another 12 million out. Because if one did it, well, why wouldn't I have a moral compass and say, "Everyone can sell half, because it's not fair what this company did."? But then that doesn't work because the stock has been decimated, so they would never make as much money as Creek Mountain made.

So, again, I need to get to the bottom of it fully, I need to understand the legal ramifications of everything we do, I need to make sure that I'm not putting out 44 million shares for no reason--that's what could happen--I need to make sure they're not going to want to litigate with 40 people that would call me offside because they were unfairly disadvantaged. So, these are the things that we need to find out. We had the conference call scheduled... I would have much rather preferred to gather all the answers to this, but because the conference call was scheduled, I stuck to the call because I felt it necessary under the circumstances.

Richard: Got it. Listen, I hope you're feeling better, I want to get off this call. One other thing, when you say, "coming days", I think of it in a couple of days, like maybe six, seven days; when you say, "coming weeks," I'm thinking maybe six, five weeks--a couple of weeks. When you say, "coming months," I'm thinking two, three months. Coming years... okay. So, when you say, "coming days," at least for me, I'm thinking maybe in terms of a week or two. But you said, "coming days" and it was almost five weeks. Alright. Listen, I'm going to let you go, Joe. Feel better and do what you've got to do.

Joe: I totally disagree with that, because I don't know what you're talking about. But okay.

Richard: Okay. Well, it goes back to the timeframe thing, and that's all. Okay. Do good. Get well.

Joe: Thank you.

Operator: Thank you. We'll move next to Curtis Patterson. Please, go ahead.

Curtis: Good afternoon. I have a question regarding some of the work at ALTuCELL. I read that they are pursuing their microencapsulation trials with a group of individuals in Ecuador, and that these persons are affected with Laron syndrome.

So, my question regarding microencapsulation, which I read also was related to diabetes, which sounds very promising, the fact that you're working with these Laron Syndrome patients, is there some implication there of a orphan drug strategy?

Joe: Well, this is what I want to do, and I'm glad that you got on and are asking questions about some of the highly valuable assets we have or will have. And the beautiful thing is I have the CEO, Gary Harlem, on the phone with his Chief Medical Officer--Senior Chief Medical Officer, who will be more than happy to answer your question. But I just want to frame this the best I can before I turn it over to them to answer your questions, because these guys are experts with their technology.

I can only say that me, as an investor, I would be looking at this company pretty heavily. Why would I be looking at this company pretty heavily? Well, this company--and I've been asked to forecast just a couple of calls ago--I can forecast this one, because we have a real comp that's available to us. So, if we take a look at--and I think we've mentioned this--Semma Therapeutics, which is in the same space as ALTuCELL--I believe we are much better for a lot of reasons. But if you look at just side by side, the technologies in this space that these guys are in versus the same spaces. We have patents, however, that cover widely autoimmune disease and ant-inflammatory diseases--and that's all of them, because eventually, they're going to have to come to us, anyway--and that company was just acquired for \$950 million--that's \$1 billion.

We have five years' human data--they don't have any human data. So, we're way ahead of them. And now I'm going to turn this over--but I would be looking at that if I was an investor, what would mean in value, in the future for Generex, once we get this thing fully acquired and then we put the necessary money into the trials that would read out and build unbelievable value--that's what I would be looking at, the things that Generex has, like ALTuCELL.

So, Gary, I'm going to turn this over to you and your Chief Medical Officer, Dr. Mike, and please answer the questions and give us--

Gary: Okay, I have a little bit of stamina left in me. This is Gary Harlem. And I'm sorry, your name again, sir, was...?

Curtis: My name is Curtis Patterson.

Gary: Hi, Curtis. I appreciate the call and Happy Thanksgiving to you and everybody else on the call. I just wanted to circle back a little bit to the very beginning. Somebody mentioned about ALTuCELL, and they didn't see some kind of jump in the stock via the transaction with ALTuCELL, and Joe answered that question pretty clearly. We're in the process, right now, of really ramping up and start with Generex, and we appreciate the portfolio of companies that they've put together. We've had some opportunities out there,

and we saw this as being the form of what we were interested in because of the space and the company---the rolled-up diabetes, wound care, diabetic ulcerations, et cetera, et cetera, and the Arizona clinics, and the good work that's been done over there as well.

So, there's a lot of stuff that we would love to be able to have time to flesh out here, and fortunately, at this stage right now, we can give you guys and overview about where ALTuCELL is at, about the Laron study, about the human data that we have done. And not only Semma Therapeutics and some of these other companies that have gained a vast amount of funding for their rodent studies and stuff, we've already gone into humans with our encapsulation and doing the Laron study is going to help to expedite the model and the technology of where we're going.

