FORM 8-K

Current report filing

Filing Date: **2009-07-10** | Period of Report: **2009-07-10**
SEC Accession No. 0001393905-09-000266

FILER

JB Clothing Corp

CIK:**1449447**| IRS No.: **263431263** | State of Incorp.:**NV** | Fiscal Year End: **0831**
Type: **8-K** | Act: **34** | File No.: **333-154989** | Film No.: **09940502**
SIC: **2330** Women's, misses', and juniors outerwear

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 10, 2009

JB CLOTHING CORPORATION
(Exact Name of Company as Specified in Charter)

Nevada	**333-154989**	**26-3431263**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

4700 Spring Street, St 203
La Mesa California, 91941
(Address of Principal Executive Offices, Zip Code)

619 702 1404
(Company's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in this Form 8-K that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. JB Clothing Corporation urges you to be cautious of the forward-looking statements, that such statements, which are contained in this Form 8-K, reflect JB Clothing Corporation's current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting JB Clothing Corporation and/or Entest Biomedical Inc.'s operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks JB Clothing Corporation and/or Entest Biomedical, Inc face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events.

All forward-looking statements made in connection with this Form 8-K are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS

On July 10, 2009 JB Clothing Corporation (the"Company") acquired Entest Biomedical, Inc. ("Entest") a California corporation , from Bio Matrix Scientific Group, Inc. ("BMSN") a Delaware corporation, for consideration consisting of (a) the issuance to BMSN of 10,000,000 newly issued common shares of the Company and (b) the return by Mr. Rick Plote of 10,000,000 shares of the Company's common stock previously issued to him to the Company for cancellation. With the return of ten million shares of the Company's common stock held by Mr. Plote, BMSN has become the Company's largest single stockholder owning 71% of the share capital of the Company and Entest has become a wholly owned subsidiary of the Company. The agreement entered into by and between BMSN and the Company for the acquisition of Entest has been filed with the US Securities and Exchange Commission as Exhibit 10.01 of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference. The agreement entered into by and between Rick Plote for the cancellation of his 10,000,000 shares of the Company's common stock has been filed with the US Securities and Exchange Commission as Exhibit 10.02 of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference.

GENERAL DEVELOPMENT OF BUSINESS OF ENTEST.

Entest was incorporated in the State of California on August 22 , 2008. Entest was previously a wholly owned subsidiary of BMSN, a corporation engaged primarily in the processing and banking of stem cells. On July 10, 2009 1500 common shares of Entest representing 100% of the share capital of Entest was purchased by the Company. Entest has never been the subject of any bankruptcy, receivership or similar proceeding.

Entest intends to develop and commercialize therapies , medical devices and medical testing procedures. The current strategy of Entest is to (a) license intellectual property ("IP") for development and commercialization by Entest and (b) fund the development of internally developed IP through obtaining of grants from governmental and other entities. While Entest believes that it will secure such grants, no assurances may be given that such grants will be obtained by Entest. The Company also anticipates funding its financial needs through sale of securities. (No plan of terms, offers or candidates have yet been established and there can be no assurance that funds will be raised on terms favorable to the Company or at all.)

On October 23, 2008 The Regents of the University of California (“Regents”) and Entest executed an Exclusive License Agreement (“ELA”) .

Pursuant to the ELA and subject to the limitations set forth in the ELA, The Regents granted to Entest an exclusive license (the "License") under The Regents’ interest in Provisional Patent Application No. 61/030,316 entitled “SCREENING TEST FOR GESTATIONAL DIABETES MELLITUS” filed 02/21/2008 (UCLA Case No. 2007-523-1) (“Regents Patent Rights”) in jurisdictions where Regents' Patent Rights exist, to make, have made, use, sell, offer for sale and import Licensed Products (as “Licensed Products” is defined in the ELA) and to practice Licensed Methods (as “Licensed Methods” is defined in the ELA) in all fields of use to the extent permitted by law.

"Licensed Product", as defined in the ELA, means any article, composition, apparatus, substance, chemical, or any other material covered by Regents' Patent Rights or whose manufacture, use or sale would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights, or any service, article, composition, apparatus, chemical, substance, or any other material made, used, or sold by or utilizing or practicing a Licensed Method.

"Licensed Method", as defined in the ELA, means any process, service, or method which is covered by Regents' Patent Rights or whose use or practice would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights.

Pursuant to the ELA, Entest shall be obligated to pay to The Regents for sales by Entest and sublicensees :

(i) an earned royalty of Six percent (6%) of Net Sales of Licensed Products or Licensed Methods.

(ii) a minimum annual royalty of Fifty thousand dollars ($50,000) for the life of Regents' Patent Rights, beginning one year after the first commercial sale of Licensed Product. The minimum annual royalty will be credited against the earned royalty due and owing for the calendar year in which the minimum payment was made.

(iii) pay to The Regents a license maintenance fee of Five thousand dollars ($5,000) beginning on the one-year anniversary date of the effective date of the ELA and continuing annually on each anniversary date of the Effective Date. The maintenance fee will not be due and payable on any anniversary date of the effective date if on that date Licensee is commercially selling a Licensed Product and paying an earned royalty to The Regents on the sales of that Licensed Product.

Pursuant to the ELA, Entest is also obligated to:

(a) diligently proceed with the development, manufacture and sale ("Commercialization") of Licensed Products and must earnestly and diligently endeavor to market them within a reasonable time after execution of the ELA and in quantities sufficient to meet the market demands for them.

(b) endeavor to obtain all necessary governmental approvals for the Commercialization of Licensed Products.

Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of the ELA, the ELA remains in effect for the life of the last-to-expire patent or last to be abandoned patent application in Regents' Patent Rights, whichever is later.

On June 15, 2009 Entest entered into an agreement (“Agreement”) with BMSN whereby BMSN will make available the services of Dr. Brian Koos. Pursuant to this Agreement Dr. Koos will:

(i) Advise Entest in determining specific studies and time-lines that are needed

(a) to establish the clinical usefulness of a Screening Test for Gestational Diabetes licensed by Entest from the Regents of the University of California (the "Screening Test") and

(b) to create a new rapid analysis method for screening large populations (collectively, the "Technology").

(ii) Advise Entest in:

(a) the design and completion of the specific studies that demonstrate the clinical usefulness of the Screening Test and

(b) establishing and validating a new method for rapid screening of large populations.

The Term of the Agreement is 5 years. Entest is obligated to compensate BMSN in the amount of $10,000 pursuant to this Agreement

Dr. Brian Koos is currently a professor of Obstetrics and Gynecology at the David Geffen School of Medicine at UCLA and also serves on Entest’s Scientific Advisory Board.

In May 2009, Entest submitted a Project Summary Report to the U.S. Army Medical Research and Material Command (USAMRMC) for consideration of funding to study the therapeutic potential of Adipose Derived Stem Cells harvested from liposuction for treating Traumatic Brain Injury. As of June 24, 2009, Entest is awaiting a response from USAMRMC.

Principal Products and Services

Entest intends to develop and commercialize therapies , medical devices and medical testing procedures. The current strategy of Entest is to (a) license intellectual property (“IP”) for development and commercialization by Entest and (b) fund the development of internally developed IP through obtaining of grants from governmental and other entities. While Entest is confident in its ability to secure such grants, an assurances may be given that such grants will be obtained by Entest. While Entest believes that it will secure such grants, no assurances may be given that such grants will be obtained by Entest. The Company also anticipates funding its financial needs through sale of equity and/or debt securities. (No plan of terms, offers or candidates have yet been established and there can be no assurance that funds will be raised on terms favorable to the Company or at all.)

Distribution methods of the products or services

It is anticipated that Entest will enter into licensing and/or sublicensing agreements with outside entities in order that Entest may obtain royalty income on the products and services which it may develop and commercialize.

Competitive business conditions and Entest's competitive position in the industry and methods of competition;

Entest is recently formed and has yet to achieve revenues or profits The industries in which Entest intends to compete are highly competitive and characterized by rapid technological advancement. Many of Entest's competitors have greater resources than Entest does. Entest intends to be competitive by utilizing the services and advice of individuals that Entest believes have expertise in their field in order that Entest can concentrate its resources on projects in which products and services in which Entest has the greatest potential to secure a competitive advantage may be developed and commercialized .

To that effect, Entest has established a Scientific Advisory Board of (the Advisory Board) comprised of individuals who Entest believes have a high level of expertise in their professional fields and who have agreed to provide counsel and assistance to Entest in (a) determining the viability of proposed projects (b) obtaining financing for projects and (c) obtaining the resources required to initiate and complete a project in the most cost effective and rapid manner. The members of the Advisory Board have also agreed to act as consultants on a project by project basis in addition to other services they may provide under any other contractual obligations to Entest .

Members of the Advisory Board include as follows:

Dr. Brian Koos, MD:

Dr. Koos is Vice Chair and Professor, Obstetrics and Gynecology, at the David Geffen School of Medicine at UCLA as well as a member of the Brain Research Institute of UCLA.

Dr. Steven Josephs, Ph.D:

Dr. Josephs is currently serving as Chief Scientific Officer of TherInject LLC, a company involved in the development of pharmaceuticals to be utilized for the treatment of cancer. Dr. Josephs has 34 years of experience in research and clinical product development and production for biologics, gene therapy and medical devices.

Dr. Josephs has previously served as Director of Research and Development for Therapheresis, Inc, Head of Virology and Senior Research Scientist for Baxter Healthcare Corporation, and Director of Molecular Biology at Universal Biotechnology, Inc where Dr. Josephs directed a group performing contract molecular biology services for government and private industry.

Dr. Josephs has also worked for the National Cancer Institute where his duties included studies of the human T-cell leukemia virus as well as sequence determination and functional analyses of HIV. Dr. Josephs is the co-discoverer of human herpesvirus-6, the etiologic agent of Roseola.

Dr. Josephs holds a B.A. in Chemistry, a Ph.D. in Chemistry and has been granted a Professional Certificate in Drug Development and an ADMET process certificate by the University of California, San Diego. Dr. Josephs has also earned a Master of Science in Science Teaching.

Sources and availability of raw materials and the names of principal suppliers;

The supplies and materials required to conduct Entest's operations are available through a wide variety of sources and may be obtained through a wide variety of sources.

Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including duration

Entest has not been granted any patent nor has Entest filed any patent applications. Entest is currently party to the ELA previously discussed in this document and filed as Exhibit 10.1

Need for any government approval of principal products or services, effect of existing or probable governmental regulations on the business

The products and services which Entest contemplates developing and commercializing may fall within the definition of several different kinds of regulated products:

biologic products,

medical devices,

and human cells, tissues, and cellular and tissue-based products.

All of these products would be regulated primarily by the US Food and Drug Administration ("FDA")

Biologic products:

In the event the product or service is classified a biologic product, it is likely that the FDA would require the submission of Biologics License Application (BLA) .

The BLA is regulated under 21 CFR 600 – 680. and is submitted by any legal person or entity who is engaged in manufacture or an applicant for a license who takes responsibility for compliance with product and establishment standard.

Medical Devices

The US Food and Drug Administration ("FDA") must classify medical devices into one of three regulatory classes: Class I, Class II, or class III. FDA classification of a device is determined by the amount of regulation necessary to provide a reasonable assurance of safety and effectiveness.

Class I devices present minimal potential for harm to the user and are often simpler in design than Class II or Class III devices. These devices are subject only to general controls.

Class II devices are those for which general controls alone are insufficient to assure safety and effectiveness, and additional existing methods are available to provide such assurances. Therefore, Class II devices are also subject to special controls in addition to the general controls of Class I devices. Special controls may include special labeling requirements, mandatory performance standards, and postmarket surveillance.

A Class III device is one for which insufficient information exists to assure safety and effectiveness solely through the general or special controls sufficient for Class I or Class II devices. Such a device needs premarket approval, a scientific review to ensure the device's safety and effectiveness, in addition to the general controls of Class I.

Class III devices are described by the FDA as those for which "insufficient information exists to determine that general controls are sufficient to provide reasonable assurance of its safety and effectiveness or that application of special controls ... would provide such assurance and if, in addition, the device is life-supporting or life-sustaining, or for a use which is of substantial importance in preventing impairment of human health, or if the device presents a potential unreasonable risk of illness or injury."

Most Class I devices are exempt from Premarket Notification 510(k); most Class II devices require Premarket Notification 510(k); and most Class III devices require Premarket Approval.

Most Class I devices are exempt from Premarket Notification ; most Class II devices require Premarket Notification (PMN) consisting of notifying the FDA of their intent to market a medical device at least 90 days in advance; and most Class III devices require Premarket Approval (“PMA”) . The PMA process is more involved than the PMN process and includes the submission of clinical data to support claims made for the device. It is anticipated that many, if not most, of the products that may be developed by Entest will be classified as Class III devices and require a PMA.

Human cells, tissues, and cellular and tissue-based products

human cells, tissues, and cellular and tissue-based products (defined by the FDA as "articles containing or consisting of human cells or tissues that are intended for implantation, transplantation, infusion, or transfer into a human recipient) are regulated primarily pursuant to 21 CFR 1270 which regulates, among other things, donor suitability, records retention , and the inspection of any facilities by authorized inspector of the FDA.

These products and services, if they involve cells or tissues that are highly processed, are used for other than their normal function, are combined with non-tissue components, or are used for metabolic purposes, may also be regulated under the Public Health Safety Act, Section 351, which regulates the licensing of biologic products and requires the submission of an investigational new drug application to the FDA before studies involving humans are initiated.

The types of products or services that Entest contemplates developing and marketing will also likely be subject to State regulation.

Amount spent during the last fiscal year research and development activities

During the period commencing with inception (August 22, 2008) to August 31, 2008 (fiscal yearend) the activities of Entest were primarily organizational in nature. Entest has expended no funds for research and development activities during the period from inception to August 31, 2008

Costs and effects of compliance with environmental laws (federal, state and local);

Entest has not incurred any unusual or significant costs to remain in compliance with any environmental laws and does not expect to incur any unusual or significant costs to remain in compliance with any environmental laws in the foreseeable future.

Number of total employees and number of full-time employees.

As of July 10, 2009, Entest has one employee who is full time.

Management's Discussion and Analysis of Financial Condition and Results of Operations of Entest

Fiscal Yearend August 31, 2008

Results of operations.

For the period from inception (August 22, 2008) to August 31, 2008 Entest generated no revenue and incurred net losses of $408. As Entest was not formed until August 22, 2008 there is no comparable prior period. From inception to August 31, 2008 the activities of Entest were primarily organizational in nature.

Liquidity

Sources of liquidity for Entest for that period consisted of the sale of 1,500 common shares to BMSN for cash of $408 which was utilized to pay expenses connected with the incorporation of Entest.

Interim Period from September 1, 2008 to February 28, 2008

Results of operations.

For the period from September 1, 2008 to February 28, 2009 Entest generated no revenue and incurred net losses of $78. As Entest was not formed until August 22, 2008 there is no comparable prior period.

Liquidity

Sources of liquidity for Entest for that period consisted of the capital contributions of $78 from BMSN for which was utilized to pay miscellaneous expenses .

Capital Commitments

As of February 28, 2009 Entest is not party to any binding agreements which would commit Entest to any material capital expenditures.

Properties

On June 15, 2009 Entest entered into an agreement with BMSN whereby Entest has agreed to sublease approximately 3,000 square feet of office space from BMSN for 36 months commencing on June 30, 2009 and ending on June 30, 2012 for consideration consisting of monthly rental payments of $4,100 per month.

This property is utilized as office space. Entest believes that the foregoing property is adequate to meet its current needs. While it is anticipated that Entest will require access to laboratory facilities in the future, Entest believes that access to such facilities are available from a variety of sources including, but not limited to, BMSN.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF THE COMPANY

The following table sets forth information known to the Company with respect to the beneficial ownership of each class of the Company's capital stock as of July 10, 2009 for (1) each person known by the Company to beneficially own more than 5% of each class of the Company's voting securities, (2) each executive officer, (3) each of the Company's directors and (4) all of the Company's executive officers and directors as a group.

(1) Title Of Class	(2) Name And Address Of Beneficial Owner	(3) Amount And Nature Of Beneficial Owner	(4) Percent Of Class
Common Stock	Dr. David R. Koos, President, Chief Executive Officer, Secretary, Chief Financial Officer, Principle Accounting Officer, Director C/O JB Clothing Corporation 4700 Spring Street, St 203 La Mesa California, 91941 *	10,000,000	71%
Officers and Directors As a Group (1 Person)		10,000,000	71%
Common Stock	Bio-Matrix Scientific Group, Inc. 8885 Rehco Road San Diego, California 92121	10,000,000	71%

* Includes common shares owned by Bio-Matrix Scientific Group, Inc. David Koos is CEO, President and Chairman of Bio-Matrix Scientific Group, Inc

DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

David R. Koos has served as the Company's President, Chief Executive Officer, Secretary, Chief Financial Officer, Principle Accounting Officer, Director since June 19, 2009.

The information required by Item 401 of Regulation S-K has been included in Item 5.02. of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference.

EXECUTIVE COMPENSATION

Other than shares of common stock previously issued to Mr. Rick Plote (sole officer and director from inception of the company to June 19, 2009) no current or previous officer or director of the Company has received any compensation for his services nor is any officer or director currently party to any agreement whereby the Company or the Company's wholly owned subsidiary, Entest, would be obligated to provide compensation to such person for his services. From inception to the date of this document no officer or director of Entest has received compensation for his services.

