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Transcript of Amarantus BioScience
Quarterly Update
November 18, 2013

Participants

Gerald Commissiong – President & CEO
Dr. David Lowe, PhD – Independent Director
Dr. Adam Simon – Corporate Advisor

Analysts

Jason Napodano – Zacks
John Petrosino – JWP Incorporated

Presentation

Operator

Greetings, and welcome to the Amarantus BioScience Quarterly Update. At this time, all participants are in a listen-only mode. A brief question and answer session will follow this formal presentation. (Operator Instructions.) As a reminder, this conference is being recorded.

It is now my pleasure to introduce your host, Gerald Commissiong. Thank you, sir. You may begin.

Gerald Commissiong – President & CEO

Thank you all for participating in today's call. Dr. David Lowe will be on the call today to provide us with an update on MANF. As you know, he was recently appointed to our board of directors. Dr. Lowe comes to Amarantus with over 35 years of experience in central nervous system drug discovery and development within the biopharmaceutical industry where he has served tenure rolls with various major biopharmaceutical companies, as well as emerging biotechnology companies.

Dr. Lowe's advisory firm, NeuroAssets, Sarl, will be overseeing the translational development of MANF through first-in-man clinical studies, as well as advise on development of the LymPro Test Blood Diagnostic for Alzheimer's disease, PhenoGuard Protein Discovery Engine, and potential addition to the Amarantus portfolio.

We will also be updated today by Dr. Adam Simon, a member of our advisory board. He is an expert in Alzheimer's disease diagnostics and will update us on the progress of LymPro Diagnostic Test and clinical trials.

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First, I would like to update you today by reviewing some key corporate developments that have occurred over the last quarter. On October 1st, we completed the second round of our private placement of convertible debentures and warrants, bringing the total capital raised to $3 million.

The company was honored to be selected to join Janssen Labs @QB3, and we officially moved into our new space on October 28th. Moving our operations to Janssen Labs will add tremendous value to the company going forward as we will get direct access to key services and mentoring. Importantly, this is affiliated with Johnson & Johnson's newly established innovation centers. We will get the benefit of some good counseling from that group.

We continue to build the human capital side of our business as well. We recently appointed Mr. Randall Grimes, MBA, as Director of Sponsored Research. He founded the Randall Group in 2001 to assist early-stage technology companies in obtaining funding using state and federal competitive grants. We also are looking at a number of disease foundations to assist us in that process.

Having Mr. Grimes in house to help us coordinate the drafting and processing of these applications will help further the company to leverage those additional resources. We've already begun drafting grants for the company and we expect to aggressively pursue this as we move forward, both for MANF and LymPro.

We're also pleased that we added Dr. Colin Bier to our Corporate Advisory Board to assist us in the commercialization process for our LymPro Test. Dr. Bier brings significant experience to the company in the commercialization of diagnostic tests through CLIA, as well as the FDA. He has a unique experience having been in front of the FDA concerning the intricacies of bringing diagnostic tests to market for Alzheimer Disease. We believe that his experience will be greatly additive to our current expertise.

In addition, we are very pleased to announce that we are co-sponsors of the Amarantus #C4CT Summit for our Coalition for Concussion Research, hosted by Brewer Sports International and powered by MDM. This event will be held on January 29, 2014 as part of the Super Bowl proceedings ahead of Super Bowl in New York. It will be held at the United Nations.

The conference will include groups from Banyan Biomarkers, Cerora, and Amarantus, and we will discuss a number of matters. We will also be joined by international business leaders, current and former professional athletes, as well as groups from various sports leagues and politicians, and non-governmental organizations.

In summary, we have greatly enhanced the Amarantus corporate infrastructure and positioned our company to move forward with planned preclinical, clinical, regulatory, and commercial activities.

Now, I'd like to turn the call over to Dr. David Lowe so he may relate our progress in the area of our key therapeutic protein, MANF, and orphan data on MANF and Retinitis Pigmentosa.

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Dr. David Lowe, PhD – Independent Director
Yes, thanks, Gerald. Good afternoon, everyone. Well, as you heard, I recently joined the Amarantus Board, and will be leading the R&D effort on the MANF program. Just to say that I've been following the scientific literature on MANF for some time, and was really excited to take on this role when approached by Gerald and the board to join the team.

The main reason for my excitement is that MANF truly represents breakthrough biology; is involved in protecting stress cells from toxic effects and death. Furthermore, the company has a strong patent position; so it's very fundamental mechanism with a huge commercial upside and exactly what I was looking for.

Going forward, for now, our task is to bring MANF to clinical trials as soon as possible, demonstrate this potential to improve patient's lives, and thereby increase shareholder value. Alongside the data we've produced in the past in Parkinson's disease, there are now studies showing positive effects of MANF in a number of orphan indications. Orphan diseases are interesting because they have lower regulatory hurdles, smaller trials with less expensive development costs, produce excellent returns, and are in the suite of … for partnering.