I want to turn it over to my Senior Medical Director, Dr. Michael DiGiovanna, who'll give you guys a little bit of a background about what he's been engaged in for the better part of 25-plus years. And our technology... he was intrigued and attracted by our standalone technology we're at this point. Mike?

Mike: Thanks. Hi, everybody. My name is Dr. Michael DiGiovanna. By trade, I'm a family practitioner who's been in practice for 31 years and I've been involved in clinical research for at least 25 years as Mr. Harlem alluded to.

I've done--I lost count after about 400 clinical trials that I've participated in as principal investigator. And I got involved with Gary and his company somewhere between four and five years ago, and we tried to develop a strategy to move this technology forward from a licensing perspective, just from the microencapsulation because we have the ability to microencapsulate many, many different types of cells as well as from a strategy and Type 1 diabetes, using the cells that we have microencapsulated--both Sertoli and mesenchymal stem cells.

One of the strategies that we had developed was to try to develop an expedited pathway through the FDA, where we could get some of our safety data to the FDA to show that this is a very safe mechanism. And as such, we came up with the idea of working with--an orphan disease. And one of the orphan diseases that we discovered is very much in our wheelhouse is Laron Syndrome. Through many contacts and phone calls, and conferences that we were able to make, we discovered this colony of Laron patients down in Ecuador. Laron syndrome is found in about 500 people worldwide and about 200 of them exist in this colony down in Ecuador.

We discovered that there is a world-renowned endocrinologist who's an expert in IGF-1, Insulin-like growth factor 1, who's down there studying this trial, Dr. Jamie Guevara, and we have been working with him to develop a protocol to work with these patients. The reason for that is because our Sertoli cells secrete huge amounts of IGF-1 and we find applicability in this.

Dr. Guevara, as well, is a world-renowned expert in Sertoli cells and is very excited to be working with us along these lines, and as such, we've developed a protocol and are waiting for final approval to start this protocol down in Ecuador.

So, once we're able to perform this trial down there, we will have--the first trial is going to be done on an adult population, so there will not be efficacy for this, because these patients are phenotypically dwarfs and the adults have already reached their maximum height. But what we will be able to get is a lot of safety data which we can then bring back to the US and submit to the FDA for safety. Eventually, we'd like to go on and be able to do the pediatric studies on Laron Syndrome down in Ecuador, but the safety data is extremely valuable to us in this orphan strategy, to be able to bring this and other disease entities for study back to the US.

So, the short answer to your question is yes, this is an orphan-disease strategy, but we will make it applicable for safety purposes in the US for Type 1 diabetes, autoimmune disease, and other inflammatory conditions.

Curtis: But is there any plan to perceive this as a drug that will actually treat Laron Syndrome? And the reason I ask about the orphan-drug strategy is because, with the FDA, there is a lot less restriction with the amount that can charge for drugs for rare diseases and orphan drug strategies. So, I don't know if that was part of your wheelhouse and strategy or if it's purely to gain safety data so that you eventually use this drug for human trials to treat diabetes in the US.

Mike: No, it's actually a two-pronged strategy. So, the short answer is yes, we do intend on fully exploring this as a treatment for Laron syndrome, and would like to enter into pediatric studies to be able to treat pre-pubertal individuals--who would experience efficacy from this. Dr. Guevara, in fact, has developed a recombinant form of IGF-1, which he's currently using on his population. The problem, as he sees it, is that this recombinant shot--it's a shot the patient has to administer multiple, multiple times--and it's an extraordinarily painful shot. So, many of them give up after a short period of time and they never reach the full adult height.

So, working with Dr. Guevara, that is one of the things that we would like to see done, is to be able to come up with a treatment for Laron Syndrome. But in doing so, as in many other trials, that safety data becomes applicable to other trials.

In parallel, we're also looking to do a toxicity and safety study in primates down at Wake Forest. And that's something that, also, we'll be able to present this safety data in going forward and being able to do the Type 1 trials here in the US. We do have plans of doing a Type 1 trial overseas and we have several large institutions--universities here--that we're partnering with, that we would be able to do these Type 1 trials here. Having the safety data would

allow us then, to submit to the FDA, the IND application to do the trials here. So, it really is a two-pronged approach.

Gary: Just to add to that, Mike, just give Curtis a little more background about our encapsulation versatility and how that can become a revenue stream as well, and that's a nice little back up as the Holy Grail to our multiple application of our various technologies.

Mike: One of the first things that I said is that we were looking at licensing opportunities for the microencapsulation in and of itself. Our chief scientist, Dr. Riccardo Calafiore, is based at the University of Perugia in Italy, and his background was that he was actually trained in microencapsulation by Dr. Anthony Sun from Toronto, who is the father of microencapsulation.

So, Dr. Calafiore has had 30-something odd years of experience in working in microencapsulation and has developed the ability to engineer these microcapsules into many, many different applications, from gradient membranes, to creating skins around cells, to being able to encapsulate groups of cells.