SUMMARY COMPENSATION TABLE

		Annual Compensation			Long-Term Compensation				
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation ($)	Restricted Stock Awards ($)	Securities Underlying Options (#)	LTIP Payouts ($)	Other	All Compensation ($)
Rick Plote President, Secretary, Treasurer, and Director From September 2008 to June 19, 2009	2008	-	-	-	*10,000,000	-	-		-

*Returned to the company for cancellation on July 10, 2009 pursuant to that Stock Cancellation Agreement by and between the Company, BMSN and Rick Plote filed as Exhibit Ex.10.2 . of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Transactions with Related Persons

From the period beginning with the inception of the Company and ending on June 19, 2009, the Company has been utilizing the premises of Rick Plote, the company's former sole officer, on a rent-free basis for administrative purposes

During the period beginning August 22, 2008 and ending February 28, 2009 BMSN has:

Been issued 1500 common shares of Entest for consideration consisting of $408

Contributed $78 to Entest as contributed capital

From the period beginning August 22, 2008 and ending June 15, 2009 BMSN has provided office space and certain administrative support services at no charge to Entest.

On June 15, 2009 Entest entered into an agreement ("Agreement") with BMSN whereby BMSN will make available the services of Dr. Brian Koos. Pursuant to this Agreement Dr. Koos will :

(i) Advise Entest in determining specific studies and time-lines that are needed

(a) to establish the clinical usefulness of a Screening Test for Gestational Diabetes licensed by Entest from the Regents of the University of California (the "Screening Test") and

(b) to create a new rapid analysis method for screening large populations (collectively, the "Technology").

(ii) Advise Entest in:

(a) the design and completion of the specific studies that demonstrate the clinical usefulness of the Screening Test and

(b) establishing and validating a new method for rapid screening of large populations.

The Term of the Agreement is 5 years. The Company is obligated to compensate BMSN in the amount of $10,000.

On July 10, 2009 , the Company acquired 100% of Entest for consideration consisting of 10,000,000 common shares of the Company and the cancellation of 10,000,000 common shares held by Rick Plote.

As a result of this transaction, BMSN became the largest shareholder of the Company owning 71% of the Company's issued and outstanding common shares.

Director Independence

Audit Committee and Audit Committee Financial Expert

The Company's sole Director may not be considered independent as he is also an officer. The Company is not a "listed company" under Securities and Exchange Commission ("SEC") rules and is therefore not required to have an audit committee comprised of independent directors. The Company does not currently have an audit committee, however, for certain purposes of the rules and regulations of the SEC and in accordance with the Sarbanes-Oxley Act of 2002, the Company's Board of Directors is deemed to be its audit committee and as such functions as an audit committee and performs some of the same functions as an audit committee including: (1) selection and oversight of our independent accountant; (2) establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters; and (3) engaging outside advisors. The Board of Directors has determined that its sole member is able to read and understand fundamental financial statements and has substantial business experience that results in that member's financial sophistication. Accordingly, the Board of Directors believes that its member has the sufficient knowledge and experience necessary to fulfill the duties and obligations that an audit committee would have.

Nominating and Compensation Committees

The Company does not have standing nominating or compensation committees, or committees performing similar functions. The board of directors believes that it is not necessary to have a compensation committee at this time because the functions of such committee are adequately performed by the board of directors. The board of directors also is of the view that it is appropriate for the Company not to have a standing nominating committee because the board of directors has performed and will perform adequately the functions of a nominating committee. The Company is not a "listed company" under SEC rules and is therefore not required to have a compensation committee or a nominating committee.

Shareholder Communications

There has not been any defined policy or procedure requirements for stockholders to submit recommendations or nomination for directors. There are no specific, minimum qualifications that the board of directors believes must be met by a candidate recommended by the board of directors. Currently, the entire board of directors decides on nominees, on the recommendation of any member of the board of directors followed by the board's review of the candidates' resumes and interview of candidates. Based on the information gathered, the board of directors then makes a decision on whether to recommend the candidates as nominees for director. The Company does not pay any fee to any third party or parties to identify or evaluate or assist in identifying or evaluating potential nominee.

Because management and directors of the Company are the same person, the Board of Directors has determined not to adopt a formal methodology for communications from shareholders on the belief that any communication would be brought to the board of directors' attention by virtue of the co-extensive capacities served by David Koos.

LEGAL PROCEEDINGS

None

MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common shares trade over the OTC Bulletin Board under the symbol JBCC. There are currently two market makers making a market in the securities of the Company. As of July 10, 2009, no sales of common shares have occurred over the OTC Bulletin Board.

As of July 10, 2009 there were 14,000,000 shares of our common stock outstanding held by approximately 25 stockholders of record.

The Company's common stock is a "penny stock," as defined in Rule 3a51-1 under the Exchange Act. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its sales person in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that the broker-dealer, not otherwise exempt from such rules, must make a special written determination that the penny stock is suitable for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure rules have the effect of reducing the level of trading activity in the secondary market for a stock that becomes subject to the penny stock rules. So long as the common stock of the Company is subject to the penny stock rules, it may be more difficult to sell common stock of the Company.

The Company's authorized capital stock consists of 70,000,000 shares of common stock with a par value $.001, and 5,000,000 shares of preferred stock with a par value $.001 per share. As of July 10, 2009 there are 14,000,000 shares of common stock issued and outstanding and no shares of preferred stock issued and outstanding.

RECENT SALES OF UNREGISTERED SECURITIES

Between the period beginning September 24, 2008 (inception) and ending September 30, 2008 the Company:

issued 5,000,000 common shares ("Shares") valued at $5,000 to Rick Plote as consideration for services rendered . The Shares were issued pursuant to Section 4(2) of the Securities Act of 1933, as amended.

No underwriters were retained to serve as placement agents for the sale. The shares were sold directly through our management. No commission or other consideration was paid in connection with the sale of the shares. There was no advertisement or general solicitation made in connection with this Offer and Sale of Shares.

issued 5,000,000 common shares ("Shares") valued to Rick Plote for consideration consisting of $5,000 cash . The Shares were issued pursuant to Section 4(2) of the Securities Act of 1933, as amended.

No underwriters were retained to serve as placement agents for the sale. The shares were sold directly through our management. No commission or other consideration was paid in connection with the sale of the shares. There was no advertisement or general solicitation made in connection with this Offer and Sale of Shares.

On July 10, 2009 the abovementioned 10,000,000 shares were returned to the company for cancellation and cancelled.

On July 10, 2009 the Company issued 10,000,000 common shares ("Shares") to BMSN for consideration consisting of 1,500 common shares of Entest. The Shares were issued pursuant to Section 4(2) of the Securities Act of 1933, as amended.

No underwriters were retained to serve as placement agents for the sale. The shares were sold directly through our management. No commission or other consideration was paid in connection with the sale of the shares. There was no advertisement or general solicitation made in connection with this Offer and Sale of Shares.

Description of Company's Common Shares

The Company's authorized common stock consists of 70,000,000 shares of common stock, with a par value of $0.001 per share.

The holders of our common stock:

1. Have equal ratable rights to dividends from funds legally available therefore, when, as and if declared by the Board of Directors;

2. Are entitled to share ratably in all of assets available for distribution to holders of common stock upon liquidation, dissolution, or winding up of corporate affairs;

3. Do not have preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights; and

4. Are entitled to one vote per share on all matters on which stockholders may vote.

All shares of common stock now outstanding are fully paid for and non-assessable.

Holders of the Company's common stock do not have cumulative voting rights.

No holder of any shares of the Company's stock has preemptive or preferential rights to acquire or subscribe for any shares not issued of any class of stock or any unauthorized securities convertible into or carrying any right, option, or warrant to subscribe for or acquire shares of any class of stock .

INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Pursuant to the Company's Certificate of Incorporation, every person who was or is a party to, or is threatened to be made a parry to, or is involved in any such action, suit or proceeding, whether civil, criminal, administrative or investigative, by the reason of the fact that he or she, or a person with whom he or she is a legal representative, is or was a director of the Company, or who is serving at the request of the Company as a director or officer of another corporation, or is a representative in a partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the laws of the State of Nevada from time to time against ail expenses, liability and loss (including attorneys' fees, judgments, fines, and amounts paid or to be paid in a settlement) reasonably incurred or suffered by him or her in connection therewith. Such right of indemnification shall be a contract right, which may be enforced in any manner desired by such person. The expenses of officers and directors incurred in defending a civil suit or proceeding must be paid by the Company as incurred and in advance of the final disposition of the action, suit, or proceeding, under receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by the corporation. Such right of indemnification shall not be exclusive of any other right of such directors, officers or representatives may have or hereafter acquire, and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, vote of stockholders, provision of law, or otherwise, as well as their rights under the Certificate of Incorporation.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None

ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES

On July 10, 2009 the Company issued 10,000,000 shares of the Company's common stock to BMSN as consideration for 1,500 common shares of Entest. The Company did not use the services of any underwriter, finder, or other person and no commissions, fees, or other remuneration was be paid or accrued to any third party in connection with the transaction. The shares were issued to the Seller solely in exchange for all of the outstanding common stock Entest. The Shares were issued pursuant to Section 4(2) of the Securities Act of 1933, as amended. All of the shares issued to BMSN were issued with a restricted securities legend consistent with the requirements of the Securities Act of 1933, as amended.

ITEM 5.01 CHANGES IN CONTROL OF REGISTRANT

As described above, as a direct result of:

(A) the issuance of ten million (10,000,000) shares of the Company's common stock to BMSN and
(B) the cancellation of ten million (10,000,000) shares of the Company's common stock previously issued to and held by Mr. Rick Plote.

BMSN currently owns approximately 71% of the Company's outstanding common stock and thereby may be deemed to control the Company.

SECTION 5.06 CHANGE IN SHELL COMPANY STATUS.

The Company was a "shell company" (as such term is defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended and /or Rule 405 promulgated under the Securities Act of 1933, as amended) immediately prior to the acquisition of Entest. It has been the determination of the Company that the current operations of Entest are not nominal therefore, as a result of the acquisition of Entest, the Company no longer may be deemed a shell company. Form 10 information required by this section has been included in (a) Item 2.01 of this document and (b) Item 9.01 of this Document.

ITEM 8.01 OTHER EVENTS

On June 29, 2009 the Company filed a Certificate of Amendment to its Articles of Incorporation in order to change its name to Entest Biomedical, Inc. ("Amendment").

The Amendment has an effective date of July 12, 2009.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of businesses acquired.

Audited financial statements of Entest for the fiscal year ending August 31, 2009 are included hereto as Exhibit 99.1. Interim Financial Statements of Entest for the period ended February 28, 2009 are included hereto. As Exhibit 99.2

(b) Pro forma financial information.

Unaudited Pro forma financial information is included hereto as Exhibit 99.3

(c) Exhibit Index

Exhibit 3(i)	Articles of Incorpration and Amendements to the Articles of Incorporation of Entest Biomedical, Inc.
Exhibit 3(i) (2)	Amendment to the Articles of incorporation of JB Clothing Corporation.
Exhibit 3(ii)	Bylaws of Entesr Biomedical, Inc.
Exhibit 10.1	License Agreement by and between Entest Biomedical, Inc. and the Regents of the University of California.
Exhibit 10.2	Assignment dated June 15, 2009 by and between Entest Biomedical, Inc. and Bio-Matrix Scientific Group, Inc. regarding the services of Dr. Brian Koos.
Exhibit 10.3	Sublease Agreement by and between Entest Biomedical, Inc. and Bio-Matrix Scientific Inc. dated June 15, 2009
Exhibit 10.4*	Agreement by and between Bio-Matrix Scientific Group, Inc. and JB Clothing Corporation.
Exhibit 10.5**	Stock Cancellation Agreement
Exhibit 99.1	Audited financial statements of Entest Biomedical, inc.for the fiscal year ending August 31, 2009
Exhibit 99.2	Interim Financial Statements of Entest Biomedical, Inc.for the period ended February 28,2009.
Exhibit 99.3	Unaudited Pro forma financial information

* Filed as Exhibit 10.01 of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference.

** as Exhibit 10.02 of that Form 8-K dated June 22, 2009 filed by the Company with the United States Securities and Exchange Commission and is incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JB CLOTHING CORPORATION

By: /s/ David Koos
David Koos
Chief Executive Officer
Dated: July 10, 2009

Exhibit 3(i)

ENDORSED – FILED
In the office of the Secretary of State
Of the State of California
AUG 22, 2008

ARTICLES OF INCORPORATION

I The name of this corporation is ENTEST BIOMEDICAL, INC.

II The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the **General Corporation Law** of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III The name and address in the State of California of this corporation's initial agent for service of process is Corporation Service Company which will do business in California as CSC-Lawyers Incorporating Service.

IV This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is 1500.

Corporation Service Company

By: /s/ Robert Smith Jr.
Robert Smith Jr. Assistant Secretary

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

OF

ENTEST BIOMEDICAL, INC.

The undersigned certify that:

1. They are the president and the secretary, respectively, of ENTEST BIOMEDICAL, INC., a California corporation.

2. Articles 4 of the Articles of Incorporation of this California Corporation is amended to read as follows:

"Article 4: The Corporation shall be authorized to issue 100 million shares of common stock @ $.00001 par value."

3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.

4. The foregoing amendment of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code. The total number of outstanding shares f the corporation is 1500. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote requited was more than 50%.

We further declare under penalty of perjury under the Laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: June 4, 2009

/s/ David R. Koos
David R. Koos, President

/s/ David R. Koos
David R. Koos, Secretary

ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov

Filed in the Office of
Ross Miller
Secretary of State
State of Nevada

Filing Date and Time:
06/29/2009 5:03PM

Certificate of Amendment

(PURSUANT TO NRS 78.385 AND 78.390)

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

JB CLOTHING CORPORATION FILE #E0604322008-0

2. The articles have been amended as follows: (provide article numbers, if available)

Article 1. Name of Corporation: The name of the corporation is ENTEST BIOMEDICAL, INC.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation' nave voted in favor of the amendment is: **MAJORITY**

4. Effective date of filing: (optional) **7/12/09**

5. Signature: (required)

/s/ David R. Koos
Signature of Officer

Exhibit 3(ii)

BYLAWS
OF
Entest BioMedical, Inc.
A California Corporation

ARTICLE I
Offices

Section 1. The registered office of this corporation shall be in the County of County, State of California.

Section 2. The corporation may also have offices at such other places both within and without the State of California as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II
Meetings of Stockholders

Section 1. All annual meetings of the stockholders shall be held at the registered office of the corporation or at such other place within or without the State of California as the directors shall determine. Special meetings of the stockholders may be held at such time and place within or without the State of California as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof.

Section 2. Annual meetings of the stockholders, commencing with the year 2008 ,
shall be held on the 5th day of January each year if not a legal holiday and, if a legal holiday, then on the next secular day following, or at such other time as may be set by the Board of Directors from time to time, at which the stockholders shall elect by vote a Board of Directors and transact such other business as may properly be brought before the meeting.

Meetings may be held by telephonic conference call provided all stockholders are present telephonically, or have expressly declined to "attend."

Section 3. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President or the Secretary by resolution of the Board of Directors or at the request in writing of stockholders owning a majority in amount of the entire capital stock of the corporation issued and outstanding and entitled to vote. Such request shall state the purpose of the proposed meeting.

Section 4. Notices of meetings shall be in writing and signed by the President or a Vice-President or the secretary or an Assistant Secretary or by such other person or persons as the directors shall designate. Such notices shall state the purpose or purposes for which the meeting is called and the time and the place, which maybe within or without this State, where it is to be held. A copy of such notice shall be either delivered personally to or shall be mailed, postage prepaid, to each stockholder of record entitled to vote at such meeting not less than ten nor more than sixty days before such meeting. If mailed, it shall be directed to a stockholder at his address as it appears upon the records of the corporation and upon such mailing of any such notice, the service thereof shall be complete and the time of the notice shall begin to run from the date upon which such notice is deposited in the mail for transmission to such stockholder. Personal delivery of any such notice to any officer of a corporation or association, or to any member of a partnership shall constitute delivery of such notice to such corporation, association or partnership. In the event of the transfer of stock after delivery of such notice of and prior to the holding of the meeting it shall not be necessary to deliver or mail notice of the meeting to the transferee.

Section 5. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 6. The holders of a majority of the stock, issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the Articles of Incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. When a quorum is present or represented at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall be sufficient to elect directors or to decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Articles of Incorporation, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 8. Each stockholder of record of the corporation shall be entitled at each meeting of stockholders to one vote for each share of stock standing in his name on the books of the corporation. Upon the demand of any stockholder, the vote for directors and the vote upon any question before the meeting shall be by ballot.

Section 9. At any meeting of the stockholders any stockholder may be represented and vote by a proxy or proxies appointed by an instrument in writing. In the event that any such instrument in writing shall designate two or more persons to act as proxies, a majority of such persons present at the meeting, or, if only one shall be present, then that one shall have and may exercise all of the powers conferred by such written instrument upon all of the persons so designated unless the instrument shall otherwise provide. No proxy or power of attorney to vote shall be used to vote at a meeting of the stockholders unless it shall have been filed with the secretary of the meeting when required by the inspectors of election. All questions regarding the qualification of voters, the validity of proxies and the acceptance or rejection of votes shall be decided by the inspectors of election who shall be appointed by the Board of Directors, or if not so appointed, then by the presiding officer of the meeting.