Human clinical proof of concepts, anti-cell death in particular, would massively increase the value of MANF in our view. Concurrently, we are looking at into appropriate orphan diseases. In this context, we were very happy to announce positive data for MANF in the degenerative disease known as Retinitis Pigmentosa, or RP as I'll now refer to it.

The study concluded that intravitreal injection of recombinant human MANF protein protects both rods and cones from retinal degeneration in an animal model of RP. RP is a degenerative disorder of the eyes that affects roughly 100,000 people in the U.S., meaning that it qualifies as an orphan disease under FDA guidelines.

RP refers to a group of inherited diseases causing retinal degeneration, and most people with RP are legally blind by age 40. It is estimated that the market opportunity for RP exceeds ten billion dollars annually; so we could now expand the MANF therapeutic development franchise into ophthalmology. We'll also explore other indications in that therapeutic area.

By identifying RP as an indication for MANF, we've identified a potentially reduced timeline to get MANF to commercialization with a very substantial market opportunity. Exactly what I was referring to in my opening comments.

We will seek to partner with biopharmaceutical companies in order to create and accelerate our development program, and assist in recruiting patients for further clinical studies at the appropriate stage. This does not mean, however, we are abandoning MANF Parkinson's disease; in fact, far from it. We will continue developing the MANF Parkinson's program, and have a number of studies in the planning stage.

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Producing neuroprotective data in RP will, in fact, support the PD program from both a scientific, development, and commercial perspective.

With that now, I'll turn the call back to Gerald. Gerald?

Gerald Commissiong – President & CEO
Thank you, David. Now let's talk a little bit about our LymPro Diagnostic Test. As with MANF, we've detailed development strategies for our diagnostic testing. We are focusing on moving to commercialization with LymPro, and I would like to introduce Dr. Adam Simon to provide details on our LymPro program. Adam?

Dr. Adam Simon – Corporate Advisor
Thank you, Gerald. I'd like to report that the Becton, Dickinson Biosciences custom technology team has successfully implemented the LymPro standard operating procedures, and we announced a positive analytical performance data for the LymPro Test; this being the company's flagship blood test for Alzheimer's disease.

The data produced begins this process that's really necessary to establish the long term analytical performance to support a commercial launch in the biomarker services market, as well as supporting of clinical development of investigational drugs.

The data produced by the custom technology team at BD in the study demonstrated that CD69 was increased in response to mitogenic stimulation with both PWM and PHA across the control donor samples. Amarantus is now in a position to embark on long term stability controls of the assay to ensure commercially acceptable reproducibility. This is a key element, and we are entering into agreements with leading clinical sites to obtain the additional clinical specimens necessary to generate the clinical performance data for LymPro.

After we establish the analytical performance, we'll be putting together an analytical performance package which should document not only the strengths of the assay, but equally important, note the limitations before we move into the clinical performance studies. The first step in that process is, of course, replicating the peer-reviewed findings in Amarantus' hands; showing results similar to those published in the 2012, *Neurobiology of Aging* paper.

The company is currently completing contracts with the clinical sites and will be initiating the clinical studies in the first quarter. We're also reviewing study design to find the best and most efficient path forward.

Thereafter, as we're all quite aware, reimbursement is clearly important. We're currently working on engaging professionals in the space, for pricing models and other advice in this area. This is an involved process; it's going to require us to take a diligent approach to ensure that the company meets both the regulatory burden, as expected, as well as generating the clinical evidence to meet a clinical utility expectation that payers will have.

Ultimately, the company believes LymPro could be approved by the FDA as a companion diagnostic product in combination with one or more therapeutic products

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where we believe there's an enormous commercial potential, and the company believes there will be a great impact for a patient. Of course, the therapeutic product for Alzheimer's disease today is a rate-limiting step. The company's focus, therefore, remains on providing clinical information to therapeutic sponsors to enhance their probability of success and that of Amarantus'.

The company believes LymPro has certain important advantages over current Alzheimer's diagnostics. First and foremost, it's a blood test; which means that the methodology of diagnosing AD has a long and well established history in clinical practice with doctors, patients, and payers. We're all quite familiar with blood tests.

Secondly, it measures a functional assessment of the regulatory cell cycle machinery that has implications for Alzheimer's disease within those subjects who are already presenting some symptoms or signs of cognitive impairment. What this means is that the LymPro test is being developed and differentiates Alzheimer's disease from other common forms of nearby dementia, which could represent a large key in unmet medical need in the community.

Based upon the science underlining the test as it relates to cell cycle re-entry, there's a belief among the Amarantus team that the clinical evidence could move the diagnostic paradigm for the LymPro assay to an earlier phase in the disease development; meaning that it may be possible, subject, of course, to clinical testing and blinded assessment of data, positive data over the course of the next 12 to 18 months.

There's the possibility that we'll explore that LymPro could be used to diagnose not only mild AD, that's of course verifying the two peer reviewed papers, but potentially mild cognitive impairment, prodromal Alzheimer's, or pre-dementia Alzheimer's disease patients that are likely to progress to dementia of the Alzheimer's type at a later time. And, after a blood test, which would represent a major shift in the field and a significant value inflection point.