So, there are--as you probably are all aware--many, many different companies that are working in this stem cell space. But really the Holy Grail of stem cells is to be able to transplant these cells, to have a delivery system where they can be entered into the body, because many of them are foreign cells, they would create an immune reaction in the host, and being able to microencapsulate our cells--or anybody else's cells--creates an immuno-cloaking barrier, so that when we transplant these cells, the host does not recognize these cells are being foreign. That is a tremendous opportunity right there, because immunosuppressive agents or anti-rejection agents then become unnecessary.

One of the downsides of these anti-rejection medications is that after you do a transplant, even if the transplant doesn't take, even if it doesn't work, the patient still needs to remain anti-rejection medications for the rest of their lives, which is very sad. With our technology, that doesn't have to be done.

We also have been able to look at other companies that are trying to develop these microcapsules, and one of the things that we firmly believe is that we have the best capsules in the world, because of the team that we have, because of the longevity and the number of studies that they've engaged in, that they've developed an expertise beyond anyone else that's out there. And the patents that we actually hold are in ultra-filtration system that we have is patented so that we have the purest capsules anywhere, and its patented technology. So, that when our cells are transplanted, they don't create any immune response whatsoever.

And that's where the importance of the human study comes in, because we were able to demonstrate that when our encapsulated cells were transplanted

into humans, after five years, we were able to retrieve them. And what we saw was that although the cells on the inside of the capsules had already died and passed away because they were beta islet cells, the capsules remained intact and were pristine, created no fibrotic reaction whatsoever, and the applicability of that is huge.

Many of the other studies that we have seen, that have been presented on other capsules, because of the impurities that they have, they create a very large immunological reaction, which creates fibrosis. When the fibrosis then engulfs the capsules, they don't work anymore, they're completely ineffective.

So, our capsules don't do that, and that gives us a leg up on the competition, number one. And number two, because our capsules are so well-engineered... we've seen other companies that have much more poorly engineered capsules that they shrivel up, they become very porous, and they just don't function well.

So, again, when we look at where the competition is, we think that we're years ahead of the competition, and from a licensing perspective, we can approach other companies with our encapsulation and be able to work with them and their stem cells, and as an income stream, we think that that is really limitless.

Gary: You could mention also the Wake Forest collaboration and what they have seen first-hand as the execution of our capsules.

Mike: Yeah, we do have a collaborative agreement with Wake Forest, the Institute for Regenerative Medicine. One of the scientists in particular, that we work with down there, is involved in stem cell research and has been working on his own capsules.

And when we were able to work with them and show them our capsules, he was absolutely blown away because we're so far ahead of where he is. And so, moving forward with our collaborative agreement, we're going to be using our cells in the studies there. We do plan on doing some of the human studies there, and again, we do have this primate study that we're planning right now for safety--and we will be using our capsules.

The other things that we're in development, that we've developed with Wake Forest, is we've developed a surgical technique which can be done laparoscopically, in other words, through the belly button, to transplant these cells.

In the past, a lot of the studies that we've done have involved peritoneal injections, just injecting the encapsulated cells into the abdominal cavity. The difficulty with that is it's very difficult to retrieve them, and it's very difficult to then go back and be able to measure a lot of their activities. And so, we developed a surgical technique which is using omental pouches, and that's

one of the things that we're going to be working with Wake Forest, to be able to go through belly button, create these little pouches in the monkeys'--and eventually humans'--intestinal cavities, and in these pouches, to be able to do the transplants.

The encapsulated cells then will be isolated within these small pouches, and then they're not free to float around, so they're very easy to retrieve down the line--we think that's going to be great for the FDA, and also for safety that if, for some reason, something goes wrong--which we have not seen anything go wrong--but just in case, we would then be able to go in laparoscopically and remove these pouches and remove the transplant completely. And again, because of no immunological reaction, this patient would not need to be on anti-rejection medication down the line.

So, in our work with Wake Forest, we've been able to help to develop these omental pouches as well as further our research about the superiority of our capsules.

Curtis: Thank you. That's really fascinating. So, I know that this is a cured approach, but with regard to the potential for human trials to treat diabetes, how far off do you see that being, potentially?

Mike: I'm a scientist. So, we work on a different scale than financial people--but we do anticipate that we, according to our timelines, we would love to be able to start human trials within the next 12 months. We think that we would have the data from the Ecuador study--which is in humans--for safety and we should have the safety studies at Wake Forest, and then be able to plan and execute our first Type 1 diabetes trials here in the US--hopefully, within the next 12 to 18 months.

Curtis: And just one follow-up question. You mentioned the use of Sertoli cells in patients that are in Ecuador. At you at liberty to say what types of cells would be used to treat diabetes?