Section 10. Any action which may be taken by the vote of the stockholders at a meeting may be taken without a meeting if authorized by the written consent of stockholders holding at least a majority of the voting power, unless the provisions of the statutes or of the Articles of Incorporation require a greater proportion of voting power to authorize such action in which case such greater proportion of written consents shall be required.

ARTICLE III
Directors

Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the stockholders.

Section 2. The number of directors which shall constitute the whole board shall be Not less than one and not more than three (3). The number of directors may from time to time be increased or decreased to not less than one nor more than fifteen by action of the Board of Directors. The directors shall be elected at the annual meeting of the stockholders and except as provided in Section 2 of this Article, each director elected shall hold office until his successor is elected and qualified. Directors need not be stockholders.

Section 3. Vacancies in the Board of Directors including those caused by an increase in the number of Directors, may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until his successor is elected at an annual or a special meeting of the stockholders. The holders of a two-thirds of the outstanding shares of stock entitled to vote may at any time peremptorily terminate the term of office of all or any of the directors by vote at a meeting called for such purpose or by a written statement filed with the secretary or, in his absence, with any other officer. Such removal shall be effective immediately, even if successors are not elected simultaneously and the vacancies on the Board of Directors resulting therefrom shall be filled only by the stockholders.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any directors, or if the authorized number of directors be increased, or if the stockholders fail at any annual or special meeting of stockholders at which any director or directors are elected to elect the full authorized number of directors to be voted for at that meeting.

The stockholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. If the Board of Directors accepts the resignation of a director tendered to take effect at a future time, the Board or the stockholders shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

ARTICLE IV
Meetings of the Board of Directors

Section 1. Regular meetings of the Board of Directors shall be held at any place within or without the State which has been designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation regular meetings shall be held at the registered office of the corporation. Special meetings of the Board may be held either at a place so designated or at the registered office.

Section 2. The first meeting of each newly elected Board of Directors shall be held immediately following the adjournment of the meeting of stockholders and at the place thereof. No notice of such meeting shall be necessary to the directors in order legally to constitute the meeting, provided a quorum be present. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors.

Section 3. Regular meetings of the Board of Directors may be held without call or notice at such time and at such place as shall from time to time be fixed and determined by the Board of Directors.

Section 4. Special meetings of the board of Directors may be called by the Chairman or the President or by any Vice-President or by any two directors. Written notice of the time and place of special meetings shall be delivered personally to each director, or sent to each director by mail or by other form of written communication, charges prepaid, addressed to him at his address as it is shown upon the records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company at least forty-eight (48) hours prior to the time of the holding of the meeting. In case such notice is delivered as above provided, it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall be due, legal and personal notice to such director.

Section 5. Notice of the time and place of holding an adjourned meeting need not be given to the absent directors if the time and place be fixed at the meeting adjourned.

Section 6. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 7. A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number be required by law, or by the Articles of Incorporation.

Any action of a majority, although not at a regularly called meeting, and the record thereof, if assented to in writing by all of the other members of the Board shall be as valid and effective in all respects as if passed by the Board in regular meeting.

Section 8. A quorum of the directors may adjourn any directors meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

ARTICLE V
Committees of Directors

Section 1. The Board of Directors may, by resolution adopted by a majority of the whole Board, designate one or more committees of the Board of Directors, each committee to consist of two or more of the directors of the corporation which, to the extent provided in the resolution, shall have and may exercise the power of the Board of Directors in the management of the business and affairs of the corporation and may have power to authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by the Board of Directors. The members of any such committee present at any meeting and not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint another member of the Board of Directors to act at the meeting in the place of any absent or disqualified member. At meetings of such committees, a majority of the members or alternate members shall constitute a quorum for the transaction of business, and the act of a majority of the members or alternate members at any meeting at which there is a quorum shall be the act of the committee.

Section 2. The committees shall keep regular minutes of their proceedings and report the same to the Board of Directors.

Section 3. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent thereto is signed by all members of the Board of Directors or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

ARTICLE VI
Compensation of Directors

Section 1. The directors may be paid their expenses of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefore. Members of special or standing committees may be allowed like reimbursement and compensation for attending committee meetings.

ARTICLE VII
Notices

Section 1. Notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the corporation. Notice by mail shall be deemed to be given at the time when the same shall be mailed. Notice to directors may also be given by telegram.

Section 2. Whenever all parties entitled to vote at any meeting, whether of directors or stockholders, consent, either by a writing on the records of the meeting or filed with the secretary, or by presence at such meeting and oral consent entered on the minutes, or by taking part in the deliberations at such meeting without objection, the doings of such meeting shall be as valid as if had at a meeting regularly called and noticed, and at such meeting any business may be transacted which is not excepted from the written consent or to the consideration of which no objection for want of notice is made at the time, and if any meeting be irregular for want of notice or of such consent, provided a quorum was present at such meeting, the proceedings of said meeting may be ratified and approved and rendered likewise valid and the irregularity or defect therein waived by a writing signed by all parties having the right to vote at such meeting; and such consent or approval of stockholders may be by proxy or attorney, but all such proxies and powers of attorney must be in writing.

Section 3. Whenever any notice whatever is required to be given under the provisions of the statutes, of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE VIII
Officers

Section 1. The officer of the corporation shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. Any person may hold two or more offices.

Section 2. The Board of Directors at its first meeting after each annual meeting of stockholders shall choose a Chairman of the Board who shall be a director, and shall choose a President, a Secretary and a Treasurer, none of whom need be directors.

Section 3. The Board of Directors may appoint a Vice-Chairman of the Board, Vice-Presidents and one or more Assistant Secretaries and Assistant Treasurers and such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 4. The salaries and compensation of all officers of the corporation shall be fixed by the Board of Directors.

Section 5. The officers of the corporation shall hold office at the pleasure of the Board of Directors. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise shall be filled by the Board of Directors.

Section 6. The Chairman of the Board shall preside at meetings of the stockholders and the Board of Directors, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 7. The Vice-Chairman shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman of the Board and shall perform such other duties as the Board of Directors may from time to time prescribe.

Section 8. The President shall be the chief executive officer of the corporation and shall have active management of the business of the corporation. He shall execute on behalf of the corporation all instruments requiring such execution except to the extent the signing and execution thereof shall be expressly designated by the Board of Directors to some other officer or agent of the corporation.

Section 9. The Vice-President shall act under the direction of the President and in the absence or disability of the President shall perform the duties and exercise the powers of the President. They shall perform such other duties and have such other powers as the President or the Board of Directors may from time to time prescribe. The Board of Directors may designate one or more Executive Vice-Presidents or may otherwise specify the order of seniority of the Vice-Presidents. The duties and powers of the President shall descend to the Vice-Presidents in such specified order of seniority.

Section 10. The Secretary shall act under the direction of the President. subject to the direction of the President he shall attend all meetings of the Board of Directors and all meetings of the stockholders and record the proceedings. He shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the President or the Board of Directors.

Section 11. The Assistant Secretaries shall act under the direction of the President. In order of their seniority, unless otherwise determined by the President or the Board of Directors, they shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the President or the Board of Directors may from time to time prescribe.

Section 12. The Treasurer shall act under the direction of the President. Subject to the direction of the President he shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the President or the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the corporation.

Section 13. If required by the Board of Directors, he shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

Section 14. The Assistant Treasurer in the order of their seniority, unless otherwise determined by the President or the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer. They shall perform such other duties and have such other powers as the President or the Board of Directors may from time to time prescribe

ARTICLE IX
Certificates of Stock

Section 1. Every stockholder shall be entitled to have a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the corporation, certifying the number of shares owned by him in the corporation. If the corporation shall be authorized to issue more than one class of stock or more than one series of any class, the designations, preferences and relative, participating, optional or other special rights of the various classes of stock or series thereof and the qualifications, limitations or restrictions of such rights, shall be set forth in full or summarized on the face or back of the certificate which the corporation shall issue to represent such stock.

Section 2. If a certificate is signed (a) by a transfer agent other than the corporation or its employees or (b) by a registrar other than the corporation or its employees, the signatures of the officers of the corporation may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon a certificate shall cease to be such officer before such certificate is issued, such certificate may be issued with the same effect as though the person had not ceased to be such officer. The seal of the corporation, or a facsimile thereof, may, but need not be, affixed to certificates of stock.

Section 3. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

Section 4. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for share duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation, if it is satisfied that all provisions of the laws and regulations applicable to the corporation regarding transfer and ownership of shares have been complied with, to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 5. The Board of Directors may fix in advance a date not exceeding sixty (60) days nor less than ten (10) days preceding the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining the consent of stockholders for any purpose, as a record date for the determination of the stockholders entitled to notice of and to vote at any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to give such consent, and in such case, such stockholders, and only such stockholders as shall be stockholders of record on the date so fixed, shall be entitled to notice of and to vote at such meeting, or any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, or to give such consent, as the case may be, notwithstanding any transfer of any stock on the books of the corporation after any such record date fixed as aforesaid.

Section 6. The corporation shall be entitled to recognize the person registered on its books as the owner of shares to be the exclusive owner for all purposes including voting and dividends, and the corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of California.

ARTICLE X
General Provisions

Section 1. Dividends upon the capital stock of the corporation, subject to the provisions of the Articles of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the Articles of Incorporation.

Section 2. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends or for repairing or maintaining any property of the corporation or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 3. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 4. The fiscal year end of the corporation shall be August 31.

Section 5. The corporation mayor may not have a corporate seal, as may from time to time be determined by resolution of the Board of Directors. If a corporate seal is adopted, it shall have inscribed thereon the name of the corporation and the words "Corporate Seal" and "California." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

ARTICLE XI
Indemnification

Every person who was or is a party or is threatened to be made a party to or is involved in any action, suitor proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or a person of whom he is the legal representative is or was a director or officer of the corporation or is or was serving at the request of the corporation or for its benefit as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the General Corporation Law of the State of California from time to time against all expenses, liability and loss (including attorneys' fees, judgments, fines and amounts paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith. The expenses of officers and directors incurred in defending a civil or criminal action, suit or proceeding must be paid by the corporation as they are incurred and in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation.

Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right which such directors, officers or representatives may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, vote of stockholders, provision of law or otherwise, as well as their rights under this Article.

The Board of Directors may cause the corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the corporation would have the power to indemnify such person.

The Board of Directors may from time to time adopt further Bylaws with respect to indemnification and may amend these and such Bylaws to provide at all times the fullest indemnification permitted by the General Corporation Law of the State of California.

ARTICLE XII
Amendments

Section 1. The Bylaws may be amended by a majority vote of all the stock issued and outstanding and entitled to vote at any annual or special meeting of the stockholders, provided notice of intention to amend shall have been contained in the notice of the meeting.

Section 2. The Board of Directors by a majority vote of the whole Board at any meeting may amend these bylaws, including Bylaws adopted by the stockholders, but the stockholders may from time to time specify particular provisions of the Bylaws which shall not be amended by the Board of Directors.

APPROVED AND ADOPTED this 26th day of August, 2008.

/s/David R. Koos
Secretary

Exhibit 10.1

EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement and the attached Appendix A (collectively, the "Agreement") is made and is effective this 26th day of September 2008 (the "Effective Date") between THE REGENTS OF THE UNIVERSITY OF CALIFORNIA ("The Regents"), a California corporation having its corporate offices located at 1111 Franklin Street, Oakland, California 94607-5200, acting through The Office of Intellectual Property Administration of the University of California, Los Angeles, located at 11000 Kinross Avenue, Suite 200, Los Angeles, CA 90095-1406 and Entest BioMedical Inc. ("Licensee"), a corporation having a principal place of business at 1010 University Avenue #40**,** San Diego, CA 92103.

RECITALS

WHEREAS, a certain invention (the "Invention"), generally characterized as "SCREENING TEST FOR GESTATIONAL DIABETES MELLITUS" (UCLA Case No. 2007-523) was made in the course of research at the University of California, Los Angeles by Brian J. Koos, and is and claimed in Regents' Patent Rights as defined below;

WHEREAS, Brian J. Koos is an employee of The Regents and as such is obligated to assign his/her right, title and interest in and to the Invention to The Regents;

WHEREAS, The Regents wishes that Regents' Patent Rights be developed and utilized to the fullest extent so that the benefits can be enjoyed by the general public.

WHEREAS, Licensee is a "small business concern" as defined in 15 U.S.C. §§632; and

The parties agree as follows:

1. DEFINITIONS

1.1 "Regents' Patent Rights" means The Regents' interest in any of the patent applications listed in Appendix A attached to this Agreement and assigned to The Regents (UCLA Case No. 2007-523); any continuing applications thereof including divisions; but excluding continuations-in-part except to the extent of claims entirely supported in the specification and entitled to the priority date of the parent application; any patents issuing on these applications including reissues and reexaminations; and any corresponding foreign patents or patent applications; all of which will be automatically incorporated in and added to Appendix A and made a part of this Agreement.

1.2 "Licensed Product" means any article, composition, apparatus, substance, chemical, or any other material covered by Regents' Patent Rights or whose manufacture, use or sale would, absent the license granted under this Agreement, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights, or any service, article, composition, apparatus, chemical, substance, or any other material made, used, or sold by or utilizing or practicing a Licensed Method. This definition of Licensed Product also includes a service either used by Licensee or sublicensee or provided by Licensee or sublicensee to its customers when such service requires the use of Licensed Product or performance of Licensed Method. If the Licensed Product is a component of another product such as a kit, composition of matter or combination, such kit, composition of matter or combination is deemed to be the Licensed Product for purposes of this Agreement. Likewise, if the Licensee or sublicensees receives a Licensed Product for incorporation into another product intended for sales, transfer, lease or other disposition, then, for the purposes of this Agreement, the Licensed Product is the product intended for sale, transfer, lease, or other disposition by recipient Licensee or sublicensee.

1.3 "Licensed Method" means any process, service, or method which is covered by Regents' Patent Rights or whose use or practice would, absent the license granted under this Agreement, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights.

1.4 The "Field of Use" means all fields of use.

1.5 " Affiliate " means any corporation or other business entity in which Licensee owns or controls, directly or indirectly, at least fifty percent (50%) of the outstanding stock or other voting rights entitled to elect directors. In any country where the local law does not permit foreign equity participation of at least fifty percent (50%), then "Affiliate" means any company in which Licensee owns or controls, directly or indirectly, the maximum percentage of outstanding stock or voting rights that is permitted by local law.

1.6 “Joint Venture” means any separate entity established pursuant to an agreement between a third party and the Licensee and/or Sublicensee to constitute a vehicle for a Joint Venture, in which the separate entity manufactures, uses, purchases, Sells or acquires Licensed Products from the Licensee or Sublicensee. Each reference to Licensee herein will be meant to include its Joint Venture(s), and Licensee will be responsible for all obligations of its Joint Ventures.

1.7 "First Commercial Sale" means the first sale of any Licensed Product by Licensee or sublicensee, following approval of it's marketing by the appropriate governmental agency for the country in which the sale is to be made. When governmental approval is not required, "First Commercial Sale" means the first sale in that country.

1.8 "Final Sale" means any sale, transfer, lease, exchange or other disposition or provision of a Licensed Product and/or a Licensed Method to a Customer by a Licensee or Sublicensee. A Final Sale will be deemed to have occurred upon the earliest to occur of the following (as applicable): (a) the transfer of title to such Licensed Product and/or Licensed Method to a Customer, (b) the shipment of such Licensed Product to a Customer, (c) the provision of a Licensed Method to a Customer, (d) the provision of an invoice for such Licensed Product or Licensed Method to a Customer, or (e) payment by the Customer for Licensed Products or Licensed Methods. Exchange of Licensed Products between Licensee and sublicense(s) is not a Final Sale if the Licensed Product is intended for further sale, transfer, lease, exchange or other disposition and instead the Final Sale will be deemed to have occurred upon sale, transfer, lease, exchange or other disposition or provision of Licensed Product by recipient to the Customer. If the Licensee or sublicense transfers Licensed Product at no cost during a clinical study, clinical trial, or as a free sample in product promotion, then such sale will not be considered a Final Sale and no royalty will be owed hereunder.

1.9 "Net Sales" means the total of the gross amount invoiced or otherwise charged (whether consisting of cash or any other forms of consideration) for all Final Sales, less the following deductions (to the extent included in and not already deducted from the gross amount invoiced or otherwise charged) to the extent reasonable and customary: cash, trade or quantity discounts actually granted to Customers; sales, use, tariff, import/export duties or other excise taxes imposed on particular sales, and value added taxes ("vat") to the extent that such vat is incurred and not reimbursed, refunded, or credited under a tax authority; and allowances or credits to Customers because of rejections or returns. Income taxes are not an allowed deduction under Net Sales. If the Licensee, a sublicense, development partner or Joint Venture is a Customer, then Licensee will pay royalties on Net sales based on the total gross amount normally charged to other Customers in arms length transactions.

1.10 Sublicensee" means any party sublicensed by Licensee to make, have made, use, sell, offer for sale or import any Licensed Product or to practice any Licensed Method.

1.11 "Sublicensing Income" means income received by Licensee under or on account of sublicenses. Sublicensing Income includes income received from Sublicensees attributable to the licensed Invention in the form of license issue fees, milestone payments, and the like but specifically excludes royalties on the sale or distribution of Licensed Products or the practice of Licensed Methods. Not included in the definition of Sublicensing Income is income received by Licensee as payment or reimbursement for research costs applied to the licensed Invention and conducted by or for Licensee, including costs of materials, equipment or clinical testing.