There's a lot of excitement in this space, and we're keen to lay a strong analytical foundation on which to evaluate the clinical performance of the test for these various uses. With that, I'll now turn it back to Gerald.

Gerald Commissiong – President & CEO
Thank you, Adam. From a business development perspective, we have been concentrating our efforts on LymPro due to its near-term commercialization plan. In the near-term, we expect to enter into a number of agreements with therapeutic sponsors who are currently evaluating their therapeutic candidates.

The reason for this is actually quite simple. We believe that as we gather the, as we complete the analytical performance package for LymPro and gather the clinical performance data necessary to support commercial launch, there will be a significant interest among groups who are conducting studies to see if they can identify patients earlier and earlier on with a blood test, and therefore, validating the biomarker that LymPro is currently evaluating in clinical practice.

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Given the significant market opportunity to work with major pharma companies in the field of Alzheimer's research, we believe that it was in the best interest of our shareholders to ensure that we focus in this area more than any other areas.

Now, as far as summary of activities and an outlook for 2014 for Amarantus, as you can see, we have been very aggressive in our strategy for both LymPro and MANF. As a result of this and these remarks that we now have, this concludes our prepared remarks.

Operator, we are ready to take questions.

Operator
Thank you. We will now be conducting a question and answer session. (Operator Instructions.) Thank you. Our first question comes from the line of Jason Napodano, with Zacks. Please proceed with your question.

<Q>: Good afternoon, guys.

Gerald Commissiong – President & CEO
Hello, Jason.

<Q>: I'm anticipating results from MedGenesis with their CED GDNF product in maybe the next couple months. Maybe, Gerald, if you've got any insight into some timelines there that would be helpful. In a sense, can you talk a little bit about what that does for you guys if that data is positive, and given the final report that you guys submitted to Michael J. Fox in May, if we do see some positive results with GDNF, knowing what we know now about MANF and its kind of preclinical superiority to GDNF, what's the potential that an organization like Michael J. Fox comes back and really steps up to fund some future studies with MANF?

Gerald Commissiong – President & CEO
Sure, well I will start to answer that question, then I will defer to David. First, on Michael J. Fox, we're precluded from discussing any potential funding from that source. That's just something we can't discuss at this time.

With respect to the belief that GDNF could be positive, certainly we hold a lot of hope for the program, but I will certainly defer to David Lowe, with respect to the mechanism and where we feel MANF could ….

Dr. David Lowe, PhD – Independent Director
Yes, thanks. Well, you've seen the data. I think it's clear that MANF is superior to GDNF. All I can say, really, is that if there is a positive signal in the MedGenesis study, I think that would be actually good news for us.

Just how much of an incremental increase we would see with MANF in human studies remains to be seen, but I think a key experiment that we've actually got in the works, which would start to address that issue, is actually in a non-human primate study. We've been looking at different ways to do those studies and we almost sort of tooled up and ready to go on them.

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That would, I think, in a data has to speed, data has to drive decisions. There's no doubt that the Fox Foundation are still very interested in these neurotropic factors. They have a specific program in that area, and although we can't talk about our discussions with them in detail, I think it's prudent to say they're still very keen on the area. I have no reason to believe that MANF wouldn't be part of that since it is one of the more novel growth factors.

I think another factor is actually distribution within the parenchyma, within the brain tissue. We believe MANF actually has biophysical properties which are part of the reason why it seems to be preferential over-and-above GDNF.

<Q>: That's helpful. Let me change gears a little bit to LymPro. With some of these studies, these clinical studies that you expect to start in the first quarter of next year. Gerald, can you kind of walk us through the timelines of, or in better sense, the steps that are necessary so that you can get to a CLIA filing? You've got these studies that are going to start in the first quarter. What's the next step after that? Are there additional studies that need to be done, or do you think once you have those studies in hand you'll be in position to file?

Gerald Commissiong – President & CEO
Again, I will speak from a high level, and I'll defer to Dr. Simon, who's more deeply involved in this. From a very high level, I think it's important to remember that this is a diagnostic test. The read out times that you would typically see for a therapeutic where you'd be waiting for an affect over a period of time and then following up on that affect are dramatically reduced because we get an answer from the time we draw blood to the time data is analyzed, within a week we have an answer on that specific subject.

Really, as you get these samples and you begin to aggregate them, and you may wait for them all to be tested at once, or you may test them in a blinded fashion and then wait to unlock the data, it's really just about how quickly can you get all the blood samples in the house and, to a certain extent, one site is not enough, you may think about two sites, three sites, four sites, and five sites.

As we're planning out our program, I think it's important to understand that the more sites we have, and the more good sites that we have with well characterized patient samples, which may be correlated with other markers; A-beta, tau, you name it. Those are very good for us. Those can be aggregated in a much more efficient manner than in a therapeutic trial.