Mike: Yeah, I had mentioned that before; there are actually two types of cells that we're looking at right now. The porcine Sertoli cells--so, they're derived from baby pigs, 21 to 25 days of age--and also, we're looking at human mesenchymal stem cells, which are derived from Wharton's jelly in umbilical cords.

Those studies have all been published in pre-clinical fashion, so all of that information is out there and it's public. So, we would be looking at it from both approaches.

But the difference in our approach from the approaches that out there right now, is a lot of companies--even some of the bigger pharma companies, because I have a lot of connections there--are really working on cells that produce insulin. In Type 1 diabetes, patients are... their beta islet cells are

destroyed, and they don't produce any insulin--native insulin--so, their only treatment right now, is to be able to give them exogenous insulin.

All of the stem cell work that I've seen so far really has been focusing on cells that produce insulin. The problem with these cells is that they have a very limited life and all the studies--I think they've gotten to Phase 2 with beta islet cells--have shown that the stem cells--those stem cells maybe would last a year, a year and a half, and then the patient needs to be transplanted again. And even if it's not successful, they remain on anti-rejection medication.

The cells that we're studying are actually immuno-modulatory. So, they don't really secrete insulin at all. They do secrete IGF-1, which has a hypoglycemic effect. However, they actually modulate the immune system and get rid of the immune reaction, which is causing the Type 1 diabetes. So, in effect, we're actually curing the Type 1 diabetes.

We've also been able to demonstrate that once you shut off the immune reaction, that the host, through neogenesis, is actually able to start producing their own beta islet cells again and can actually start producing their own insulin again. And we've been able to demonstrate that over and over again.

So, the hope here, is that once we shut off the immune reaction and the patient is now returned to a normal functioning form, they're going to start producing their own beta islet cells, they'll be producing their own insulin, and with one transplant, hopefully, they would be fully cured of the Type 1 diabetes.

Gary: They could look at the Journal of Experimental Medicine, Mike, to see that take place.

Mike: Uh-huh.

Curtis: Well, I'd just like to commend you guys. I know this is very preliminary, and I frequently look across the medical field and see how many situations where people are being treated for a lifetime with the medication, they'll probably point to commercials that we all see for different drugs, and they have a lot of adverse side effects. So, I certainly wish you the best of success in your endeavors. It seems like it's a potential paradigm shift in medical treatment for diabetes.

Gary: Thank you, Curtis.

Mike: Thank you very much, Curtis.

Curtis: You're welcome.

Operator: Thank you. And we'll take our next question from Tony ____ [02:36:25]. Please, go ahead.

Joe: Thank you, Gary. Thank you, Dr. Mike.

Tony: So, let me just start this by saying that it's going to be a little bit more of a unique call from my perspective and I'll just quickly give you backdrop. I'm producing a television show on... lack of a better term and I don't put this into that category at all. There are a lot of things in terms of slipshod rules and ways to get around it when it comes to OTC stocks versus traditional NASDAQ or NYSE stock. So, we're producing a television show about a lot of those. And we're going to wind up including--if not featuring--GNBT, based on how I was originally introduced to the company--and that's not important at this point.

So, first of all, Joe, I think you've done a great job; you seem to be prepared for most of the issues that have come up. One thing that came up earlier in the call that I want to address is--and somebody danced around it but didn't really address it. When the say is done, these promises that were made--one of which was violated, that caused this delay... I mean in a nutshell, if there are no legal pieces around those, and there are ten, 20--however many others--if there's no legal ramification for what happened here, shareholders are going to be... well, I won't say screwed, but there's really going to be nothing to stop this from happening again if the stock starts to rise and then people are able to do exactly what Creek Mountain did, they're going to do that, is my guess.

So, I guess what I'm asking is are you guys really just looking to see what legal ramifications you have against Mountain Creek, and I wonder how that may affect the remaining shares that they own. So, that's a big moving part for us. And ultimately, I wonder how many other factors like this might exist, because on the last conference call, I was the one who said, "Hey, what could possibly delay this dividend?" And I'm paraphrasing, but I believe the answer was, "We can't imagine what would delay it at this point." Well, now that we've explained what happened, then if we chalk it to something as simple as greed, it's pretty easy to imagine what happened, and I'm just wondering what else is in that category?

And by the way, I'm a totally objective person in this case, because when we got introduced to Generex, as a production company--well, I had to do it as an individual--we purchased shares because we're following Generex among probably ten other OTC companies as a case study and so we are, by the nature of what we're doing, we would not buy any other shares, and we would not sell any other shares until there's kind of a Christmas day.

So, it's not a big position, I'm not going to lose my house or become a billionaire based on this stock, but I think when the day is done, you've become probably the most interesting of the stories that we're following. I

mean I couldn't have hired a team of writers to come up with some of these twists and turns, and I think when the day is done, Joe, you're going to look either like a hero or a criminal--and I'm pulling for you, because everything you're doing, so far, seems great. So, I'm hoping you succeed. You're the most interesting story I've got, but I'm wondering what else exists that we may not see.

