

INVESTOR WORLD.®

© 2007

“THE LEADER IN INFORMATION ON PROMISING EMERGING INVESTMENT OPPORTUNITIES.”

INTERVIEW WITH THE CEO:

**DR. BELINDA TSAO-NIVAGGIOLI
AVICENA GROUP INC.**



DR. BELINDA TSAO-NIVAGGIOLI: ON CELLULAR REGENERATIVE THERAPIES POTENTIAL



Dr. Belinda Tsao-Nivaggioli
Chief Executive Officer

Under Dr. Tsao-Nivaggioli's guidance, the company has expanded its intellectual property portfolio and built a valuable pipeline of products. Prior to joining Avicena, she served as Manager of Research & Development for Gillette's Oral-B Division, where she was responsible for new products from development through manufacture. Dr. Tsao-Nivaggioli received an A.B. degree, with Honors in Chemistry from Oberlin College, M.Sc. and Ph.D. degrees in Bioorganic Chemistry from the University of Toronto and did her post-doctoral research at the Massachusetts Institute of Technology (MIT).

Avicena's Cellular Regenerative Therapies™ appear to be a real breakthrough biotechnology. How exactly do they work?

Our technology works at the cellular level and basically "manages" the energy levels in a person's body. And in particular those tissues that have high energy demands such as the brain, heart, eyes and skin. A range of diseases and conditions are caused by declining energy in the cells as people age. Without sufficient energy, the cells can't function properly. This is the case with diseases like Parkinson's, Huntington's and Lou Gehrig's. Avicena's therapies essentially inject additional energy into the cells which prolong the cell's life. From a market perspective, we have now applied that core technology to create a range of products in both the pharmaceutical and dermaceutical areas.

What results have you shown to date for drugs or products in development?

We have advanced three drug candidates to Phase III which is the final phase before submitting them to the FDA for approval to put them on market.

Our Huntington's and Parkinson's drug candidates have shown the potential to actually slow disease progression, and they are the first to do that. Our Lou Gehrig's drug candidate has demonstrated

the potential to decrease mortality rate and increase the survival rate of disease sufferers. This is highly significant as there is currently only one FDA-approved treatment for ALS, and it extends the life of the patient by only about 60 days. Our treatment has shown the potential to have a much more dramatic impact. We will be publishing those results soon and they truly are very exciting. Another important factor is that our therapies are very safe and well-tolerated which can impact the speed with which they can go through the FDA approval process.

Those results have now led the U.S. National Institutes of Health (NIH) to sponsor the clinical trial for your Parkinson's drug candidate. What are you hoping to find or prove in this clinical trial?

The NIH has been an excellent collaborator for us. We are very pleased that they are sponsoring this pivotal trial. This Parkinson's trial is one of the largest trials in the Institute's history and one of the largest Parkinson's trials ever conducted. The purpose of this trial is to evaluate our Parkinson's drug candidate's ability to slow the progression of disease in Parkinson's patients. Pending positive results, we will file an NDA (new drug application) with the FDA with the goal of market approval shortly thereafter. So this is a very important time in our research on that disease.

The NIH sponsorship seems to give Avicena a substantial new cost-advantage in its drug development process. Why is that?

Our business model is unique in that we have leveraged the combined expertise, knowledge and resources of all the key players together – Avicena, the NIH and our clinical research partners like MIT, Harvard, Cornell and Massachusetts General Hospital. NIH funds the trial and fulfills its mission to advance the science for national health care issues, the investigators leverage their knowledge about a disease by running clinical trials that are at the forefront of the drug development process, and Avicena is able to utilize the study data to take the drugs through the FDA approval process with the ultimate goal of taking the drugs to market. This approach delivers maximum benefits for everyone while significantly reducing development costs for Avicena.

You've also now adapted your Cellular Regenerative Therapies™ into treatments in the dermatological market for skin care. Is there an underlying business strategy to this approach?

The technology and intellectual property behind pharmaceutical and dermatological products is fundamentally the same. In the area of skin care, our treatments have demonstrated the ability to reverse the signs of skin-aging which has obvious tremendous implications for the dermatological market. Pharmaceuticals have a longer development horizon but since they've been designated as "orphan drug" candidates, our drugs have market exclusivity. Dermatologicals have a much shorter development horizon, no regulatory approval process and

significantly reduced R&D costs, so there is a much shorter path to revenue and profit potential. The two business sectors complement each other and the result is a well-diversified revenue base.

This has now led you to develop a line of therapeutic dermatological products you also are preparing to launch?

Yes. We have developed a line of skin care products that we believe has tremendous market potential. The line is called Nurigene™ and currently has five products which we expect we will be taking to market in the near future.

What do you believe is the market value for your various products?

On the pharmaceutical side, the combined market potential for the diseases we're in is at least a \$10-billion USD market. On the dermatological side, the size of that market is estimated to be over \$22-billion USD worldwide by 2010. So both are very sizeable markets.

How has this been reflected in your share price in the past year?

We believe we're just at the point where investors are beginning to grasp the significance of our Cellular Regenerative Therapies™ and their potential. As early word of this began to spread, our share price roughly doubled in the past 12-months. However, a Wall Street firm's report still rates us as 'undervalued' based on our market potential, projected revenue growth, intellectual property and product pipeline. That firm pointed out that a number of comparable listings are currently trading around 2 to 6 times our current

share price – so we see a lot of upside. Our expectation is that once we have moved to the next phase in our development, we may move to a larger exchange as well. So the outlook is very promising and we are building across all fronts.

If you were to describe Avicena 5 years from now, what would it look like?

I see our revenue continuing to grow significantly which it has already begun to do. I see us having a profitable dermatological division with a number of products on the market as well as under development. On the pharmaceutical side, I would hope we'd have our current drug candidates either on-market or near-market with a robust pipeline of additional drug candidates. We will be continuing to build partnerships with experts in marketing, sales and distribution to maximize our revenue and profit potential while minimizing investment risks. We are in discussions about new partnerships and marketing and licensing agreements with a number of multi-national brand marketers on an ongoing basis, and we expect there will be a number of new agreements forthcoming shortly. The key overall is to be strategic and focused and always keep our eyes open to new market possibilities for our technology. Our Cellular Regenerative Therapies™ can be applied to a number of areas so we see a very broad horizon of new product possibilities.

Avicena trades on the OTCBB (AVGO). For further information see www.avicenagroup.com or contact:

Sara Ephraim, The Ruth Group (on behalf of Avicena® Group) (646) 536-7002 invest@avicenagroup.com