At some point, it's going to boil down to a number of patients that will give us an answer as to when we believe we can launch, and that will boil down to effect size. From there, I will defer to Adam, and let him kind of walk through in more detail the steps. As far as the speed, it's really just a matter of numbers as far as getting the samples back and analyzing them. Adam?

Dr. Adam Simon – Corporate Advisor

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Sure. Let me just try to add a little bit more detail without getting too technical and confusing folks. As Gerald said, we have a recruitment of subjects that will be based on clinical sites. If one does what in the field is called a power analysis, which is estimating how many samples are, in fact, necessary to measure a give effect size with a given variance or variability.

We are in the process, step one is really to establish in Amarantus' hands as solid an analytical foundation as possible. When we measure the analytical performance in our so-called analytical performance package that will give a first handle on how tight the results are in Amarantus' hands in 2013, going into 2014.

The tighter we can make that, the more sources of error and variability we can reduce out of the system; then, the greater our ability to say more with less samples. That's the first piece of information we need. Then, the second piece of information is an accurate 2013 or 2014—more likely—estimate of the effect size. With those two, we'll then be in a position to design the appropriate study, understand what the recruitment rates are from the various clinical sites.

With Gerald's leadership, the company's talking to a number of sites in parallel in order to advance getting the legal paperwork and the business agreements in place, as well as the institutional review board approvals that are required in order to collect these specimens, in order to go into the assessment.

Overall, the ability to get that recruitment done in a timely way, to get sample handling issues under control, we're proceeding on a pretty aggressive path. Some of the groups that we're working with are very experienced in these sorts of sample collection and processes, and some of them are newer and will require a bit more effort.

The key here is first to lay a strong foundation on analytical performance, get the correct clinical specimens in that allow us to replicate the findings in the 2012 paper, that gets us clinical performance. Then, one takes that through to regulatory channels for CLIA to go to CMS and to go to PhRMA, to put additional validation data into the hands of the pharmaceutical sponsor in order to convince them to start to collaborate with Amarantus in their therapeutic studies.

Gerald Commissiong – President & CEO
Jason, this is Gerald. To give you a very high level, we're going to start in the first quarter of 2013. Depending on the recruitment rates, we could have some initial data by the end of the first quarter. We could have CLIA enabling data by the end of the first half. It really just depends on the effect size and how quickly we can recruit.

Certainly, what we're doing now is we're laying down the foundation to ensure, one, we want to get investigators very excited about recruiting for this study. I think that's a very key component, as I'm sure many of you know, investigator excitement for clinical studies is a key component to recruiting efficacy, as far as being able to properly enroll in trials.

The more information that we can disseminate, the more self-cycle, I think, very importantly becomes central to disease biology in Alzheimer's disease, the more

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interest we are seeing in LymPro. As a result of this increased LymPro from both a blood test that has well over 100 patients of clinical data, with moving into an area where there is an increased understanding of disease biology and association of that disease biology, to our test related to self-cycle, the more interest there is from investigators and the faster we will recruit.

One of the things that we have done in which I will actually turn back over to Dr. Lowe, he's helping us really fine tune and position that messaging out to the investigator community, because that's a key component of the whole strategy to ensure that we can enroll rapidly. David, why don't you just go through some self-cycle comments and give your view and perspective how LymPro fits into this.

Dr. David Lowe, PhD – Independent Director
Yes. Well, actually I just got back from a Society for Neuroscience meeting in San Diego, and also the Clinical Trials in Alzheimer's Disease meeting which followed that. It was very interesting to notice, first of all, there are an increasing number of studies, and actually, I would say KOL groups getting interested in self-cycle as part of the etiology of Alzheimer's disease.

Those KOL groups obviously have clinical studies, as well, so it kind of fits exactly with what Gerald just described. Motivate people from the scientific aspects … offer them this test. They would be one of the first groups to get the test, and you just go from there by building on the scientific enthusiasm that seems to be building behind this now.

That would just be a very brief comment. I think it's part of the, kind of socializing of the project that we're sort of starting to get going now. I think the two coming together will, should move the dial.

<Q>: Then, just as far as the, how long CMS takes with this process. I'm not quite as familiar with the turnaround there. Once you kind of provide some of this data, some of this CLIA enabling data to CMS, what is the, kind of the process for which they analyze the data and then respond?

Gerald Commissiong – President & CEO
Right. Are you talking about CMS or CLIA, because they are two very distinct organizations?

<Q>: Okay, I guess I thought that CLIA fell under CMS.

Gerald Commissiong – President & CEO
Okay, so just to give kind of a purview of the different regulatory authorities that we're going to have to interact with, CLIA, the clinical laboratory improvement amendments, is basically the organization that oversees laboratory developed tests in the United States. That organization has tests that are approved by the FDA, but about 75% of CLIA tests, or tests that are run through CLIA, are not approved by the FDA. Several of them are reimbursed and some of them are not reimbursed.