Joe: Well, you just said so much, I'm trying to remember everything. But let's talk about the last piece. I may end up like a criminal, but fortunately for me, a criminal is something that can never happen with me, because typically criminals have something to gain, right?

Tony: Absolutely.

Joe: I have nothing to gain. If you take a look at Page 98 of the K, I don't own stock, I don't have options. So, nothing I do is because I'm enriching myself with stock and I have a lot of stock, and I'm making a lot of money with it. And typically, there's got to be--even for a criminal, there's has to be an exit and I have no exit.

Tony: Unless, you're a really stupid criminal. And by the way, I don't want you to take that as an accusation at all. I'm just saying, this is an amazing story to follow.

Joe: No, let me finish. So, for somebody to be called a criminal, there's got to be some kind of game. As of right now, my only game is to succeed at what I set out to do, which is to turn this business around and into a big enterprise. And that's what we're doing. So, I have nothing to gain until that happens. So, that's the first thing.

Second, I know nothing about what you're doing, but it sounds really interesting, I'd love to find out more and essentially who put you up to doing this. But it sounds very exciting and that's fantastic when people take initiatives and are following what we're doing, and all of the stuff that's been put into the media, we really had nothing to do with most of it. So, it's good to see that people are watching--and we want to be watched.

Third, the question about the dividend... again, we have experience in doing two prior dividends. Our experience shows--and we thought we covered that from the first one that took months, and months, and months to do, but it worked out quite well for all investors. Again, stock, on the day of the ex-date, people were sitting with a \$62.50 stock, I couldn't have been happier. Here, thinking we've learned--and we did throw in a new caveat, which was to get outsiders to waive that dividend right so we can give our smaller retail shareholders this dividend, and share with them, the success that we've been having.

Unfortunately, taking that legally, when someone signed a legal document to waive the dividend. To be honest with you, I can't even imagine breaking a legal document and doing exactly the reverse of what you signed to do.

So, that happens, we ____ [02:42:58] that would have occurred, but we do have experienced the dividend, and I could tell you when there was no greed factor, like with the NuGenerex Immuno-Oncology dividend we gave, the 4:1, there was no problems, it was smooth as silk, everybody got their dividend.

The first one that we did with Generex, because we're a liquid stock, we had a major problem right off the gate just as we were about getting ready to pay it, and then that big, huge greed factoring fund that made a lot of money, cascaded into many other events--two other events--that we had to postpone the dividend. So, we have that experience. Trying to do something great for shareholders always turns out to be a lot more complicated than what it really needs to be. But my observation, it's only greed that does that, because...

Tony:

Yeah, I'm just wondering if there's anything else that falls into that category that might affect us as we get closer--like I said, if there was no legal pieces around those documents, then I think you're clearly going to be subject to it. And by the way, we purchased a very minor position and it was prior to the 20:1 dividend.

So, by the nature of what I'm trying to get accomplished, we were forced into a long position. So, honestly, I'm really not much more than a spectator watching a really interesting story unfold. And the reason we purchased the position in Generex is--and I think I may have slipped up and dropped his name when I was on the last call, so I'm not going to do it again. But the person who represented you, who said he's got your ear--like meets with you relatively regularly--or did at the time, tried to position this as 20:1, and the price would have stayed at whatever--\$19--that it was. And I mean, only an idiot would believe that.

So, that, honestly, is what kind of intrigued me, and I was expecting this to be much more of one of those things that clearly falls into--and again, don't take it personal because I'm not saying it--but if somebody called you with that, you would think, "Too good to be true, probably is. This is going to be one of those loophole OTC pieces of garbage that someone's going to try to get over on people."

You've backed it up with a lot of really cool stuff, it's very ambitious, and it seems like tactically, you're carrying it out. I just wonder how much stuff that's outside of your direct control, like greed factor, may affect this stock price and/or the dividend as we move forward.

Joe:

Well, it happened the first time and we got through it. And it took two more postponements to finally get through it. Here's our first major postponement,

so is that an indication the first time to give me any specific knowledge? No. Will we get through it? Yes. Will we work through this and get all the details that we need to get to make an intelligent decision on when to conduct this dividend? Yes, we will.

Again, all I have is the experience of where we went through before we didn't this waiver situation, the legal document, everyone signed that legal document that I needed to--even insiders--and unfortunately, this happened.