1.12 "Customer" means any individual or entity that receives Licensed Products or Licensed Methods, provided however, that Licensee or sublicensee shall be deemed a Customer only if it receives Licensed Products or Licensed Method that are not intended for further sale, transfer, lease, exchange or other disposition.

2. GRANT

2.1 Subject to the limitations set forth in this Agreement, The Regents hereby grants to Licensee an exclusive license (the "License") under Regents' Patent Rights, in jurisdictions where Regents' Patent Rights exist, to make, have made, use, sell, offer for sale and import Licensed Products and to practice Licensed Methods in the Field of Use to the extent permitted by law. The Licensee will not make, use, sell, import, or offer for sale, Licensed Products outside the Field of Use.

2.2 The Regents expressly reserves the right to: (a) use Regents' Patent Rights and associated technology for educational and research purposes, clinical research, and research sponsored by commercial entities (b) to publicly disclose research results, and (c) allow other non-profit research institutions to use Regents' Patent Rights and associated technology for the same purposes as (a) and (b).

2.3 The Agreement will terminate immediately if Licensee files a claim including in any way the assertion that any portion of Regents' Patent Rights is invalid or unenforceable where the filing is by the Licensee, a third party on behalf of the Licensee, or a third party at the written urging of the Licensee

3. SUBLICENSES

3.1 The Regents also grants to Licensee the right to issue exclusive or nonexclusive sublicenses ("Sublicenses") to third parties to make, have made, use, sell, offer for sale or import Licensed Products and to practice Licensed Methods in any jurisdiction in which Licensee has exclusive rights under this Agreement, but Sublicenses will not include further right to sublicense on the part of the Sublicensee. Each Sublicense will be issued in writing. To the extent applicable, sublicenses must include all of the rights of and will require the performance of obligations due to The Regents (and, if applicable, the U.S. Government under 35 U.S. C. §§201-212) contained in this Agreement. Affiliates have no rights hereunder, unless, granted a Sublicense. For the purposes of this Agreement, operations of Sublicensees are deemed to be the operations of the Licensee, for which the Licensee is responsible.

3.2 Licensee must pay to The Regents Twenty-five percent (25%) of all Sublicensing Income.

3.3 On Net Sales of Licensed Products sold or disposed of by a Sublicensee, Licensee must pay to The Regents an earned royalty in accordance with Article 5 (Royalties) as if these were Licensee's Net Sales. Any royalties received by Licensee in excess of royalties due to The Regents under this Paragraph 3.3 belong to Licensee.

3.4 Licensee must provide to The Regents a copy of each Sublicense within thirty (30) days of execution, and a copy of all information submitted to Licensee by Sublicensees relevant to the computation of the payments due to The Regents under this Article 3.

3.5 If this Agreement is terminated for any reason, all outstanding Sublicenses not in default will be assigned by Licensee to The Regents, at the option of The Regents. The Sublicenses will remain in full force and effect with The Regents as the licensor or sublicensor instead of Licensee, but the duties of The Regents under the assigned Sublicenses will not be greater than the duties of The Regents under this Agreement, and the rights of The Regents under the assigned Sublicenses will not be less than the rights of The Regents under this Agreement, including all financial consideration and other rights of The Regents.

4. FEES

4.1 In partial consideration for the License, Licensee will pay to The Regents a license issue fee of Five thousand dollars ($5,000) within thirty (30) days of the Effective Date. This fee is nonrefundable and is not an advance against royalties.

4.2 Licensee must pay to The Regents a license maintenance fee of Five thousand dollars ($5,000) beginning on the one-year anniversary date of the Effective Date of this Agreement and continuing annually on each anniversary date of the Effective Date. The maintenance fee will not be due and payable on any anniversary date of the Effective Date if on that date Licensee is commercially selling a Licensed Product and paying an earned royalty to The Regents on the sales of that Licensed Product. The license maintenance fees are non-refundable and are not an advance against royalties.

5. ROYALTIES

5.1 Licensee must pay to The Regents for sales by Licensee and sublicensees an earned royalty of Six percent (6%) of Net Sales of Licensed Products or Licensed Methods.

5.2 Licensee must pay to The Regents a minimum annual royalty of Fifty thousand dollars ($50,000) for the life of Regents' Patent Rights, beginning one year after the First Commercial Sale of Licensed Product. Licensee must pay the minimum annual royalty to The Regents by February 28 of each year. The minimum annual royalty will be credited against the earned royalty due and owing for the calendar year in which the minimum payment was made.

5.3 Royalties are payable on products covered by pending patent applications and issued patents. Royalties accrue for the duration of this Agreement.

5.4 Licensee must pay royalties owed to The Regents on a quarterly basis. Licensee must pay the royalties within two (2) months of the end of the calendar quarter in which the royalties accrued.

5.5 All monies due The Regents must be paid in United States funds. When Licensed Products are sold for monies other than United States dollars, the royalties will first be determined in the currency of the country in which the Licensed Products were sold and, second, converted into equivalent United States funds. Licensee will use the exchange rate established by the Bank of America in San Francisco, California on the last day of the calendar quarter.

5.6 Any tax for the account of The Regents required to be withheld by Licensee under the laws of any foreign country must be promptly paid by Licensee for and on behalf of The Regents to the appropriate governmental authority. Licensee will use its best efforts to furnish The Regents with proof of payment of any tax. Licensee is responsible for all bank transfer charges. All payments made by Licensee in fulfillment of The Regents' tax liability in any particular country will be credited against fees or royalties due The Regents for that country.

5.7 If at any time legal restrictions prevent the acquisition or prompt remittance of United States Dollars by Licensee with respect to any country where a Licensed Product is sold, the Licensee shall pay royalties due to The Regents from Licensee’s other sources of United States Dollars.

5.8 If any patent or any claim included in Regents' Patent Rights is held invalid or unenforceable in a final decision by a court of competent jurisdiction from which no appeal has or can be taken, all obligation to pay royalties based on that patent or claim or any claim patentably indistinct from it will cease as of the date of that final decision. Licensee will not, however, be relieved from paying any royalties that accrued before that decision or that is based on another patent or claim not involved in that decision.

6. DILIGENCE

6.1 Upon the execution of this Agreement, Licensee must diligently proceed with the development, manufacture and sale ("Commercialization") of Licensed Products and must earnestly and diligently endeavor to market them within a reasonable time after execution of this Agreement and in quantities sufficient to meet the market demands for them.

6.2 Licensee must endeavor to obtain all necessary governmental approvals for the Commercialization of Licensed Products.

6.3 The Regents has the right and option to either terminate this Agreement or reduce Licensee's exclusive license to a nonexclusive license if Licensee fails to perform any of the terms in this Paragraph 6.3. This right, if exercised by The Regents, supersedes the rights granted in Article 2 (Grant).

6.3a Initiate a study in humans to measure D-chiro-inositol ("DBI") throughout pregnancy and correlate DBI levels with conventional gestational diabetes mellitus ("GDM") assays to determine value of DBI in predicting GDM by September 1, 2010.

6.3b Complete a study in humans to measure D-chiro-inositol ("DBI") throughout pregnancy and correlate DBI levels with conventional gestational diabetes mellitus ("GDM") assays to determine value of DBI in predicting GDM by September 1, 2011.

6.3c Complete a study to measure plasma DBI levels in samples from the Hyperglycemia and Adverse Pregnancy Outcomes (HAPO) study and correlate these DBI levels to GDM incidence by June 1, 2012.

6.3d Complete a prospective human study on DBI and its value in predicting GDM by June 1, 2013.

6.3e Develop a urine-based test for assaying DBI by September 1, 2015.

6.3f First Commercial Sale of a Licensed Product by September 1, 2017.

6.4 Licensee has the sole discretion for making all decisions as to how to commercialize any Licensed Product.

7. PATENT FILING, PROSECUTION AND MAINTENANCE

7.1 As long as Licensee is current in reimbursing patent prosecution costs, The Regents will file, prosecute and maintain the patents and applications comprising Regents' Patent Rights. These patents will be held in the name of The Regents and will be obtained with counsel of The Regents' choice. The Regents must provide Licensee with copies of each patent application, office action, response to office action, request for terminal disclaimer, and request for reissue or reexamination of any patent or patent application under Regents' Patent Rights. The Regents will consider any comments or suggestions by Licensee and will use reasonable efforts to amend patent applications to include claims reasonably requested by the License to protect the products and services contemplated under this Agreement. The Regents is entitled to take action to preserve rights and minimize costs whether or not Licensee has commented.

7.2 Patent Costs.

7.2.1 Licensee will bear all costs incurred prior to this Agreement as well as during the term of this Agreement for territories elected by Licensee pursuant to Section 7.3 of this Agreement, and invoiced to The Regents in the preparation, filing, prosecution and maintenance of patent applications and patents in Regents' Patent Rights. Prosecution includes interferences, oppositions and any other inter partes matters originating in a patent office. Licensee must send payment to The Regents within thirty (30) days after Licensee's receipt of an invoice.

7.2.2 The Regents will use reasonable efforts to give Licensee estimates in advance for patent actions costing more than two thousand dollars ($2,000) in order to get input from Licensee regarding the performance of such activity and cost control. Reasonable efforts pursuant to this Paragraph 7.2.2 shall include: (A) providing to Licensee, after receipt by The Regents from The Regents' outside counsel, copies of all estimates for fees and expenses to the extent such documents were not previously provided to Licensee by Regents' outside counsel and (B) instructing its outside counsel to directly forward to Licensee, at the same time as its outside counsel forwards to The Regents and using the same means that The Regents' outside counsel uses to forward to The Regents, copies of all estimates for fees and expenses. No later than (A) ten (10) weeks prior to the relevant patent action deadline (for example a patent filing bar date or an office action response deadline); or (B) within ten (10) business days of The Regents supplying the relevant cost estimate, whichever is first, Licensee will inform The Regents in writing whether or not it elects to proceed with the relevant patent action. If, based on the cost estimate, Licensee elects not to proceed with the relevant patent action such patent applications or the patents to which the office action applies, will then no longer be subject to this Agreement, and The Regents will be free to negotiate an agreement such as an option or license with another party for these patent applications or patent (s). The Regents will also instruct its outside counsel to send to Licensee a duplicate copy of each invoice sent by The Regents' outside counsel to The Regents. Licensee will have fifteen (15) business days from the effective date of delivery of the invoice or billing statement pursuant to Article 19(LIMITATION OF LIABILITY), to notify The Regents if Licensee believes there are any inaccurate, excessive, or questionable charges on such invoice or billing statement. For purposes of clarity it is understood that The Regents cannot guarantee that its outside counsel will adhere to these instructions.

7.3 Licensee has the right to request patent prosecution on the Invention in foreign countries if the rights are available. Licensee must notify The Regents of its decision no later than three (3) months prior to the Chapter Two Demand and no later than three (3) months prior to the National Phase filing date indicating which territories they wish to select for prosecution. This notice must be in writing and must identify the countries desired. With the notice of election the Licensee must pay in advance The Regents patent counsel's estimated cost of the Chapter Two Demand or the entry into National Phase in the requested territories. The absence of this notice and advance payment either for Chapter Two or for National Phase from Licensee to The Regents will be considered an election not to secure the foreign rights associated with the specific phase of patent prosecution.

7.4 Three (3) months before the Chapter Two Demand and three (3) months before National Phase filing, but not sooner, The Regents will have the right to file patent applications at its own expense in any country which Licensee has not identified in written notice provided by Paragraph 7.3. These applications and resulting patents will not be part of Regents Patent Rights and therefore not subject to this Agreement.

7.5 Licensee's obligation to underwrite and to pay all United States and foreign patent costs will continue for as long as this Agreement remains in effect. Licensee may terminate its obligations with respect to any given patent application or patent upon three (3) months written notice to The Regents. The Regents will use its best efforts to curtail patent costs chargeable to Licensee under this Agreement after this notice is received from Licensee. The Regents may continue prosecution or maintenance of these application(s) or patent(s) at its sole discretion and expense, and Licensee will have no further rights or licenses to them.

7.6 The Regents will use its best efforts to not allow any Regents' Patent Rights for which Licensee is licensed and is underwriting the costs of to lapse or become abandoned without Licensee's written authorization under Paragraph 7.5 or reasonable notice, except for the filing of continuations, divisionals, or the like which substitute for the lapsed application.

8. PATENT INFRINGEMENT

8.1 In the event that The Regents (to the extent of the actual knowledge of the licensing professional responsible for the administration of this Agreement) or the Licensee learns of infringement of potential commercial significance of any patent licensed under this Agreement, the knowledgeable party will provide the other (i) with written notice of such infringement and (ii) with any evidence of such infringement available to it (the “Infringement Notice”). During the period in which, and in the jurisdiction where, the Licensee has exclusive rights under this Agreement, neither The Regents nor the Licensee will notify a third party (including the infringer) of infringement or put such third party on notice of the existence of any Regents’ Patent Rights without first obtaining consent of the other. If the Licensee puts such infringer on notice of the existence of any Regents’ Patent Rights with respect to such infringement without first obtaining the written consent of The Regents and if a declaratory judgment action is filed by such infringer against The Regents, then Licensee's right to initiate a suit against such infringer for infringement under Paragraph 8.2 below will terminate immediately without the obligation of The Regents to provide notice to the Licensee. Both The Regents and the Licensee will use their diligent efforts to cooperate with each other to terminate such infringement without litigation.

8.2 If infringing activity of potential commercial significance by the infringer has not been abated within ninety (90) days following the date the Infringement Notice takes effect, then the Licensee may institute suit for patent infringement against the infringer. The Regents may voluntarily join such suit at its own expense, but may not thereafter commence suit against the infringer for the acts of infringement that are the subject of the Licensee’s suit or any judgment rendered in the suit. The Licensee may not join The Regents in a suit initiated by Licensee without The Regents’ prior written consent. If, in a suit initiated by the Licensee, The Regents is involuntarily joined other than by the Licensee, then the Licensee will pay any costs incurred by The Regents arising out of such suit, including but not limited to, any legal fees of counsel that The Regents selects and retains to represent it in the suit.

8.3 If, within a hundred and twenty (120) days following the date the Infringement Notice takes effect, infringing activity of potential commercial significance by the infringer has not been abated and if the Licensee has not brought suit against the infringer, then The Regents may institute such suit for patent infringement against the infringer. If The Regents institutes such suit, then the Licensee may not join such suit without The Regents consent and may not thereafter commence suit against the infringer for acts of infringement that are subject to The Regents suit or any judgment rendered in that suit.

8.4 Any recovery or settlement received in connection with any suit will first be shared by The Regents and the Licensee equally to cover any litigation costs each incurred and next shall be paid to The Regents or the Licensee to cover any litigation costs it incurred in excess of the litigation costs of the other. In any suit initiated by the Licensee, any recovery in excess of litigation costs will be shared between Licensee and The Regents as follows: (a) for any recovery other than amounts paid for willful infringement: (i) The Regents will receive five percent (5%) of the recovery if The Regents was not a party in the litigation and did not incur any litigation costs, (ii) The Regents will receive twenty-five percent (25%) if The Regents was party in the litigation, but did not incur any litigation costs, including provisions of Paragraph 8.2 above, and (iii) The Regents will receive fifty percent (50%) of the recovery if The Regents incurred any litigation costs in connection with the litigation; and (b) for any recovery for willful infringement, The Regents will receive fifty percent (50%) of the recovery. In any suit initiated by The Regents, any recovery in excess of litigation costs will belong to The Regents. The Regents and the Licensee agree to be bound by all determinations of patent infringement, validity and enforceability (but no other issue) resolved by any adjudicated judgment in a suit brought in compliance with this Article 8 (Patent Infringement).

8.5 Any agreement made by the Licensee for purposes of settling litigation or other dispute shall comply with the requirements of Article 3 (Sublicenses) of this Agreement.

8.6 Each party will cooperate with the other in litigation proceedings instituted hereunder but at the expense of the party who initiated the suit (unless such suit is being jointly prosecuted by the parties).

8.7 Any litigation proceedings will be controlled by the party bringing the suit, except that The Regents may be represented by counsel of its choice in any suit brought by the Licensee.

9. PROGRESS AND ROYALTY REPORTS

9.1 Beginning January 1, 2009, Licensee must submit to The Regents semiannual progress reports covering Licensee's activities related to the development and testing of all Licensed Products and the obtaining of the governmental approvals necessary for marketing. These progress reports must be made for each Licensed Product until its First Commercial Sale.

9.2 The progress reports submitted under Paragraph 9.1 must include the following topics:

9.2a Summary of work completed.
9.2b Key scientific discoveries.
9.2c Summary of work in progress.
9.2d Current schedule of anticipated events or milestones.
9.2e Market plans for introduction of Licensed Products.
9.2f A summary of resources (dollar value) spent in the reporting period.

9.3. Licensee must notify The Regents if Licensee or any of its sublicensees ceases to be a small entity (as defined by the United States Patent and Trademark Office) under the provisions of 35 U.S.C. §41(h).

9.4 Licensee must report the date of the First Commercial Sale in the royalty report immediately following that sale.

9.5 After the First Commercial Sale of each Licensed Product, Licensee will make quarterly royalty reports to The Regents by February 28, May 31, August 31 and November 30 of each year (i.e., within two months from the end of each calendar quarter). Each royalty report will cover Licensee's most recently completed calendar quarter and must show:

9.5a Gross sales and Net Sales of any Licensed Product.
9.5b Number of each type of Licensed Product sold.
9.5c Royalties payable to The Regents.