The first step for us to get our test into the marketplace is to have it run under CLIA, in a CLIA lab. What that basically entails is that the CLIA lab establishes the assay in its own laboratories and that the test will be run only at that site. You would think for an initial launch you would have a site that would be able to handle up to a certain number and you may want to add or expand that site over time until you get to a point where the test is ultimately approved by the FDA.

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The question really is, how long does it take to get product launch into CLIA to get the clinical performance data to support an FDA approval, and then from there, when is there sufficient clinical utility data to allow for a CMS reimbursement. So, we'll be able to launch this test under CLIA next year. I think we're very confident of that because basically what we need to do is to establish the test in enough patients, whether that be 200, 300, 400, 500, whatever that number is. Based upon the effect size that Adam's guidance will allow us to achieve, we feel as though we should be able to recruit enough patients into a clinical study to get to that number next year.

From there, there is going to be a product launch. Before we get to CLIA, we would have the ability to start selling to pharma. After CLIA is launched, you can imagine certain KOLs, as other physicians would start using this in their clinical practice. People may call us and start to ask to start using this test, so there is going to be some marketing involved. That marketing process is going to have to be heavily scrutinized, as we will still be undergoing both a CE marking, as well as an FDA process.

So, we are going to be, obviously, very careful about the marketing of this test to ensure that we do not interfere with the ultimate commercial success of this through the FDA. From there, as you guys I'm sure saw with Amyvid, there is a different question. Even if you get this test launched, and you have pharma companies using it, as Amyvid was used; even if the test ultimately does get approved by the FDA as an aid in the diagnosis of Alzheimer's disease, there is a different question, which is, is it worth it for CMS to pay for the test?

Ultimately, because there wasn't sufficient clinical utility data for Amyvid, unfortunately the answer there was no, obviously what we are doing, we expect it to be significantly less expensive than Amyvid, as well as provide comparable results, hopefully. So, we're looking to ensure that we can overcome that third hurdle, which is very important, which is establishing strong clinical utility data.

From there, I will pass it over to Adam, who should be able to give a little bit more of a clear answer on that question. Adam?

Dr. Adam Simon – Corporate Advisor
Yes, thank you Gerald. That's a terrific question, and I just wanted to sort of highlight, I was at the Amyvid meeting, their annual conference down in D.C. in September, and the area for in vitro diagnostics, the reimbursement landscape and regulatory landscape is shifting a bit. We, and I will leave it to Gerald to give more details, are now in discussion with a top group who is providing sort of really expert guidance on some of the nuances, and it will be really important that we stay abreast of sort of recent trend in the last month or so, because it's a dynamic area. I think we're beginning to engage with those folks who are very, very close to that. Then, to that last point, which is really critical, generating the clinical outcomes evidence, that is what a payer expects. The FDA is really looking to see, is it safe and effective? But, a payer in a reimbursement decision, as you well know, is really seeing, is it medically reasonable and necessary?

For that one needs clinical outcome evidence. Usually in the case of Alzheimer's it would probably be in quarters, if not years, after having the diagnostic inserted into the diagnostic algorithm. So, the company, as we're having a clinical study designed, we're trying to embed, generating the appropriate clinical outcome evidence, so that

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we could meet both at the appropriate time a regulatory burden of safe and effective, but shortly thereafter a payer reimbursement burden of showing medically reasonable and necessary. So, I just wanted to add that further detail to help you understand what some of that landscape will look like.

<Q>: That's real helpful. I think it helps everyone kind of understand the steps and the goals that are laid out in front of you guys for the next, let's say, 12-18 months or so.

Last question is just on the financial situation. I want to congratulate you guys on the balance sheet improvements that you've made over the past three or four months. I'm wondering if you've got a thought now on the cash runway into 2014, and not necessarily just how long you've got cash until, but with respect to delivering on some of the milestones that you guys just touched on in terms of providing long-term funding for the company. It looks like you've got a much better balance sheet than you did six months ago, but I think investors would still kind of like to get a sense of where you think you'll be in 2014 as far as some of these milestones and the financial situation.

Gerald Commissiong – President & CEO
Yes, absolutely, Jason, and thank you very much for that question. That is one of the things that we feel pretty good about now. I think we're in the best position that we have been as a company so far, and all eyes should be on execution at this point.

We have sufficient cash to operate well into the second quarter, potentially into the third quarter. We believe, though, more importantly, we can achieve some very significant value inflection milestones for the company between now and then, and we believe that that should start to work itself out now, in the very near future. One of the things that we're very focused on, obviously, is aggregating the patent landscape for MANF. One of the important things that Dr. Lowe mentioned is that we do have a very strong patent position. We own Composition of Matter Patent, as well as certain method of use patents for MANF in the areas of neurology, and that can cover a very significant area. In the case of intellectual property, you think both of enabling IP and freedom to operate, so we want to be in a position where all MANF roads come through Amarantus, and we feel as though we're in a very strong position to do that now with the balance sheet we have on the table.