So, I don't know what could transpire again--I'm pretty shocked and surprised that someone would go against the legal documents the way they did. But maybe they felt because they kept half of it, that they would pay the pay-due bill--and from what I understand, that's what they thought. But they never took into consideration what would create--one, from shorting perspective; two, from a rolling-out perspective by putting those free trading shares in a brokerage account where now that brokerage firm makes a lot of money on loaning out those shares to shorter, then creating a panic and seeing large blocks of stocks going off and then people going, "What's going on here? For months there's been no trade." And then creating a panic--which it did, and I'm sure people have sold because of that. And they did that.

So, I don't get it, I would never have done it. What has happened? So, I can't imagine more problems--now that I've highlighted this problem, I'd surely advise folks to be much more careful and to think twice about doing something like this. But I don't know. Everyone is different, everyone has their own degree of crossing lines, of dancing on lines. To me, I don't do that. But I can't forecast even this, what potentially could come about. I would hope to think people have a moral compass and they do the right thing, especially after signing legal documents and understanding what this dividend would have meant today.

Tony:

Good story. And by the way, I don't know if you ever heard me before, but kudos for calling out the former employees, because part of what we're doing is following the emotional aspect of the stock, and specifically, there's a stock trading board on Yahoo, and the people that you have named out, it was clear there's an axe to grind. So, also from a legal perspective, it would be very interesting to see what ramifications exist--and again, this story is a better story if you come out a hero, so I'm pulling for you. But either way, it's going to make great reading.

Joe:

Well, I'll give you one story from the Yahoo board--and it's only because you brought it to my attention. And this one was brought to Generex's attention by the authorities. The Royal Mounted Police and then the FBI authorities here in the state. The person... I believe they used to go by Natasha or Natalia. That person, the police from the US side--and the police from the Canadian side--actually went to their home, asked that person, "Are you this person?", because they tracked that person down by their IP address, they knew who the person was, they confronted the person with the police and the

authorities, and that person said, "Yeah, it's me." And they said, "You cannot do what you're doing on these boards." You're threatening people's lives and you're talking hate speech. And that person says, "Well, I lost \$1,000 every year since I was in this company." And I don't know anything about seven years ago, I wasn't in management seven years ago... but seven years ago, I was _____ [02:50:04] for many companies.

So, they had an ax to grind with the old management team, they were sullen because they lost \$1,000 with their own investment and their own choices based upon their own due diligence on buying this company.

But the police thought it necessary to go to that person's home and alert Generex about this endeavor. And their response back to us was this person-- Natalia or Natasha--was upset, lived alone, lived on the border of the US New York-Canadian border, and that they found them no threat, but they warned that person to watch with the hate speech and death threats. And they deemed it non-threatening.

But everything is threatening because you don't know that, this person just goes all loud and says things as if they really have information... that could really hurt. It's \$1,000. You gambled that \$1,000, you put it on the ex-management team of this company, and now you still want to hold this management team responsible for your bad choice's years ago. That's something, I guess you've got to deal with on these message boards, but it's pretty rampant, and most of it is--

Tony: I have a question, tactically--and it's the last one, because again, I just think it goes under the, "You can't make this shit up," which is great for me anyway.

Is there some official record and documentation of these things that have transpired, because at some point, Joe, I'm going to need to visit and/or speak to you as just the subject of a documentary versus the CEO of a company where I happen to hold a position?

Is there some trail that exists, that we will be able to go back and access as we complete the story on Generex?

Joe: Oh yeah, we have the documentation on the story I just told you, we have others. And then, obviously, we'll get all the other ones that are doing it now, because that's something that I definitely will do.

Then there's always the legal question, can you out these people or do you just go after them civilly for besmirchment and smear campaign? Or maybe they're a shorter and you bring it to the authorities' attention--I don't know yet. But for sure we do have plenty of those case scenarios from the past, yes.

Tony: Well, you can leave that part to me for the post part. This is something I'm in the middle of researching right now. Like I said, as emotionally attached as

I've become the stock, as much as I would have loved to have had the dividend happen and simultaneously announce NGIO and have the stock go to 30, I think for my day job, today's call was much more beneficial to us all, and I just want to thank you for--again, the more ambitious you get, the better this story gets. So, I'm pleased, and I'm really pulling for you, and when I'm legally allowed to start having more specific dialog, I will be reaching out, so I just want to thank you in advance--and as a shareholder, keep up the ambition, and this can be something really cool when you guys are done.

Joe: Thank you very much for the call, and I appreciate it--I really do. Thank you.

Operator: Thank you. We'll next to Chris Salvo Please go ahead.

Chris: Hi, Joe.

Joe: Hi, Chris. How are you?

Chris: I'm okay. I liked that call from the scientist regarding microencapsulation. It was very good.

Gary: He has a couple of things going on.

Joe: He's still on if you want to talk to him. [Crosstalk] Dr. Mike is still on.

Mike: Yes, I am.

Chris: Okay. You just signed an agreement to get 51 percent of ALTuCELL?

Joe: Correct. We just signed... Gary, when was that, last week on our closing?