9.6 Licensee will state in its royalty report if it had no sales of any Licensed Product in the applicable quarter.

10. BOOKS AND RECORDS

10.1 Licensee must keep accurate books and records of all Licensed Products developed, manufactured, used or sold. Licensee must preserve these books and records for at least five (5) years from the date of the royalty payment to which they pertain. These books and records will be open to examination by representatives or agents of The Regents during regular office hours to determine their accuracy and assess the Licensee’s compliance with the terms of this Agreement. The Licensee will pay fees and expenses of these inspections if an error favoring Licensee of more than five percent (5%) of the total annual royalties is discovered, otherwise The Regents will pay the fees and expenses of inspections. Payment owed by Licensee hereunder for underpayment of royalties will be due within thirty (30) days of the examination result and payment by Licensee for any examination costs incurred by The Regents will be due within thirty (30) days from the date of The Regents’ invoice.

11. LIFE OF THE AGREEMENT

11.1 Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement, this Agreement is in force from the Effective Date recited on page one and remains in effect for the life of the last-to-expire patent or last to be abandoned patent application in Regents' Patent Rights, whichever is later.

11.2 Upon termination of this Agreement, Licensee will have no further right to make, have made, use or sell any Licensed Product except as provided in Article 14 (Disposition of Licensed Products on Hand Upon Termination).

11.3 Any expiration or termination of this Agreement will not affect the rights and obligations set forth in the following Articles:

Article 10	Books and Records.
Article 14	Disposition of Licensed Products on Hand upon Termination.
Article 16	Use of Names and Trademarks.
Article 17	Warranties
Article 18	Indemnification.
Article 23	Failure to Perform.
Article 24	Governing Laws

12. TERMINATION BY THE REGENTS

12.1 If Licensee violates or fails to perform any material term of this Agreement, then The Regents may give written notice of the default ("Notice of Default") to Licensee. If Licensee does not repair the default within sixty (60) days after the effective date of the Notice of Default, then The Regents has the right to terminate this Agreement and the License by a second written notice ("Notice of Termination") to Licensee. If The Regents sends a Notice of Termination to Licensee, then this Agreement automatically terminates on the effective date of this notice. Termination does not relieve Licensee of its obligation to pay any royalty or fees owing at the time of termination and does not impair any accrued right of The Regents.

13. TERMINATION BY LICENSEE

13.1 Licensee has the right at any time to terminate this Agreement in whole or with respect to any portion of Regents' Patent Rights by giving written notice to The Regents. This notice of termination will be subject to Article 20 (Notices) and will be effective ninety (90) days after the effective date of the notice.

13.2 Any termination in accordance with Paragraph 13.1 does not relieve Licensee of any obligation or liability accrued prior to termination. Nor does termination rescind anything done by Licensee or any payments made to The Regents prior to the effective date of termination. Termination does not affect in any manner any rights of The Regents arising under this Agreement prior to termination.

14. DISPOSITION OF LICENSED PRODUCTS ON HAND UPON TERMINATION

14.1 Upon termination of this Agreement, Licensee will have the right to dispose of all previously made or partially made Licensed Products, but no more, within a period of six (6) months. But Licensee must submit royalty reports on the sale of these Licensed Products and must pay royalties at the rate and at the time provided in this Agreement.

15. PATENT MARKING

15.1 Licensee must mark all Licensed Products made, used or sold under the terms of this Agreement, or their containers, in accordance with the applicable patent marking laws.

16. USE OF NAMES AND TRADEMARKS

16.1 The Licensee will not use any name, trade name, trademark or other designation of The Regents' or its employees (including contraction, abbreviation or simulation of any of the foregoing) in advertising, publicity or other promotional activity. Unless required by law, Licensee is expressly prohibited from using the name "The Regents of the University of California" or the name of any campus of the University of California in advertising, publicity, or other promotional activity, without written permission of The Regents.

17. LIMITED WARRANTY

17.1 The Regents warrants that it has the lawful right to grant this license to Licensee.

17.2 This License and the associated Invention are provided WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. THE REGENTS MAKE NO REPRESENTATION OR WARRANTY THAT ANY LICENSED PRODUCT WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.

17.3 IN NO EVENT WILL THE REGENTS BE LIABLE FOR ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES RESULTING FROM EXERCISE OF THIS LICENSE OR THE USE OF THE INVENTION OR LICENSED PRODUCTS OR THE USE OR THE PRACTICE OF LICENSED METHODS.

17.4 Nothing in this Agreement will be construed as:

17.4a A warranty or representation by The Regents as to the validity or scope of any Regents' Patent Rights.
17.4b A warranty or representation that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents of third parties.
17.4c Obligating The Regents to bring or prosecute actions or suits against third parties for patent infringement except as provided in Article 8 (Patent Infringement).
17.4d Conferring by implication, estoppel or otherwise any license or rights under any patents of The Regents other than Regents' Patent Rights as defined herein, regardless of whether such patents are dominant or subordinate to Regents' Patent Rights.
17.4e Obligating The Regents to furnish any know-how not provided in Regents' Patent Rights.

18. INDEMNIFICATION

18.1 Licensee will, and will require its sublicensees to, indemnify, hold harmless and defend The Regents, its officers, employees, and agents, the sponsors of the research that led to the invention, the inventors of the patents and patent applications in Regents' Patent Rights and their respective employers from and against any and all liability, claims, suits, losses, damages, costs, fees and expenses resulting from or arising out of exercise of this Agreement or any Sublicense. Indemnification includes but is not limited to products liability. If The Regents, in its sole discretion, believes that there will be a conflict of interest or it will not otherwise be adequately represented by counsel chosen by Licensee to defend The Regents in accordance with this Paragraph 18.1, then The Regents may retain counsel of its choice to represent it, and Licensee will pay all expenses for such representation.

18.2 Licensee, at its sole cost and expense, must insure its activities in connection with the work under this Agreement and obtain, keep in force and maintain Commercial Form General Liability Insurance (contractual liability included) with limits as follows:

18.2a	Each occurrence	$500,000
18.2b	Products/completed operations aggregate	$1,000,000
18.2c	Personal and advertising injury	$500,000
18.2d	General aggregate (commercial form only)	$1,000,000

In Vitro Diagnostics
Notwithstanding the foregoing, no later than the sooner of 60 days before the first use of any Licensed Product or Licensed Method in or on a human or 60 days before the anticipated date of market introduction of any Licensed Product or Licensed Method where such Licensed Product or Licensed Method is a diagnostic for in vitro use, Licensee, at its sole cost and expense, shall insure its activities in connection with the work under this Agreement and obtain, keep in force and maintain Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with limits as follows (or an equivalent program of self-insurance):

18.2e	Each occurrence	$1,000,000
18.2f	Products/completed operations aggregate	$5,000,000
18.2g	Personal and advertising injury	$1,000,000
18.2h	General aggregate (commercial form only)	$5,000,000

In Vivo Diagnostics
Notwithstanding the foregoing, no later than 60 days before the first use of any Licensed Product or Licensed Method in or on a human where such Licensed Product or Licensed Method is a diagnostic for in vivo use, Licensee, at its sole cost and expense, shall insure its activities in connection with the work under this Agreement and obtain, keep in force and maintain Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with limits as follows (or an equivalent program of self-insurance):

18.2i	Each occurrence	$2,000,000
18.2j	Products/completed operations aggregate	$10,000,000
18.2k	Personal and advertising injury	$1,000,000
18.2l	General aggregate (commercial form only)	$4,000,000

Notwithstanding the foregoing, no later than 60 days before the anticipated date of market introduction of any Licensed Product or Licensed Method where such Licensed Product or Licensed Method is a diagnostic for in vivo use, Licensee, at its sole cost and expense, shall insure its activities in connection with the work under this Agreement and obtain, keep in force and maintain Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with limits as follows (or an equivalent program of self-insurance):

18.2m	Each occurrence	$5,000,000
18.2n	Products/completed operations aggregate	$10,000,000
18.2o	Personal and advertising injury	$5,000,000
18.2p	General aggregate (commercial form only)	$10,000,000

18.3 If the above insurance is written on a claims-made form, it shall continue for three (3) years following termination or expiration of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the Effective Date of this Agreement.

18.4 Licensee will obtain, keep in force and maintain Worker's Compensation Insurance as legally required in the jurisdiction in which Licensee is doing business.

18.5 Licensee expressly understands, however, that the coverages and limits in Paragraph 18.2 do not in any way limit the Licensee's liability. Licensee must furnish The Regents with certificates of insurance evidencing compliance with all requirements. Licensee's insurance must:

18.5a Provide for thirty (30) day advance written notice to The Regents of any modification.
18.5b Indicate that The Regents of the University of California is endorsed as an insured under the coverages listed in Paragraph 18.2.
18.5c Include a provision that the coverages will be primary and will not participate with nor will be excess over any valid and collective insurance or program of self-insurance carried or maintained by The Regents.

18.6 The Regents shall notify Licensee in writing of any claim or suit brought against The Regents in respect of which The Regents intends to invoke the provisions of this Article 18 (Indemnification). Licensee shall keep The Regents informed on a current basis of its defense of any claims under this Article 18 (Indemnification).

19. LIMITATIONS OF LIABLITY

19.1 THE REGENTS WILL NOT BE LIABLE FOR ANY LOST PROFITS, COSTS OF PROCURING SUBSTITUTE GOODS OR SERVICES, LOST BUSINESS, ENHANCED DAMAGES FOR INTELLECTUAL PROPERTY INFRINGEMENT OR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR OTHER SPECIAL DAMAGES SUFFERED BY LICENSEE, SUBLICENSEES, JOINT VENTURES, AFFILIATES OR DEVELOPMENT PARTNERS ARISING OUT OF OR RELATED TO THIS AGREEMENT. THE REGENTS WILL NOT BE LIABLE FOR ANY CAUSES OF ACTION OF ANY KIND (INCLUDING TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY AND BREACH OF WARRANTY) EVEN IF THE REGENTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

20. NOTICES

20.1 Any notice or payment required to be given to either party must be sent to the respective address given below and is effective: (a) on the date of delivery if delivered in person, (b) five (5) days after mailing if mailed by first-class certified mail, postage paid, or (c) on the next business day if sent by overnight delivery. Either party may change its designated address by written notice.

For Licensee: Entest BioMedical Inc.
1010 University Avenue #40
San Diego, CA 92103

Attention: David R. Koos

For The Regents: The Regents of the University of California
University of California, Los Angeles
Office of Intellectual Property Administration
11000 Kinross Avenue, suite 200
Los Angeles, CA 90095-1406

Attention: Director
Ref: UC Case No. 2007-523

21. ASSIGNABILITY

21.1 This Agreement is binding upon and inures to the benefit of The Regents, its successors and assigns. But it is personal to Licensee and assignable by Licensee only with the written consent of The Regents. The consent of The Regents will not be required if the assignment is in conjunction with the transfer of all or substantially all of the business of Licensee to which this license relates.

22. LATE PAYMENTS

22.1 For each royalty payment or fee not received by The Regents when due, Licensee must pay to The Regents a simple interest charge of 10% per annum to be calculated from the date payment was due until it was actually received by The Regents.

23. WAIVER

23.1 The waiver of any breach of any term of this Agreement does not waive any other breach of that or any other term.

24. FAILURE TO PERFORM

24.1 If either party takes legal action against the other because of a failure of performance due under this Agreement, then the prevailing party is entitled to reasonable attorney's fees in addition to costs and necessary disbursements.

25. GOVERNING LAW

25.1 THIS AGREEMENT IS TO BE INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, but the scope and validity of any patent or patent application will be governed by the applicable laws of the country of the patent or patent application.

26. GOVERNMENT APPROVAL OR REGISTRATION

26.1 If this Agreement or any associated transaction is required by the law of any nation to be either approved or registered with any governmental agency, Licensee will assume all legal obligations to do so. Licensee will notify The Regents if it becomes aware that this Agreement is subject to a United States or foreign government reporting or approval requirement. Licensee will make all necessary filings and pay all costs including fees, penalties, and all other out-of-pocket costs associated with such reporting or approval process.

27. COMPLIANCE WITH LAWS

27.1 The Licensee will comply will all applicable international, national, state, regional, and local laws and regulations in performing its obligations hereunder and in its use, manufacture, sale or import of the Licensed Products or practice of the Licensed Methods. The Licensee will observe all applicable United States and foreign laws with respect to the transfer of Licensed Products and related technical data and the provision of services using Licensed Methods to foreign countries, including and without limitation, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations. The Licensee will manufacture Licensed Products and practice the Licensed Methods in compliance with all applicable government importation laws and regulations of a country into which Licensed Products are imported.

29. FORCE MAJEURE

29.1 Except for the Licensee's obligation to make any payments to The Regents hereunder, the parties shall not be responsible for any failure to perform due to the occurrence of any events beyond their reasonable control which render their performance impossible or onerous, including, but not limited to: accidents (environment, toxic spill, etc.); acts of God; biological or nuclear incidents; casualties; earthquakes; fires; floods; governmental acts; orders or restrictions; inability to obtain suitable and sufficient labor, transportation, fuel and materials; local, national or state emergency; power failure and power outages; acts of terrorism; strike; and war.

29.2 Either party to this Agreement, however, will have the right to terminate this Agreement upon thirty (30) days' prior written notice if either party is unable to fulfill its obligations under this Agreement due to any of the causes specified in Paragraph 29.1 for a period of one (1) year.

30. CONFIDENTIALITY

30.1 If either party discloses confidential information to the other party, the disclosing party will designate this information as confidential by appropriate legend or instruction, and the receiving party will:

30.1a Use the same degree of care to maintain the secrecy of the confidential information as it uses to maintain the secrecy of its own information of like kind.

30.1b Use the confidential information only to accomplish the purposes of this Agreement.

30.2 Neither party will disclose confidential information received from the other party except to its employees, customers, distributors and other agents who are bound to it by similar obligations of confidence and only as required to accomplish the purposes of this Agreement.

30.3 Neither party will have any confidentiality obligation with respect to the confidential information belonging to or disclosed by the other party that:

30.3a the receiving party can demonstrate by written records was previously known to it.

30.3b the receiving party lawfully obtained from sources under no obligation of confidentiality.

30.3c is or becomes publicly available other than through an act or omission of the receiving party or any of its employees.

30.3d Is required to be disclosed under the California Public Records Act, governmental audit requirement or other requirement of law.

30.4 The provisions of this Article 30 will continue in effect for five (5) years after expiration or termination of this Agreement.

30.5 The Regents is free to release to the Inventors and senior administrators employed by The Regents the terms and conditions of this Agreement. If such release is made, then The Regents shall give notice of the confidential nature and shall request that the recipient not disclose such terms and conditions to others. If a third party inquires whether a license to Regents' Patent Rights is available, then The Regents may disclose the existence of this Agreement and the extent of the grant in Articles 2 (Grant) and 3 (Sublicenses) to such third party, but will not disclose the name of Licensee or any other negotiated terms or conditions of this Agreement, except where The Regents is required to release information under the California Public Records Act, a governmental audit requirement, or other applicable law.

31. MISCELLANEOUS

31.1 The headings of the several sections are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

31.2 This Agreement is not binding upon the parties until it has been signed below on behalf of each party, in which event it becomes effective as of the date recited on page one.

31.3 No amendment or modification of this Agreement will be valid or binding upon the parties unless made in writing and signed by each party.

31.4 This Agreement and Appendix A (Regents' Patent Rights) embodies the entire understanding of the parties and supersedes all previous communications, representations or understandings, either oral or written, between the parties relating to the subject matter hereof.

31.5 If any part of this Agreement is for any reason found to be unenforceable, all other parts nevertheless remain enforceable as long as a party's rights under this Agreement are not materially affected. In lieu of the unenforceable provision, the parties will substitute or add as part of this Agreement a provision that will be as similar as possible in economic and business objectives as was intended by the unenforceable provision.

Both The Regents and Licensee have executed this Agreement in duplicate originals by their authorized officers on the dates written below:

ENTEST BIOMEDICAL INC.		**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**	
By	/s/David R. Koos	By	/s/Emily Loughran
	Signature		*Signature*
Name:	David R. Koos	Name:	Emily Loughran
Title	Chairman and CEO	Title	Director of Licensing
Date	10/14/2008	Date	10/23/08

A**PPENDIX A**

REGENTS' PATENT RIGHTS

Provisional Patent Application No. 61/030,316 entitled “SCREENING TEST FOR GESTATIONAL DIABETES MELLITUS” filed 02/21/2008 (UCLA Case No. 2007-523-1) by Dr. Brian Koos, and assigned to The Regents.

Exhibit 10.2

THIS AGREEMENT ("Agreement") is made this 15h day of June, 2009, by and between Entest BioMedical, Inc., whose address is 4700 Spring Street, Suite 203 La Mesa California , 91914 hereinafter referred to as "Entest", and Bio-Matrix Scientific Group, Inc. , whose principal place of business is 8885 Rehco Road, San Diego, California 92121, hereinafter referred to as "Company".

WHEREAS, the Company has entered into that agreement with Dr. Brian Koos (“Consultant”) dated April 8, 2009 (“Koos Agreement”)(Exhibit A).