Concurrently with that, we have a number of investigators throughout the world on the MANF side, who are starting to use MANF in various indications, so these investigators are currently producing data that the company is aware of. The company has entered into material transfer agreements with a number of these investigators, both in indications that are known to the public, such as retinitis, as well as in other indications, which may not be known to the public, in orphan areas, as well as in other areas. We are aggressively pursuing that pathway. We do expect data to be coming out on MANF in various programs over the next six months.

Certainly, we will have cash to carry us through key inflection points for the MANF program, as well as some development milestones as we continue to move this into an IND process. We should have more than enough cash to achieve some significant milestones and value inflections in the MANF program that will really push us forward, as far as moving from what we have been positioned as, a nice research platform with broad potential into a program that is moving towards an IND in a specific orphan indication, where there is significant commercial potential and little to no competition on the market at this point in time.

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On the LymPro side, the good thing about diagnostic tests is that, again, because of the nature of the diagnostic test, the costs associated with running each sample are relatively low. So, from our perspective, all in costs for running a LymPro assay, if you include all of the overhead, etc., would be well under $2000 per patient. So, you can think of several hundred patients costing us not a significant amount of money, in terms of the cash we have on hand, so we can achieve a number of samples having been run and get really strong data with the cash that we currently have on the balance sheet.

As I'm sure you are aware, if we do achieve certain milestones from a stock perspective, we do have the ability to force convert some of the warrants. So, from our perspective, we are very pleased now that the focus is going to be exclusively on execution in that there is no significant financing risk in the immediate term.

<Q>: Thanks for the update, guys. I really appreciate all the color and all the time you spent answering the questions.

Operator
Thank you. The next question comes from the line of Devin Ludlow, a private investor. Please proceed with your question.

<Q>: Yes, hi, this is for Gerald. Can you hear me?

Gerald Commissiong – President & CEO
Yes, yes certainly. Hi, Devin.

<Q>: Getting the extra five million by having our stock priced above $0.10 obviously is critical for the company's progress, and I'm sure you are confident in the catalysts that you've got that haven't been made public yet, or else you wouldn't have structured that financing deal the way you did. But getting above $0.10 and staying there for 20 consecutive business days, where we're at $0.043 now is quite a big jump. If we don't succeed in doing that for the 20 consecutive days, what is management's back up plan? Is it likely we'll see more diluted financing to keep the cash flow coming?

Gerald Commissiong – President & CEO
Management's plan I think was initially outlined in July, or maybe it might have been August when we retained Randy Grimes, who really focused on non-dilutive financing for the company. All options are obviously on the table with respect to financing as is necessary, but we believe that the programs that we have, and we have certainly received some feedback to this effect from various groups, if we make the steps as we've outlined here, we believe that the company can secure a non-dilutive financing to carry the company forward. We also believe that that non-dilutive financing would in fact also represent catalytic events for the stock.

At this point, for us, it's not only execution on the clinical side; we have brought in a strong team to help us really push the company forward in a number of different directions. Getting involved with key opinion leaders is a key area when you start talking about ability to win grants, putting strong positive development programs are also other key areas for the company as we start thinking about the ability to win grants and potential contracts. So, I think that's the key for us, and we have been focused on it now for about four months, and we will continue to focus on it, is getting access to non-dilutive financing, whether that be through grants or partnerships, joint ventures. That would really allow the company to grow without taking on additional dilution if at all necessary.

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<Q>: Okay, very good, thank you.

Operator
Thank you. Our next question comes from the line of Vicente Wood, a private investor. Please proceed with your question.

<Q>: Good day, Mr. Commissiong, and to the other members of the board. I have a two-part question, and I was just wondering if you could be specific. My wife has a degree in micro genetics and everything, which was really what got us interested in your company. Basically my question is, back in August when you released the information on Retinitis Pigmentosa, you said there was a second orphan indication that you would be releasing fairly soon, you roughly gave maybe a month or two out that that information might be coming. Why hasn't that information come? Do you have it in hand, and if so, when do you plan on releasing it?

Gerald Commissiong – President & CEO
Yes, we did in fact say that. We do have information on hand. Unfortunately we cannot release it at this time due to certain contract negotiations and non-disclosure agreements that the company has.

<Q>: So, you do have it. I'm sorry. Finish there. I'm sorry.

Gerald Commissiong – President & CEO
Yes, so unfortunately that is something that we certainly do have in hand and we are very eager to release it, but we have to make sure that we do it within the context of other agreements that we have in place, so that when we move we can move it forward in a very diligent manner.

<Q>: Okay. That goes to my second part question then. You do have a non-disclosure agreement in place?

Gerald Commissiong – President & CEO
Yes, we have a number of non-disclosure agreements in place, and there are certainly non-disclosure agreements in place with reference to orphan indications for MANF.

<Q>: Well, then, and I understand you can't really give specifics, but could you at least say if there was major companies or if these were research facilities, or possibly colleges?

Gerald Commissiong – President & CEO
Unfortunately, I can't discuss that at this time.

<Q>: Okay, all right. Thank you for your time sir.

Operator
(Operator instructions.) Our next question comes from the line of John Petrosino with JWP Incorporated. Please proceed with your question.