Gary: Yeah, and do you have any idea when that will close?

Joe: Yeah, like we have said numerous times, probably by the end of December, more than likely. That's what we're shooting for.

Chris: Very good. And now, you're going to postpone the dividend, which I agree with. Do you have any idea when you would redo that dividend?

Joe: No, as I have stated already numerous times on this call, we need to finish evaluating the situation, reach out to all of the waivers, talk to our transfer agent folks, and put together an assessment to figure out where we stand and then what we have to do--if we have to do anything, with the people that have waived already, anything additionally because of this one waiver-breaker.

Chris: Now, this Creek company, are they selling at market price when they sell?

Joe: I don't know that means?

- Chris: Well, the stock price varies according to--every day, right?
- Joe: When I call my stockbroker, I'll be telling him three things: I'm telling him to sell it on the offer and sell this amount of shares, I'm telling him to sell it no matter what, on the bid or the offer, wherever he can get it done, and the bid would be lower--or they're putting in a specific type of order. I don't know what they've done, they're not sharing with me how they put the orders in.
- Chris: I was just considering that as they sell--if they sell a little bit at a time and the market price continues to drop, they are really losing out on what they had expected to get originally because they're...
- Joe: Again, they're not investors in Generex; our investors have been quite gentlemanly, they've all been outstanding citizens--every single one of them. This investor was Olaregen's investor, they were the A- round people, we bought 20 additional percentage points of the company from them, and again, they took it upon themselves to break away. So, I can't... some funds are in it to make money, and they got to the threshold where they felt they could make... they made a lot of money. So, that's their business, I'm not in their heads, and everyone's got a different investment strategy as well as the criteria which they need to make money. So, I can't even venture to guess anything about what they were thinking.
- Chris: So, they basically breached a contract with you, did they not?
- Joe: Yeah, just like all the people who had signed the same waiver to not receive the dividend and to not sell the shares during the dividend time. Yes, they broke that pledge. Absolutely.
- Chris: So, if they breached a contract, there should remedy in law for that. Is there not? 1
- Joe: Chris, we went through this so many times today. But we are right now discussing this with all our legal representation, and we will do whatever is necessary and everything that's at our remedy to protect Generex and shareholders.
- Chris: I agree with you. And I understand that we have not filed for the S-1 yet?
- Joe: We filed the K, the big year-end audit, which is one of the most important things we can do this year. We did that, and now, we're going to be filing the S-1 soon.
- Chris: And so, we have not filed it yet, is that correct?
- Joe: The S-1? No, it should be within the next--hopefully a week, but no later than ten days, that's for sure.

Chris: I was under the impression that it had been filed.

Joe: No, that was the K that you're talking about. I remember our conversation on the last conference call, and we specifically talked about the K.

Chris: Okay. And the next 10-Q should be coming out when?

Joe: I believe... is Mark Corrao on the phone? No. Anthony, do you know the exact date? I think it's December 15, but I'm not 100 percent sure. It's coming out around then.

Chris: And that would represent that quarter?

Joe: The last quarter. Our year-end is July 31, and so this quarter will be the fourth quarter, correct.

Chris: That would be the fourth quarter?

Joe: Yeah, fourth quarter.

Chris: Will it be out on time you think, this time?

Joe: We've gotten them all out on time--well, let's put it this way, we've got them all out on time, and then we've gotten them out after we filed the allowed extension times. So, I believe we will; we haven't missed yet and I don't plan on missing.

Chris: Do you think you'll need another extension for this one too?

Joe: I have no idea. That will be up to the auditors, not me. Again, you have to realize one thing: audits or audit reviews, your auditing firm, depending upon the amount of work and amount of documentation they're asking for, are 100 percent independent. That means I don't tell them what to do, I don't rush them, and I certainly don't put pressure on them because that goes against what "independence" means.

So, literally, every public company is in the hands of their auditors, and it's your responsibility as a company, to provide them with everything that they asked for timely so they can review it timely and get to the finish line.

Chris: Yeah, I agree with you. In order to do the S-1, you have to be at least at \$2 a share for at least five days or so, is that correct?

Joe: You talking about the NASDAQ listing, that has nothing to do with...

Chris: The NASDAQ listing is what I mean, right.

Joe: Okay. What was that?

Chris: It has to be a minimum of \$2/share for at least five days?

Joe: That's one of the categories. And yes, \$2/share five days prior to listing... or I believe it is five days prior to being accepted as a listing--either one of those two. Only after you've been, prior to application, going in, 90 days consecutively over \$2/share.

Chris: I'm looking forward to it.

Joe: The rules or the criteria of listings are on nasdaq.com, you really can go on that and get all of the criteria that has to be followed.

Chris: I have done that.

Joe: Good. So, I wouldn't be saying anything different than what's on there.