WHEREAS, the Koos Agreement permits the Company to assign its rights to the services of the Consultant pursuant to the Koos Agreement to Entest ,

WHEREAS, Entest is desirous of having the Company to assign its rights to the services of the Consultant pursuant to the Koos Agreement to Entest

THEREFORE, it is agreed as follows:

1. Assignment. The Company shall assign its rights to the services of the Consultant pursuant to the Koos Agreement to Entest

2. Liability. The Company shall not be liable to Entest, or to anyone who may claim any right due to any relationship with Entest, for any acts or omissions in the performance of services on the part of the Consultant except when said acts or omissions of the Consultant are due to willful misconduct or gross negligence. Entest shall indemnify, defend and hold the Company free and harmless from and against any and all liabilities, costs and expenses (including reasonable attorneys’ fees) arising out of or in connection with the services rendered to Entest by Consultant pursuant to the terms of this Agreement except to the extent that the same shall result from the willful misconduct or gross negligence of the Consultant or the Company as determined by a court or arbitrator of competent jurisdiction.

3. Company shall be compensated in accordance with the following schedule:

   $10,000

4. Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

5. Entire Agreement. This Agreement represents the full and complete agreement between the parties with respect to the subject matter hereof and supersedes all previous agreements between the parties with respect to the subject matter hereof. Any supplemental amendments to this Agreement shall not be binding upon either party unless executed in writing by the parties hereto

6. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California excluding that body of law pertaining to conflict of laws.

7. Invalid by Operation of Law. If any section or part of this Agreement is held to be invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any section or part should be restrained by such tribunal, the remainder of the Agreement shall not be affected thereby and the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such section or part.

8. Arbitration. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance of the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) shall be entered in any court having jurisdiction thereof. For that purpose, the parties hereto consent to the non-exclusive jurisdiction and venue of an appropriate court located in San Diego County, State of California. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled.

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement as of the date first set forth above.

Bio-Matrix Scientific Group Inc.

By: /s/David R. Koos
David R. Koos
Its: CEO

Entest BioMedical, Inc.

By: /s/David R. Koos
David R. Koos
Its: CEO

Exhibit A

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT ("Agreement") is made this 8th day of April, 2009, by and between Brian Koos, whose address is 27-139 CHS, 10833 Le Conte Avenue, Los Angeles, CA 90025-1740, hereinafter referred to as "CONSULTANT", and Bio-Matrix Scientific Group, Inc. , whose principal place of business is 8885 Rehco Road, San Diego, California 92121, hereinafter referred to as "Company".

WHEREAS, the Company desires to engage CONSULTANT, as an independent contractor and not as an employee, to provide services to the Company in accordance with the terms and conditions of this Agreement

WHEREAS, CONSULTANT desires to provide services to the Company in accordance with the terms and conditions of this Agreement

THEREFORE, it is agreed as follows:

1. Term. The term of this Agreement shall be for a period of five years commencing on the date hereof ("Contract Period") and thereafter shall be renewable only by mutual written agreement of the parties.

2. Liability. The CONSULTANT shall not be liable to the Company, or to anyone who may claim any right due to any relationship with the Company, for any acts or omissions in the performance of services on the part of the CONSULTANT except when said acts or omissions of the CONSULTANT are due to willful misconduct or gross negligence. The Company shall indemnify, defend and hold the CONSULTANT free and harmless from and against any and all liabilities, costs and expenses (including reasonable attorneys' fees) arising out of or in connection with the services rendered to the Company by CONSULTANT (whether pursuant to the terms of this Agreement or otherwise) or in any way relating to the Company's operation of its business, except to the extent that the same shall result from the willful misconduct or gross negligence of the CONSULTANT as determined by a court or arbitrator of competent jurisdiction. The CONSULTANT shall promptly notify the Company in writing of any such third party claim or suit and the Company shall have the right to fully control the defense and settlement thereof provided that any settlement shall include a general release of the CONSULTANT and shall not include any admission of liability by the CONSULTANT. The Company agrees that during the Contract Period and for a period of five years thereafter, it will maintain clinical trials insurance (if the Company directly or indirectly conducts clinical trials involving the Technology, as defined below) and other liability insurance in amounts consistent with best practices in the industry and will list the CONSULTANT as an additional insured on all such insurance policies. The Company shall furnish the CONSULTANT with certificates of insurance evidencing such coverage upon the CONSULTANT'S request.

IN NO EVENT WILL CONSULTANT BE LIABLE TO COMPANY FOR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND IN CONNECTION WITH THIS AGREEMENT, EVEN IF CONSULTANT HAS BEEN INFORMED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN NO EVENT SHALL CONSULTANT'S LIABILITY TO COMPANY WITH RESPECT TO ANY SERVICES PERFORMED UNDER THIS AGREEMENT EXCEED THE AMOUNT OF ALL CONSULTING FEES OR OTHER COMPENSATION PAID TO CONSULTANT BY COMPANY IN CONNECTION WITH SUCH SERVICES, AND CONSULTANT SHALL HAVE THE RIGHT, IN HIS SOLE DISCRETION, TO OFFSET ANY SUCH LIABILITY BY RETURNING ANY STOCK COMPENSATION ISSUED HEREUNDER, AT ITS FAIR MARKET VALUE MEASURED AS OF THE DATE OF GRANT.

3. Representations and Warranties

(a) Company hereby represents and warrants to CONSULTANT as follows:

(i) Corporate Existence of Company. Company (a) is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware and (b) has all requisite power and authority, and has all governmental licenses, authorizations, consents and approvals necessary to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement.

(ii) No Conflicts. None of the execution, delivery and performance of this Agreement by Company, nor the consummation of the transactions contemplated hereby (a) constitutes or will constitute a violation of the organizational documents of Company, (b) constitutes or will constitute a breach or violation of, or a default (or an event which, with notice or lapse of time or both, would constitute such a default) under, any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which Company is a party or by which Company or any of its properties may be bound, (c) violates or will violate any statute, law or regulation or any order, judgment, decree or injunction of any court or governmental authority directed to Company or any of its properties in a proceeding to which its property is or was a party.

(b) CONSULTANT hereby represents and warrant to Company as follows:

(i) No Conflicts. Subject to Section 7 of this Agreement, none of the execution, delivery and performance of this Agreement by CONSULTANT, or the consummation of the transactions contemplated hereby and thereby (a) constitutes or will constitute a breach or violation of, or a default (or an event which, with notice or lapse of time or both, would constitute such a default) under, any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which CONSULTANT is a party or by which CONSULTANT may be bound, or (b) violates or will violate any statute, law or regulation or any order, judgment, decree or injunction of any court or governmental authority directed to CONSULTANT

4. Scope of Services. CONSULTANT shall perform the following tasks, as directed by the Company's Chief Executive Officer ("CEO") and /or Board of Directors ("Board"):

(i) Advise the Company in determining specific studies and time-lines that are needed (a) to establish the clinical usefulness of a Screening Test for Gestational Diabetes (licensed by the Company from the Regents of the University of California pursuant to that certain license agreement dated September 26, 2008 (the "Screening Test") and (b) to create a new rapid analysis method for screening large populations (collectively, the "Technology").

(ii) Serve on the Company's Medical Advisory Board ("MAB") in order to provide advice to the Company regarding the Technology and other related technologies or approaches as the Company may from time to time reasonably request. The Company anticipates that the MAB shall meet at least four (4) times each year, at times and locations to be determined by the Company in consultation with MAB members.

(iii) Advise the Company in:

(a) the design and completion of the specific studies that demonstrate the clinical usefulness of the Screening Test. The parties anticipate that this will require the Company, with the CONSULTANT'S advice, to 1) determine the screening values for normal pregnant women in the first 20 weeks of pregnancy and establish the potential usefulness of the Technology to detect gestational diabetes in early pregnancy, and 2) complete a large prospective study that determines the value of the Technology in identifying gestational diabetes in subpopulations that include race/ethnicity, age, and gestational age; and

(b) establishing and validating a new method for rapid screening of large populations.

Notwithstanding anything to the contrary set forth in this Agreement, the parties hereby acknowledge and agree that (a) the CONSULTANT is subject to certain limitations on the time he may devote to consulting pursuant to the relevant polices and guidelines of the University of California, (b) the CONSULTANT shall not be required to devote more than 100 hours per year to the rendering of services to the Company under this Agreement or otherwise and (c) CONSULTANT is being engaged on a non-exclusive basis and may render professional consulting services to other clients, including, without limitation, clients who may compete with the Company's business.

5. Consideration. As consideration for entering into this Agreement and performing services hereunder, Company agrees that:

CONSULTANT shall be compensated in accordance with the following schedule:

Upon execution of this Agreement, CONSULTANT shall be granted Three Hundred Twenty-Five Thousand (325,000) shares of the Company's common stock (the "Shares"). CONSULTANT shall have full voting, dividend and other rights with respect to all of the Shares from the date of grant, provided, however, that CONSULTANT agrees to the following restrictions on transfer on the following number of Shares ("Share Restrictions"):

(a) 50,000 of the Shares ("50K Shares") may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of by the CONSULTANT ("50K Transfer Restriction"). In the event of completion of the tasks in Section 4(i) of this Agreement on or before the fifth anniversary of this Agreement; the 50K Transfer Restriction shall no longer apply to the 50K Shares as of the date of completion of those tasks. In the event that the tasks in Section 4(i) of this Agreement are not completed by the fifth anniversary of this Agreement, the 50K Shares shall be forfeited by the CONSULTANT, and ownership of the 50K Shares transferred back to the Company.

(b) 100,000 of the Shares ("100K Shares") may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of by the CONSULTANT ("100K Transfer Restriction"). In the event of completion of the tasks in Section 4(iii)(a) of this Agreement on or before the fifth anniversary of this Agreement; the 100K Transfer Restriction shall no longer apply to the 100K Shares as of the date of completion of those tasks. In the event that the tasks in Section 4(iii)(a) of this Agreement are not completed by the fifth anniversary of this Agreement, the 100K Shares shall be forfeited by the CONSULTANT, and ownership of the 100K Shares transferred back to the Company.

(c) Another 100,000 of the Shares ("Second 100K Shares") may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of by the CONSULTANT ("Second 100K Transfer Restriction"). In the event of completion of the tasks in Section 4(iii)(b) of this Agreement on or before the fifth anniversary of this Agreement; the Second 100K Transfer Restriction shall no longer apply to the Second

100K Shares as of the date of completion of those tasks. In the event that the tasks in Section 4(iii)(b) of this Agreement are not completed by the fifth anniversary of this Agreement, the Second 100K Shares shall be forfeited by the CONSULTANT, and ownership of the Second 100K Shares transferred back to the Company.

In the event that, prior to the expiration of the Consulting Period, the Company terminates this Agreement without cause, all of the Share Restrictions pursuant to this Section 5 shall be null, void, and of no force and effect.

CONSULTANT understands that under section 83 of the Internal Revenue Code of 1986, as amended (the "Code"), the fair market value of any Shares at the first time the rights of the CONSULTANT's beneficial interest in such Shares are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier, will be reportable as ordinary income at that time. CONSULTANT understands that he may elect to be taxed at the time the Shares are acquired hereunder to the extent of the fair market value of the Shares as of the date of grant rather than when such Shares cease to be subject to the abovementioned restrictions by filing an election under section 83(b) of the Code with the I.R.S. within thirty (30) days after the date of the granting of the Shares. CONSULTANT ACKNOWLEDGES THAT IT IS CONSULTANT'S SOLE RESPONSIBILITY, AND NOT THE COMPANY'S, TO FILE A TIMELY ELECTION UNDER SECTION 83(b) OF THE CODE. CONSULTANT IS RELYING SOLELY ON HIS ADVISORS WITH RESPECT TO THE DECISION AS TO WHETHER OR NOT TO FILE AN 83(b) ELECTION.

CONSULTANT represents that he has been made aware that any and all Common Shares of the Company to be issued pursuant to this Agreement shall not be registered under the Securities Act of 1933, as amended, or the Securities Laws of any State. Notwithstanding the foregoing, the parties acknowledge that the capital stock of the Company is publicly traded and, for so long as the Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company hereby agrees to make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), at all times, and use reasonable, diligent efforts to file with the U.S. Securities and Exchange Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act.

CONSULTANT agrees that any securities to be issued pursuant to this Agreement shall contain the following, or a substantially similar, restrictive legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE OFFERED, SOLD, ASSIGNED, PLEDGED, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT OR SUCH LAWS AND, IF REQUESTED BY THE COMPANY, UPON DELIVERY OF AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT THE PROPOSED TRANSFER IS EXEMPT FROM THE ACT OR SUCH LAWS.

6. Expenses. The Company shall reimburse CONSULTANT for all expenses necessarily and reasonably incurred by CONSULTANT in connection with the services rendered hereunder and the business of the Company against presentation of proper receipts or other proof of expenditure, and subject to such written guidelines or limitations as are provided to CONSULTANT in advance by the CEO or the Board.

7. Notwithstanding anything to the contrary in this Agreement, the Company hereby acknowledges and agrees that (a) CONSULTANT is an employee of the University of California with pre-existing obligations to disclose and to assign patent rights to the Regents consistent with the Patent Agreement, dated July 25, 1988, by and between the CONSULTANT and the University of California, and the guidelines and policies of the University of California in effect from time to time (collectively, the "UCLA Patent Agreement"); (b) the obligations of the CONSULTANT under this Agreement are subject and subordinate to all rights of and obligations to the University of California under the UCLA Patent Agreement; (c) in the event of any conflict between this Agreement and the UCLA Patent Agreement, the UCLA Patent Agreement shall control; and (d) the CONSULTANT'S compliance with his obligations under the UCLA Patent Agreement shall not be deemed a breach of this Agreement. Nothing in this Agreement shall apply to the University of California, or impose any obligations or restrictions on the University of California. A copy of the UCLA Patent Agreement is attached to this Agreement as Exhibit A and made a part hereof.

8. Termination. Either party may terminate this Agreement at any time without cause by giving the other party thirty (30) days prior written notice. In the event of any material breach of this Agreement that is not cured within ten (10) days after receipt of written notice from the non-breaching party, the non-breaching party may terminate this Agreement by giving written notice to the breaching party. Any liabilities accrued through the date of termination shall survive termination.

9. Independent Contractor. CONSULTANT is an independent contractor and is not an agent or employee of, and has no authority to bind, the Company by contract or otherwise. CONSULTANT will perform services hereunder under the general direction of Company, but CONSULTANT will determine, in CONSULTANT'S sole discretion, the manner and means by which such services are accomplished, subject to the requirement that CONSULTANT shall at all times comply with applicable law.

10. Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

(a) This Agreement shall not be assignable by Company, in whole or in part, without CONSULTANT's prior consent in his sole discretion except as follows:

The Company may assign its rights to the services of the CONSULTANT pursuant to this Agreement to Entest Biomedical, Inc., a California corporation which is currently a wholly owned subsidiary of the Company, in its sole discretion ("Entest Assignment"). In the event of an Entest Assignment, Share Restrictions (as defined in Section 5) shall expire upon completion of the applicable tasks specified in Section 5 of this Agreement completed on behalf of Entest BioMedical, Inc. as if they were completed on behalf of the Company. In the event that CONSULTANT is paid a dividend in kind of the securities of Entest BioMedical, Inc. by the Company on Shares ("Entest Dividend Shares"), then the CONSULTANT agrees that the Entest Dividend Shares will be subject to transfer and forfeiture restrictions identical to and in the same proportion as the Share Restrictions on the Shares described in Section 5 of this Agreement.

(b) This Agreement shall not be assignable by CONSULTANT, in whole or in part, without Company's consent in its sole discretion.

11. Entire Agreement. This Agreement represents the full and complete agreement between the parties with respect to the subject matter hereof and supersedes all previous agreements between the parties with respect to the subject matter hereof. Any supplemental amendments to this Agreement shall not be binding upon either party unless executed in writing by the parties hereto.

12. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California excluding that body of law pertaining to conflict of laws.

13. Invalid by Operation of Law. If any section or part of this Agreement is held to be invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any section or part should be restrained by such tribunal, the remainder of the Agreement shall not be affected thereby and the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement for such section or part.

14. Arbitration. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance of the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) shall be entered in any court having jurisdiction thereof. For that purpose, the parties hereto consent to the non-exclusive jurisdiction and venue of an appropriate court located in San Diego County, State of California. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled.

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement as of the date first set forth above.

Exhibit 10.3

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT is entered into on June 15, by and between Bio-Matrix Scientific Group, Inc. ("SUBLESSOR"), with an address of 8885 Rio San Diego Dr. #357, San Diego, CA 92108 and Entest BioMedical, Inc. Inc., ("SUBLESSEE"), currently located at 4700 Spring Street, Suite 203, La Mesa, CA 91941 (the "Parties").

FOR VALUABLE CONSIDERATION, the Parties agree to the following terms and conditions.

1. Premises. Sublessor hereby subleases to Sublessee and Sublessee hereby subleases from Sublessor for the term specified below, and upon all of the conditions set forth herein, that certain real property, including all improvements thereon, commonly known by the street address of 4700 Spring Street, Suite 203, La Mesa, CA 9194 (the "Premises").

2. Term. The term of this Sublease shall be for 36 months commencing on June 30, 2009 and ending on June 30, 2012, unless sooner terminated pursuant to any provision hereof. Sublessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises by the commencement date. If, despite said efforts, Sublessor is unable to deliver possession as agreed, the rights and obligations of Sublessor and Sublessee shall be as set forth in the Master Lease.

3. Base Rent. Sublessee shall pay to Sublessor as Base Rent for the Premises equal monthly payments of $ 4,100 on the 5th of each month of the term hereof. Base Rent which is less than one month for any period during the term hereof shall be calculated at a pro rata portion of the monthly installment.