<Q>: Good afternoon, gentlemen. I want to thank you very much for taking the time out to have this conference call. …. I also wanted to congratulate Amarantus on the outstanding milestone achievements that they have accomplished in 2013. Obviously 2013 was a very challenging year for anybody involved with the …. Things are moving in the right direction very nicely, both on the diagnostic side, as well as the

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therapeutic side. Congratulations to the new additions, Dr. Lowe being one, Dr. Bier being another with respect to the Board of Directors and the Board of Advisors. Dr. Simon, as well, congratulations to you.

All that said and done, my question was pretty much answered by those who were opposed by both Joseph Napotano, as well as another individual, … All that said, a couple of things are in the back of my mind. Is there a timeframe, Gerald, that we are looking at with respect to an announcement of the second orphan indication? Is there a min/max of a time period you are looking at here on that second orphan indication?

Gerald Commissiong – President & CEO
What I can say is that we will be able to release that data certainly in the first half of 2014, possibly in the first quarter of 2014, and other than that it really is subject to some very important negotiation. So, at the current time I can't give any more detail, but what I can say is that we are excited about it, and I certainly think that Dr. Lowe is very excited about the prospects for MANF in a number of areas. That's pretty much all I can say with respect to that at this time.

<Q>: Okay, thank you very much for that. The second question I have is with regard to the Janssen key freelancing in San Francisco. Congratulations on the move, by the way. It appears as though that is a premier location with a number of contacts and resources for Amarantus, and I'm sure that Amarantus is thrilled to be there. Can you expand upon some of the resources that are available to you there? For example, I see that Johnson & Johnson is a key backer of the facilities there. I also had noticed that J&J, the holding company, being a subsidiary of Johnson & Johnson, co-located there at the California Innovation Center. Are there any particular resources that Amarantus would be focusing on as you prepare to move to the new facilities that are at Janssen in San Francisco?

Gerald Commissiong – President & CEO
Yes, certainly. Well, first I obviously I cannot really comment as to Johnson & Johnson and any direct involvement that they may have. They have set up the Janssen Labs at key locations across the world. I believe the San Diego flagship recently opened in San Francisco, one's in Boston, I believe one is opening in London shortly, and one in Shanghai. They are going to be key innovation centers, and they are looking for the top talent in those areas, so certainly we were very pleased to be invited to apply, and after the rigorous process we were selected. So, that was very positive for us.

As far as resources, we have direct access to an ombudsman, who allows us to navigate some of the landscape inside the J&J Innovation Center. We have access to other big pharma companies, who are in fact invited by Janssen Labs to come in and look at portfolio companies, so that we will be essentially having a storefront from a business development perspective, and when groups come into the Bay Area to do their due diligence activities and to do their business … activities, we will be in the cycle for companies that get seen, so that is very positive.

There are other resources there as far as former executives who now work for Janssen Labs who assist companies in messaging and positioning their product candidates and their development plans in certain directions, as well as we have access to UCSF labs and certain resources inside UCSF Mission Bay campus, so there are a number of other things that we have access to, but there are a number of important really intangibles that allow companies hopefully to stay on the right track and not get on the wrong track, which obviously is very easy to do in biotech. That's one of the things that we're very pleased about.

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<Q>: Great. Congratulations once again, and good luck to all of you gentlemen. Thank you very much for your time and efforts.

Gerald Commissiong – President & CEO
Thank you

Operator
Thank you. Our next question comes from the line of Vicente Wood, a private investor. Please proceed with your question.

<Q>: Yes, Mr. Commissiong. I was just listening to you as you were talking to the prior investor, and two questions came up for me. I just wanted to be specific as far as the second orphan indication that you don't expect to release any information on it before the end of 2013.

Gerald Commissiong – President & CEO
I did not say that. What I gave—I was asked was for outer limits. Currently, we're in the process of negotiating. A number of things are moving forward in a number of different directions, but as far as specifics, it is very difficult to know when that data will be made available.

<Q>: Okay. I'm switching gears, and the second question I would have is, I know that you mentioned fairly recently that you were planning on trying to uplift the company's stock to a new exchange, I don't know which one, possibly NASDAQ would be the most obvious to me. Could you tell me what generally is the plan? If you could go into specifics, I would love it. And an approximate timeframe for it?

Gerald Commissiong – President & CEO
Sure. We would like, if possible, to uplift the company in 2014. We believe that, as has been seen by a number of diluted financings that we have taken, the marketplace on the OTC is not necessarily the most advantageous for biotechnology companies, as we believe institutional investors are really important for seeing an appreciation in shareholder value over time.

So, for us, we have, obviously, a number of requirements that need to be met, including price requirements, balance sheet requirements, and corporate governance requirements. We are taking parallel paths to ensure that we have an ability to overcome each of these requirements. Specifically on the corporate governance requirement, we know that there will be, at some point, when our market cap is above 75 million, a need to have SOCs, Sarbanes-Oxley Compliance, inside the company, so that's something we are working on now. We also know that there will have to be independent directorship inside the company, as well as an improvement of financial return on controls. Those are things that we have been working on for some time, and we're making good progress in that area. I believe I stated that we will be making public announcements as we make progress. Certainly, the addition of Dr. Lowe was an important step in that direction.