Chris: Well, that's what I see there. Now, if this Creek company has breached an agreement with you, other people and other callers have enquired that perhaps, additional companies might see that they could do that as well? So, are you going to enforce this agreement so that they will not dare to do anything like that, correct?

Joe: Well, we're doing everything that we can. But again, it is a question for our lawyers; if one has done it and one has broken the covenant, does that mean all the rest are entitled? That's what we're in the process of finding out.

And again, if it wasn't for the fact that this call was scheduled, I would never have had the call, because I would have been finding out exactly the questions you're asking. But because I'm on this call right now, I'm not finding out the questions that you're asking.

Chris: Well, Joe, I appreciate everything you're doing. I believe in everything you're doing; I think you're doing great. I wish you the best of health and so forth. But keep up the good work and I do appreciate everything. I hope you had a good Thanksgiving.

Joe: Thank you. And hang in there, we're working hard to now rebuild value.

Operator: Thank you. And we'll take our final question of the day from Tim _____ [03:04:24]. Please go ahead.

Tim: Hi, Joe. I guess I just have one question now. Am I correct in assuming that there is no ex-dividend date and we can buy stock and still get the dividend?

Joe: Well, right now, we've postponed the dividend. I wanted to discuss with all you good shareholder and get some opinions from you folks, because that would help me in determining what our next steps are.

But right now, there is no ex-dividend date and there is no dividend date because we had to postpone it because of the events that have occurred that we had last week.

Tim: So, any stock I buy now, I wouldn't get the dividend there.

Joe: Any stock you buy right now, you would be buying stock. Because right now, there are no new dates for the dividend or the ex-date that's been released. Until we determine what we'll be doing here. And that, hopefully, would be done in the next day or two, coming days... I can't see us taking more than a week to come to a conclusion on what the best alternative and new dates would be when we decide on whether this dividend is worth doing.

Tim: So, that S-1, when you file that, is that pretty much the last box for the NASDAQ?

Joe: It's a huge last box. It gets our going concern off, which is highly important. Our auditors need to be able to relate to NASDAQ that our going concern is off and that we have enough cash for operations in all our entities as well as the mothership for the next year, and that's always been an important piece as I've said prior. But yes, hopefully, we'll have the full review once that's done, and if we are deficient in any way, we'll have an opportunity to cure it, but that will be up to the NASDAQ in relaying what that deficiency will be at that time.

Tim: And that S-1 is going to be within the next seven to ten days you said, correct?

Joe: 100 percent. I could tell you that it is complete, it's been complete for a while, we basically took the documents, we hired that law firm that we hired specifically to do the S-1. They meticulously did the work months ago, they just updated it all, and they just added all of the new numbers from the audited K, which we finally reviewed during the week, different key members have made changes, those changes have come back, and now it's about ready to go out to the auditing firms for their sign off on their numbers.

Tim: So, that 10-K looks good enough for the NASDAQ, then? Is that correct?

Joe: You mean the S-1 I just talked about or the K?

Tim: Well, the 10-K.

Joe: As of right now, we've checked those boxes. Yeah, we've checked those boxes and... listen, I go by K to K and what the NASDAQ goes by. And the K is very important for them to get two checkboxes done. So, if I'm looking at... and last year's K was a mess, because we had to clean this company up. If you look at just shareholders' equity, we were minus -43 million

approximately last K. This K, we're at plus over 7 million. So, that in itself, is an amazing feat for anyone to be able to accomplish.

Tim: I agree.

Joe: We've accomplished that and that's a checkbox. So, again, I'm not going to second-guess NASDAQ certainly... I have a responsibility and a job to do in checking off one of the boxes and that is to get my going concern off, and that's what we're working on.

Tim: Well, you ahead and put the boot to that kill group, see what happens there. But you're doing a hell of a job. Keep it up.

Joe: Thank you. I really appreciate the call and I really appreciate it, thank you.

Tim: You bet.

Operator: Thank you. And there are no further questions in queue at this time, so I'd like to return the floor back to you, sir.

Joe: Well, I would just like to thank everybody for calling in today. Thank you also for being patient, as we've seen by the first dividend that we've given, that did hugely well for shareholders. We've postponed that three times and that worked out highly well for shareholders, although it took a long time. As well as this new dividend has been postponed and has also taken a long time.

We will figure out our next steps in the coming days as you've said, and we will report back to our shareholders what those next steps will be, and I look forward to our next call, and I thank everyone for the support, and I'm highly confident we'll be able to build back our value, because all of the entities and pieces that we've been able to put together to date are highly, highly undervalued right now in Generex, and we are committed to building that value into the future.

And as other people have said, Happy Thanksgiving to everybody; I know it's one day belated. But thank you so much for the call, and I want to thank my management team and my board for being supportive and for being on the call today as well.

Thank you, everybody, and the call now is ended.