4. Rent Defined. All monetary obligations of Sublessee to Sublessor under the terms of this Sublease are deemed to be rent ("Rent"). Rent shall be payable in lawful money of the United States to Sublessor at the address stated herein or to such other persons or at such other places as Sublessor may designate in writing.

5. Use.

(a) Agreed Use. The Premises shall be used and occupied only for the operation of a cellular storage/ regenerative medical enterprise and for no other purpose.

(b) Compliance. Sublessor warrants that the improvements on the Premises comply with all applicable covenants or restrictions of record and applicable building codes, regulations and ordinances in effect on the commencement date. Said warranty does not apply to the use to which Sublessee will put the Premises or to any alterations or utility installations made or to be made by Sublessee. NOTE: Sublessee is responsible for determining whether or not the zoning is appropriate for its intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said warranty, or in the event that the applicable requirements are hereafter changed, the rights and obligations of Sublessor and Sublessee shall be as provided in the Master Lease (as modified in Paragraph 7 of this Sublease).

(c) Acceptance of Premises and Lessee. Sublessee acknowledges that (i) it has been advised to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with all applicable requirements) and their suitability for Sublessee's intended use; (ii) Sublessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefore as the same relate to its occupancy of the Premises; and (iii) neither Sublessor, Sublessor's agents, nor any broker has made any oral or written representations or warranties with respect to said matters other than as set forth in this Sublease. In addition, Sublessor acknowledges that it is Sublessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

6. Master Lease.

(a) Sublessor is the lessee of the Premises by virtue of a lease, (the "Master Lease"), wherein CIF La Mesa LP is the lessor, ("Master Lessor").

(b) This Sublease is and shall at all times be subject and subordinate to the Master Lease.

(c) The terms, conditions and respective obligations of Sublessor and Sublessee to each other under this Sublease shall be the terms and conditions of the Master Lease except for those provisions of the Master Lease which are directly contradicted by this Sublease in which event the terms of this Sublease shall control over the Master Lease. Therefore, for the purposes of this Sublease, wherever in the Master Lease the word "Lessor" is used it shall be deemed to mean the Sublessor herein and wherever in the Master Lease the word "Lessee" is used it shall be deemed to mean the Sublessee herein.

(d) During the term of this Sublease and for all periods subsequent for obligations which have arisen prior to the termination of this Sublease, Sublessee does hereby expressly assume and agree to perform and comply with, for the benefit of Sublessor and Master Lessor, each and every obligation of Sublessor under the Master Lease (the "Sublessee's Assumed Obligations"). The obligations that Sublessee has not assumed under this Paragraph 6 are hereinafter referred to as the "Sublessor's Remaining Obligations".

(e) Sublessee shall hold Sublessor free and harmless from all liability, judgments, costs, damages, claims or demands, including reasonable attorneys' fees, arising out of Sublessee's failure to comply with or perform Sublessee's Assumed Obligations.

(f) Sublessor agrees to maintain the Master Lease during the entire term of this Sublease, subject however, to any earlier termination of the Master Lease without the fault of the Sublessor, and to comply with or perform Sublessor's Remaining Obligations and to hold Sublessee free and harmless from all liability, judgments, costs, damages, claims or demands arising out of Sublessor's failure to comply with or perform Sublessor's Remaining Obligations.

(g) Sublessor represents to Sublessee that the Master Lease is in full force and effect and that no default exists on the part of any party to the Master Lease.

7. Consent of Master Lessor.

(a) In the event that the Master Lease requires that Sublessor obtain the consent of Master Lessor to any subletting by Sublessor, then this Sublease shall not be effective unless, within ten (10) days of the date hereof, Master Lessor signs this Sublease thereby giving its consent to this subletting.

8. Attorney's Fees. If any party or the Broker named herein brings an action to enforce the terms hereof or to declare rights hereunder, the prevailing party in any such action, on trial and appeal, shall be entitled to his reasonable attorney's fees to be paid by the losing party as fixed by the Court.

9. Governing Law. This Sublease shall be governed by the laws of the State of California. Any disputes hereunder will be heard in the appropriate state and federal courts located in the County of San Diego, CA.

Sublessor: Bio-Matrix Scientific Group, Inc Sublessee: Entest BioMedical, Inc.

By: /s/David R. Koos By: /s/David R. Koos

Printed Name: David R. Koos Printed Name: David R. Koos

Title: CEO Title: CEO

Exhibit 99.1

MOORE & ASSOCIATES, CHARTERED

ACCOUNTANTS AND ADVISORS
PCAOB REGISTERED

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Entest Biomedical, Inc.
(A Development Stage Company)

We have audited the accompanying balance sheet of Entest Biomedical, Inc. (A Development Stage Company) as of August 31, 2008, and the related statements of operations, stockholders' equity and cash flows from inception on August 22, 2008 through August 31, 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conduct our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Entest Biomedical, Inc. (A Development Stage Company) as of August 31, 2008, and the related statements of operations, stockholders' equity and cash flows from inception on August 22, 2008 through August 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has net losses of $408, which raises substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Moore & Associates, Chartered

Moore & Associates, Chartered
Las Vegas, Nevada
July 8, 2009

6490 West Desert Inn Rd, Las Vegas, NV 89146 (702) 253-7499 Fax (702) 253-7501

Entest Biomedical, Inc.
(A Development Stage Company)

Balance Sheet

As of
August 31, 2008

ASSETS

TOTAL ASSETS	**$-**
LIABILITIES AND STOCKHOLDERS' EQUITY	
TOTAL LIABILITIES	-
STOCKHOLDERS' EQUITY	
Common Stock, (No Par Value)	
1500 shares authorized; 1500	
shares issued and outstanding as of August 31, 2008	408
Additional paid in Capital	-
Deficit accumulated during the development stage	(408)
Total Stockholders' Equity (Deficit)	$-
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**$-**

The accompanying notes are an integral part of these financial statements.

Entest Biomedical, Inc.
(A Development Stage Company)

Statement of Operations

	Period from Inception (August 22, 2008) to August 31, 2008
REVENUES	
Total Revenues	**$0**
COSTS AND EXPENSES	
Incorporation Costs	408
Total Costs and Expenses	**408**
OPERATING LOSS	**(408)**
LOSS BEFORE INCOME TAXES	**(408)**
Income Taxes	**0**
NET INCOME (LOSS)	**$(408)**
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	**$(0.272)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**1,500**

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc
(A Development Stage Company)

Statement of Stockholders' Equity
From August 22, 2008 (Inception)through August 31, 2008

	Common		Additional Paid-in	Accumulated Deficit during the Development	
	Shares	**Amount**	**Capital**	**Stage**	**Total**
Shares issued to parent	1,500	408	0		408
Net Loss August 22, 2008 through August 31, 2008				(408)	(408)
Balance August 31, 2008	**1,500**	**408**	**0**	**(408)**	**0**

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc.
(A Development Stage Company)

Statement of Cash Flow

	Period from Inception (August 22, 2008) to August 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES	
Net (loss)	$(408)
Net Cash Provided by (Used in) Operating Activities	**(408)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Common stock issued for cash	408
Net Cash Provided by (Used in) Financing Activities	**408**
Net Increase (Decrease) in Cash	**0**
Cash at Beginning of Period	**0**
Cash at End of Period	**$-**
Supplemental Information:	None

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc.
(A Development Stage Company)

Notes to Financial Statements
For the period from August 22, 2008 (Inception) to August 31, 2008

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Entest BioMedical, Inc., Inc. (the "Company") was incorporated in the State of California on August 22, 2008. The Company's activities from inception to August 31, 2008 have consisted primarily of organizational activities. The Company intends to develop and commercialize stem cell based therapies, medical devices and medical testing procedures.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

The financial statements have been prepared using the basis of accounting generally accepted in the United States of America. Under this basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred. The Company has adopted an August 31 fiscal year-end.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. DEVELOPMENT STAGE

The Company is a development stage company that devotes substantially all of its efforts in the development of its plan to develop and commercialize stem cell based therapies, medical devices and medical testing procedures.

D. CASH EQUIVALENTS

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. INCOME TAXES

Income taxes are provided in accordance with Statement of Financial accounting Standards No. 109 (SFAS 109), Accounting for Income Taxes. A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Deferred tax expense (benefit) results from the net change during the year of deferred tax assets and liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

F. BASIC EARNINGS (LOSS) PER SHARE

In February 1997, the FASB issued SFAS No. 128, "Earnings Per Share", which specifies the computation, presentation and disclosure requirements for earnings (loss) per share for entities with publicly held common stock. SFAS No. 128 supersedes the provisions of APB No. 15, and requires the presentation of basic earnings (loss) per share and diluted earnings (loss) per share. The Company has adopted the provisions of SFAS No. 128 effective October 6, 1998 (inception).

Basic net loss per share amounts is computed by dividing the net income by the weighted average number of common shares outstanding. Diluted earnings per share are the same as basic earnings per share due to the lack of dilutive items in the Company.

NOTE 3. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company generated net losses of $408 during the period from August 22, 2008 (inception) through August 31, 2008. This condition raises substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to meet its obligations, to obtain additional financing as may be required and ultimately to attain profitability. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management plans to raise additional funds by obtaining governmental and non governmental grants as well as offering securities for cash. Management has yet to decide what type of offering the Company will use or how much capital the Company will raise. There is no guarantee that the Company will be able to raise any capital through any type of offerings. Management can give no assurance that any governmental or non governmental grant will be obtained by the Company despite the Company’s best efforts.

NOTE 4. RECENT ACCOUNTING PRONOUNCEMENTS

Recent Accounting Pronouncements

In April 2009, the FASB issued FSP No. FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" ("FSP FAS 157-4"). FSP FAS 157-4 provides guidance on estimating fair value when market activity has decreased and on identifying transactions that are not orderly. Additionally, entities are required to disclose in interim and annual periods the inputs and valuation techniques used to measure fair value. This FSP is effective for interim and annual periods ending after June 15, 2009. The adoption of FSP FAS 157-4 did not have an impact on the Company's financial condition or results of operation.

In October 2008, the FASB issued FSP No. FAS 157-3, "Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active," ("FSP FAS 157-3"), which clarifies application of SFAS 157 in a market that is not active. FSP FAS 157-3 was effective upon issuance, including prior periods for which financial statements have not been issued. The adoption of FSP FAS 157-3 had no impact on the Company's results of operations, financial condition or cash flows.

In December 2008, the FASB issued FSP No. FAS 140-4 and FIN 46(R)-8, "Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities." This disclosure-only FSP improves the transparency of transfers of financial assets and an enterprise's involvement with variable interest entities, including qualifying special-purpose entities. This FSP is effective for the first reporting period (interim or annual) ending after December 15, 2008, with earlier application encouraged. The Company adopted this FSP effective January 1, 2009. The adoption of the FSP had no impact on the Company's results of operations, financial condition or cash flows.

In December 2008, the FASB issued FSP No. FAS 132(R)-1, "Employers' Disclosures about Postretirement Benefit Plan Assets" ("FSP FAS 132(R)-1"). FSP FAS 132(R)-1 requires additional fair value disclosures about employers' pension and postretirement benefit plan assets consistent with guidance contained in SFAS 157. Specifically, employers will be required to disclose information about how investment allocation decisions are made, the fair value of each major category of plan assets and information about the inputs and valuation techniques used to develop the fair value measurements of plan assets. This FSP is effective for fiscal years ending after December 15, 2009. The Company does not expect the adoption of FSP FAS 132(R)-1 will have a material impact on its financial condition or results of operation.

In September 2008, the FASB issued exposure drafts that eliminate qualifying special purpose entities from the guidance of SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," and FASB Interpretation 46 (revised December 2003), "Consolidation of Variable Interest Entities − an interpretation of ARB No. 51," as well as other modifications. While the proposed revised pronouncements have not been finalized and the proposals are subject to further public comment, the Company anticipates the changes will not have a significant impact on the Company's financial statements. The changes would be effective March 1, 2010, on a prospective basis.

In June 2008, the FASB issued FASB Staff Position EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities,* ("FSP EITF 03-6-1"). FSP EITF 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting, and therefore need to be included in the computation of earnings per share under the two-class method as described in FASB Statement of Financial Accounting Standards No. 128, "Earnings per Share." FSP EITF 03-6-1 is effective for financial statements issued for fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. The Company is not required to adopt FSP EITF 03-6-1; neither does the Company believe that FSP EITF 03-6-1 would have material effect on its financial position and results of operations if adopted.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts-and interpretation of FASB Statement No. 60". SFAS No. 163 clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement of premium revenue and claims liabilities. This statement also requires expanded disclosures about financial guarantee insurance contracts. SFAS No. 163 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those years. SFAS No. 163 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles". SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB's amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In March 2008, the Financial Accounting Standards Board, or FASB, issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133. This standard requires companies to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. SFAS No. 161 did not have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2007, the SEC issued Staff Accounting Bulletin (SAB) No. 110 regarding the use of a "simplified" method, as discussed in SAB No. 107 (SAB 107), in developing an estimate of expected term of "plain vanilla" share options in accordance with SFAS No. 123 (R), Share-Based Payment. In particular, the staff indicated in SAB 107 that it will accept a company's election to use the simplified method, regardless of whether the company has sufficient information to make more refined estimates of expected term. At the time SAB 107 was issued, the staff believed that more detailed external information about employee exercise behavior (e.g., employee exercise patterns by industry and/or other categories of companies) would, over time, become readily available to companies. Therefore, the staff stated in SAB 107 that it would not expect a company to use the simplified method for share option grants after December 31, 2007. The staff understands that such detailed information about employee exercise behavior may not be widely available by December 31, 2007. Accordingly, the staff will continue to accept, under certain circumstances, the use of the simplified method beyond December 31, 2007. SAB No. 110 did not have an impact on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51. This statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. Before this statement was issued, limited guidance existed for reporting noncontrolling interests. As a result, considerable diversity in practice existed. So-called minority interests were reported in the consolidated statement of financial position as liabilities or in the mezzanine section between liabilities and equity. This statement improves comparability by eliminating that diversity. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008 (that is, January 1, 2009, for entities with calendar year-ends). Earlier adoption is prohibited. The effective date of this statement is the same as that of the related Statement 141 (revised 2007). It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2007, the FASB, issued FAS No. 141 (revised 2007), Business Combinations'. This Statement replaces FASB Statement No. 141, Business Combinations, but retains the fundamental requirements in Statement 141. This Statement establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The effective date of this statement is the same as that of the related FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements. FAS No. 141 did not have an impact on the Company's financial position, results of operations or cash flows.

In February 2007, the FASB, issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities—Including an Amendment of FASB Statement No. 115. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. This option is available to all entities. Most of the provisions in FAS 159 are elective; however, an amendment to FAS 115 Accounting for Certain Investments in Debt and Equity Securities applies to all entities with available for sale or trading securities. Some requirements apply differently to entities that do not report net income. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of the previous fiscal year provided that the entity makes that choice in the first 120 days of that fiscal year and also elects to apply the provisions of SFAS No. 157 Fair Value Measurements. SFAS No. 159 did not have an impact on the Company's financial position, results of operations or cash flows.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this statement does not require any new fair value measurements. However, for some entities, the application of this statement will change current practice. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. SFAS No. 157 did not have an impact on the Company's financial position, results of operations or cash flows.

NOTE 5. RELATED PARTY TRANSACTION

During the period beginning August 22, 2008 (inception) and ending August 31, 2008 the Company issued 1,500 common shares to Bio-Matrix Scientific Group, Inc. ("BMSN"), a Delaware corporation and the company's sole shareholder, for consideration consisting of $408 in cash utilized to pay the Company's incorporation expenses

During the period beginning August 22, 2008 (inception) and ending August 31, 2008 the Company utilized office space and certain administrative support services provided by BMSN at no charge to the Company.

NOTE 6. STOCK TRANSACTIONS

On August 23, 2008 the Company issued 1,500 shares of common stock to BMSN for consideration of $408.

NOTE 7. STOCKHOLDERS' EQUITY

The stockholders' equity section of the Company contains the following classes of capital stock as of August 31, 2008:

Common stock, $ no par value; 1,500 shares authorized: 1,500 shares issued and outstanding.

On June 4, 2009 the company’s certificate of incorporation was amended to authorize the Company to issue 100,000,000 shares of common stock at $0.00001 par value

NOTE 8. SUBSEQUENT EVENTS

On October 23, 2008 The Regents of the University of California (“Regents”) and the Company executed an Exclusive License Agreement (“ELA”).

Pursuant to the ELA and subject to the limitations set forth in the ELA, The Regents granted to the Company an exclusive license (the "License") under The Regents’ interest in Provisional Patent Application No. 61/030,316 entitled “SCREENING TEST FOR GESTATIONAL DIABETES MELLITUS” filed 02/21/2008 (UCLA Case No. 2007-523-1) (“Regents Patent Rights”) in jurisdictions where Regents' Patent Rights exist, to make, have made, use, sell, offer for sale and import Licensed Products (as “Licensed Products” is defined in the ELA) and to practice Licensed Methods (as “Licensed Methods” is defined in the ELA) in all fields of use to the extent permitted by law.

"Licensed Product", as defined in the ELA, means any article, composition, apparatus, substance, chemical, or any other material covered by Regents' Patent Rights or whose manufacture, use or sale would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights, or any service, article, composition, apparatus, chemical, substance, or any other material made, used, or sold by or utilizing or practicing a Licensed Method.