With respect to the financials, I think obviously there are a number of avenues that can be taken to improve the balance sheet to give the company $4 million of shareholder's equity. So, certainly the conversion of the notes and the exercise of the warrants on hand are one of the important ways for us to be able to do that. Secondly, another way for us to be able to do that is to access non-dilutive financing. As those events unfold, and if we execute as we believe we can, we believe that we'll be in a position to be able to turn what are currently liabilities on the balance sheet

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over to the equity side, bolstering the shareholder's equity and allowing us to get to the numbers necessary to uplift.

Those are the key areas. Obviously, thirdly, there is a price requirement. We would obviously love to see the share price increase, and we're not taking that possibility off the table, as we do have a number of planned events inside the company that could significantly bolster shareholder values. However, if necessary and in conjunction with an uplifting process, the company would contemplate potentially reverse splitting the stock to a level where we would be able to uplift and thus get an appreciable what we would believe would be increase in fundamental shareholder value and access to much more advantageous financing options.

Those are elements and part of the plan as we move forward. Certainly, we're maintaining our ability to be very flexible. We think there are a number of things that we can do to fundamentally improve shareholder value, get access to minimally or non-dilutive financing, as well as very certainly we can put the corporate governing pieces in place, and we're doing that in a very focused manner and will be delivering that information to the marketplace as we execute.

<Q>: Just one last question. What level would you think would be at least the minimum that the share price would have to be at in order to meet that requirement for uplifting?

Gerald Commissiong – President & CEO
I believe on certain national exchanges, the minimum is $2.

<Q>: Okay. All right. Thank you for your time, sir, again.

Gerald Commissiong – President & CEO
Thank you.

Operator
Thank you. There are no further questions at this time. I would like to turn the floor back over to management for closing comments.

Gerald Commissiong – President & CEO
Thank you very much. While I am completing the discussion here, I just want to let you know about some key events that will be happening over the next few weeks. We will be presenting at the LD Micro Conference in Los Angeles on December 3rd, and we will also be part of the JP Morgan Week in San Francisco, and we are currently deciding which conferences to present at which we have been invited to.

Lastly, as we discussed earlier, we are spearheading the #C4CT Summit Coalition for Concussion Research with Brewer Sports, which will be held at the United Nations on Wednesday, January 29th. This is actually a very important event, coinciding with the Super Bowl, because we believe that there is a very significant opportunity and important medical need in the area of traumatic brain injury, and something that we have been focused on for some time.

We initially have some data from MANF in the area of TBIs and in vitro data, and we certainly believe that there is a potential to evaluate LymPro in this area, as self-cycle has been demonstrated to be a part of the traumatic brain injury paradigm, and we believe that there is a possibility that it could be a key component in identifying those people who are subject to traumatic brain injuries who could ultimately end up progressing to neurodegeneration.

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As we go through the process and we look at the importance of CNS research, which is an area that the company has obviously been focused on for a long time with our very close affiliations to Parkinson's and Alzheimer's, we believe traumatic brain injury could represent a major catalyst in the field, as there is a sub-population of people who have traumatic brain injuries who are at much higher risk for developing neurodegeneration, and this is something that the company wants to keep a very close focus on. Being one of the first groups to bring these various cohorts of people and key stakeholders in the traumatic brain injury field together at the United Nations, putting this within the global context of brain injury is not just an NFL problem, it's not just a football problem, and not just an American problem, but it really is a global problem where the company can make major inroads and hopefully really seek to add value over time to the effort to combat TBI. We're very pleased to be moving this project forward with Brewer at the United Nations on Wednesday, January 29th, and we very much hope that our shareholders will join us in that very important event.

Each of these events give Amarantus exposure to important sectors of the life sciences industry, whether it's service providers, researchers, potential business partners, and of course the investment community.

With that, I would like to thank all of those on the call for having joined, and we very much look forward to updating you in the future, as we begin to interact on a more regular basis with our shareholder base. Thank you very much.

Operator
Thank you. Before we close, I would like to caution listeners that management will make comments during this call that include forward looking statements within the meaning of the Federal Securities Laws. These statements are covered under the Safe Harbor Provisions of the Private Securities Litigation Reform Act, and involve material risks and uncertainties associated with Amarantus' business that could cause actual results or events to be materially different than those stated or implied by these forward looking statements. For a list and description of those risks and uncertainties, please see the company's filings with the Securities and Exchange Commission. Amarantus disclaims any intention or obligation to update or revise any financial projections or forward-looking statements, whether as a result of new information, future events, or otherwise. Furthermore, this conference call contains time sensitive information and is accurate only as the date of the live broadcast, November 18, 2013. There will also be a replay of this call available.

This concludes today's teleconference. You may disconnect your lines at this time, and thank you for your participation.