"Licensed Method", as defined in the ELA, means any process, service, or method which is covered by Regents' Patent Rights or whose use or practice would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights.

Pursuant to the ELA, The Company shall be obligated to pay to The Regents for sales by The Company and sublicensees:

(i) an earned royalty of Six percent (6%) of Net Sales of Licensed Products or Licensed Methods.

(ii) a minimum annual royalty of Fifty thousand dollars ($50,000) for the life of Regents' Patent Rights, beginning one year after the first commercial sale of Licensed Product. The minimum annual royalty will be credited against the earned royalty due and owing for the calendar year in which the minimum payment was made.

(iii) pay to The Regents a license maintenance fee of Five thousand dollars ($5,000) beginning on the one-year anniversary date of the effective date of the ELA and continuing annually on each anniversary date of the Effective Date. The maintenance fee will not be due and payable on any anniversary date of the effective date if on that date Licensee is commercially selling a Licensed Product and paying an earned royalty to The Regents on the sales of that Licensed Product.

Pursuant to the ELA, The Company is also obligated to:

(a) diligently proceed with the development, manufacture and sale ("Commercialization") of Licensed Products and must earnestly and diligently endeavor to market them within a reasonable time after execution of the ELA and in quantities sufficient to meet the market demands for them.

(b) endeavor to obtain all necessary governmental approvals for the Commercialization of Licensed Products.

Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of the ELA, the ELA remains in effect for the life of the last-to-expire patent or last to be abandoned patent application in Regents' Patent Rights, whichever is later.

On June 15, 2009 the Company entered into an agreement with BMSN whereby the Company has agreed to sublease approximately 3,000 square feet of office space from BMSN for a term of 3 years for consideration consisting of monthly rental payments of $4,100 per month.

On June 15, 2009 the Company entered into an agreement (“Agreement”) with BMSN whereby BMSN will make available the services of Dr. Brian Koos. Pursuant to this Agreement Dr. Koos will:

(i) Advise the Company in determining specific studies and time-lines that are needed

(a) to establish the clinical usefulness of a Screening Test for Gestational Diabetes licensed by the Company from the Regents of the University of California (the "Screening Test") and

(b) to create a new rapid analysis method for screening large populations (collectively, the "Technology").

(ii) Advise the Company in:

(a) the design and completion of the specific studies that demonstrate the clinical usefulness of the Screening Test and

(b) establishing and validating a new method for rapid screening of large populations.

The Term of the Agreement is 5 years. The Company is obligated to compensate BMSN in the amount of $10,000 pursuant to this Agreement

Dr. Brian Koos is currently a professor of Obstetrics and Gynecology at the David Geffen School of Medicine at UCLA and also serves on the Company's Scientific Advisory Board.

In May 2009, the Company submitted a Project Summary Report to the U.S. Army Medical Research and Material Command (USAMRMC) for consideration of funding to study the therapeutic potential of Adipose Derived Stem Cells harvested from liposuction for treating Traumatic Brain Injury. As of June 24, 2009, the Company is awaiting a response from USAMRMC.

Exhibit 99.2

Entest Biomedical, Inc.
(A Development Stage Company)

Balance Sheet

	As of February 28, 2009 (unaudited)
ASSETS	
TOTAL ASSETS	**$-**
LIABILITIES AND STOCKHOLDERS' EQUITY	
TOTAL LIABILITIES	-
STOCKHOLDERS' EQUITY	
Common Stock, (No Par Value)	
1500 shares authorized; 1500	
shares issued and outstanding as of August 31, 2008	408
Additional paid in Capital	-
Contributed capital	78
Deficit accumulated during the development stage	(486)
Total Stockholders' Equity (Deficit)	$-
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**$-**

The accompanying notes are an integral part of these financial statements.

Entest Biomedical, Inc.
(A Development Stage Company)

Statement of Operations

	Three Months ended February 28, 2009 (unaudited)	Six Months ended February 28, 2009 (unaudited)	Period from Inception (August 22, 2008) to February 28, 2009 (unaudited)
REVENUES			
Total Revenues	**$0**	**$0**	**$0**
COSTS AND EXPENSES			
Incorporation Costs			408
Miscellaneous Expenses	0	78	78
Total Costs and Expenses			**486**
OPERATING LOSS	**0**	**(78)**	**(486)**
LOSS BEFORE INCOME TAXES	0	(78)	(486)
Income Taxes	0	0	0
NET INCOME (LOSS)	**$0**	**$(78)**	**$(486)**
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	**$0.0000**	**$(0.0520)**	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**1,500**	**1,500**	

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc
(A Development Stage Company)

Statement of Stockholders' Equity
From August 22, 2008 (Inception)through February 28, 2009
(Unaudited)

	Common Shares	Common Amount	Additional Paid-in Capital	Contributed Capital	Accumulated Deficit during the Development Stage	Total
Shares issued to parent	1,500	408	0			408
Net Loss August 22, 2008 through August 31, 2008					(408)	(408)
Balance August 31, 2008	**1,500**	**408**	**0**		**(408)**	**0**
Contributed Capital				78	(78)	
Net Loss for the three months ended November 30, 2008						
Balance February 28, 2009	**1,500**	**408**	**0**	**78**	**(486)**	**0**

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc.
(A Development Stage Company)

Statement of Cash Flow
(unaudited)

	Three Months Ended February 28, 2008	Six Months Ended February 28, 2008	Period from Inception (August 22, 2008) to February 28, 2008
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)	$-	$(78)	$(486)
Net Cash Provided by (Used in) Operating Activities	**0**	**(78)**	**(486)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Common stock issued for cash	0		408
Contributed Capital	0	78	78
Net Cash Provided by (Used in) Financing Activities	**0**	**78**	**486**
Net Increase (Decrease) in Cash	**0**	**0**	**0**
Cash at Beginning of Period	**0**	**0**	**0**
Cash at End of Period	**$-**	**$-**	**$-**
Supplemental Information:	None		

The accompanying notes are an integral part of these financial statements.

Entest BioMedical, Inc.
(A Development Stage Company)

Notes to Unaudited Financial Statements
For the period from September 1, 2008 to February 28, 2009

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Entest BioMedical, Inc., Inc. (the “Company”) was incorporated in the State of California on August 22, 2008. The Company's activities from inception to August 31, 2008 have consisted primarily of organizational activities. The Company intends to develop and commercialize stem cell based therapies, medical devices and medical testing procedures.

On October 23, 2008 The Regents of the University of California (“Regents”) and the Company executed an Exclusive License Agreement (“ELA”) .

Pursuant to the ELA and subject to the limitations set forth in the ELA, The Regents granted to the Company an exclusive license (the "License") under The Regents’ interest in Provisional Patent Application No. 61/030,316 entitled “SCREENING TEST FOR GESTATIONAL DIABETES MELLITUS” filed 02/21/2008 (UCLA Case No. 2007-523-1) (“Regents Patent Rights”) in jurisdictions where Regents' Patent Rights exist, to make, have made, use, sell, offer for sale and import Licensed Products (as “Licensed Products” is defined in the ELA) and to practice Licensed Methods (as “Licensed Methods” is defined in the ELA) in all fields of use to the extent permitted by law.

"Licensed Product", as defined in the ELA, means any article, composition, apparatus, substance, chemical, or any other material covered by Regents' Patent Rights or whose manufacture, use or sale would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights, or any service, article, composition, apparatus, chemical, substance, or any other material made, used, or sold by or utilizing or practicing a Licensed Method.

"Licensed Method", as defined in the ELA, means any process, service, or method which is covered by Regents' Patent Rights or whose use or practice would, absent the license granted under the ELA, constitute an infringement, inducement of infringement, or contributory infringement, of any claim within Regents' Patent Rights.

Pursuant to the ELA, The Company shall be obligated to pay to The Regents for sales by The Company and sublicensees :

(i) an earned royalty of Six percent (6%) of Net Sales of Licensed Products or Licensed Methods.

(ii) a minimum annual royalty of Fifty thousand dollars ($50,000) for the life of Regents' Patent Rights, beginning one year after the first commercial sale of Licensed Product. The minimum annual royalty will be credited against the earned royalty due and owing for the calendar year in which the minimum payment was made.

(iii) pay to The Regents a license maintenance fee of Five thousand dollars ($5,000) beginning on the one-year anniversary date of the effective date of the ELA and continuing annually on each anniversary date of the Effective Date. The maintenance fee will not be due and payable on any anniversary date of the effective date if on that date Licensee is commercially selling a Licensed Product and paying an earned royalty to The Regents on the sales of that Licensed Product.

Pursuant to the ELA, The Company is also obligated to:

(a) diligently proceed with the development, manufacture and sale ("Commercialization") of Licensed Products and must earnestly and diligently endeavor to market them within a reasonable time after execution of the ELA and in quantities sufficient to meet the market demands for them.

(b) endeavor to obtain all necessary governmental approvals for the Commercialization of Licensed Products.

Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of the ELA, the ELA remains in effect for the life of the last-to-expire patent or last to be abandoned patent application in Regents' Patent Rights, whichever is later.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING

The financial statements have been prepared using the basis of accounting generally accepted in the United States of America. Under this basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred. The Company has adopted an August 31 fiscal year-end.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. DEVELOPMENT STAGE

The Company is a development stage company that devotes substantially all of its efforts in the development of its plan to develop and commercialize stem cell based therapies, medical devices and medical testing procedures.

D. CASH EQUIVALENTS

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. INCOME TAXES

Income taxes are provided in accordance with Statement of Financial accounting Standards No. 109 (SFAS 109), Accounting for Income Taxes. A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Deferred tax expense (benefit) results from the net change during the year of deferred tax assets and liabilities.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

F. BASIC EARNINGS (LOSS) PER SHARE

In February 1997, the FASB issued SFAS No. 128, "Earnings Per Share", which specifies the computation, presentation and disclosure requirements for earnings (loss) per share for entities with publicly held common stock. SFAS No. 128 supersedes the provisions of APB No. 15, and requires the presentation of basic earnings (loss) per share and diluted earnings (loss) per share. The Company has adopted the provisions of SFAS No. 128 effective October 6, 1998 (inception).

Basic net loss per share amounts is computed by dividing the net income by the weighted average number of common shares outstanding. Diluted earnings per share are the same as basic earnings per share due to the lack of dilutive items in the Company.

NOTE 3. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company generated net losses of $486 during the period from August 22, 2008 (inception) through February 28 , 2008. This condition raises substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to meet its obligations, to obtain additional financing as may be required and ultimately to attain profitability. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management plans to raise additional funds by obtaining governmental and non governmental grants as well as offering securities for cash. Management has yet to decide what type of offering the Company will use or how much capital the Company will raise. There is no guarantee that the Company will be able to raise any capital through any type of offerings. Management can give no assurance that any governmental or non governmental grant will be obtained by the Company despite the Company's best efforts.

NOTE 4. RECENT ACCOUNTING PRONOUNCEMENTS

In April 2009, the FASB issued FSP No. FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" ("FSP FAS 157-4"). FSP FAS 157-4 provides guidance on estimating fair value when market activity has decreased and on identifying transactions that are not orderly. Additionally, entities are required to disclose in interim and annual periods the inputs and valuation techniques used to measure fair value. This FSP is effective for interim and annual periods ending after June 15, 2009. The adoption of FSP FAS 157-4 did not have an impact on the Company's financial condition or results of operation.

In October 2008, the FASB issued FSP No. FAS 157-3, "Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active," ("FSP FAS 157-3"), which clarifies application of SFAS 157 in a market that is not active. FSP FAS 157-3 was effective upon issuance, including prior periods for which financial statements have not been issued. The adoption of FSP FAS 157-3 had no impact on the Company's results of operations, financial condition or cash flows.

In December 2008, the FASB issued FSP No. FAS 140-4 and FIN 46(R)-8, "Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities." This disclosure-only FSP improves the transparency of transfers of financial assets and an enterprise's involvement with variable interest entities, including qualifying special-purpose entities. This FSP is effective for the first reporting period (interim or annual) ending after December 15, 2008, with earlier application encouraged. The Company adopted this FSP effective January 1, 2009. The adoption of the FSP had no impact on the Company's results of operations, financial condition or cash flows.

In December 2008, the FASB issued FSP No. FAS 132(R)-1, "Employers' Disclosures about Postretirement Benefit Plan Assets" ("FSP FAS 132(R)-1"). FSP FAS 132(R)-1 requires additional fair value disclosures about employers' pension and postretirement benefit plan assets consistent with guidance contained in SFAS 157. Specifically, employers will be required to disclose information about how investment allocation decisions are made, the fair value of each major category of plan assets and information about the inputs and valuation techniques used to develop the fair value measurements of plan assets. This FSP is effective for fiscal years ending after December 15, 2009. The Company does not expect the adoption of FSP FAS 132(R)-1 will have a material impact on its financial condition or results of operation.

In September 2008, the FASB issued exposure drafts that eliminate qualifying special purpose entities from the guidance of SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," and FASB Interpretation 46 (revised December 2003), "Consolidation of Variable Interest Entities − an interpretation of ARB No. 51," as well as other modifications. While the proposed revised pronouncements have not been finalized and the proposals are subject to further public comment, the Company anticipates the changes will not have a significant impact on the Company's financial statements. The changes would be effective March 1, 2010, on a prospective basis.

In June 2008, the FASB issued FASB Staff Position EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities,* ("FSP EITF 03-6-1"). FSP EITF 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting, and therefore need to be included in the computation of earnings per share under the two-class method as described in FASB Statement of Financial Accounting Standards No. 128, "Earnings per Share." FSP EITF 03-6-1 is effective for financial statements issued for fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. The Company is not required to adopt FSP EITF 03-6-1; neither does the Company believe that FSP EITF 03-6-1 would have material effect on its financial position and results of operations if adopted.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts-and interpretation of FASB Statement No. 60". SFAS No. 163 clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement of premium revenue and claims liabilities. This statement also requires expanded disclosures about financial guarantee insurance contracts. SFAS No. 163 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those years. SFAS No. 163 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In May 2008, the Financial Accounting Standards Board ("FASB") issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles". SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB's amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

In March 2008, the Financial Accounting Standards Board, or FASB, issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133. This standard requires companies to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. SFAS No. 161 did not have a material impact on its consolidated financial position, results of operations or cash flows.

In December 2007, the SEC issued Staff Accounting Bulletin (SAB) No. 110 regarding the use of a "simplified" method, as discussed in SAB No. 107 (SAB 107), in developing an estimate of expected term of "plain vanilla" share options in accordance with SFAS No. 123 (R), Share-Based Payment. In particular, the staff indicated in SAB 107 that it will accept a company's election to use the simplified method, regardless of whether the company has sufficient information to make more refined estimates of expected term. At the time SAB 107 was issued, the staff believed that more detailed external information about employee exercise behavior (e.g., employee exercise patterns by industry and/or other categories of companies) would, over time, become readily available to companies. Therefore, the staff stated in SAB 107 that it would not expect a company to use the simplified method for share option grants after December 31, 2007. The staff understands that such detailed information about employee exercise behavior may not be widely available by December 31, 2007. Accordingly, the staff will continue to accept, under certain circumstances, the use of the simplified method beyond December 31, 2007. SAB No. 110 did not have an impact on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51. This statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. Before this statement was issued, limited guidance existed for reporting noncontrolling interests. As a result, considerable diversity in practice existed. So-called minority interests were reported in the consolidated statement of financial position as liabilities or in the mezzanine section between liabilities and equity. This statement improves comparability by eliminating that diversity. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008 (that is, January 1, 2009, for entities with calendar year-ends). Earlier adoption is prohibited. The effective date of this statement is the same as that of the related Statement 141 (revised 2007). It is not believed that this will have an impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2007, the FASB, issued FAS No. 141 (revised 2007), Business Combinations'. This Statement replaces FASB Statement No. 141, Business Combinations, but retains the fundamental requirements in Statement 141. This Statement establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The effective date of this statement is the same as that of the related FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements. FAS No. 141 did not have an impact on the Company's financial position, results of operations or cash flows.

In February 2007, the FASB, issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities—Including an Amendment of FASB Statement No. 115. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. This option is available to all entities. Most of the provisions in FAS 159 are elective; however, an amendment to FAS 115 Accounting for Certain Investments in Debt and Equity Securities applies to all entities with available for sale or trading securities. Some requirements apply differently to entities that do not report net income. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of the previous fiscal year provided that the entity makes that choice in the first 120 days of that fiscal year and also elects to apply the provisions of SFAS No. 157 Fair Value Measurements. SFAS No. 159 did not have an impact on the Company's financial position, results of operations or cash flows.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this statement does not require any new fair value measurements. However, for some entities, the application of this statement will change current practice. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Earlier application is encouraged, provided that the reporting entity has not yet issued financial statements for that fiscal year, including financial statements for an interim period within that fiscal year. SFAS No. 157 did not have an impact on the Company's financial position, results of operations or cash flows.

NOTE 5. RELATED PARTY TRANSACTION

During the period beginning August 22, 2008 (inception) and ending February 28, 2009 the Company utilized office space and certain administrative support services provided by the Company's sole shareholder Bio-Matrix Scientific Group, Inc.("BMSN") , a Delaware corporation, at no charge to the Company.

On November 18, 2008 BMSN contributed capital of $78 to the Company which was utilized to pay expenses related to obtaining a Certificate of Status from the State of California

NOTE 6. STOCKHOLDERS' EQUITY

The stockholders' equity section of the Company contains the following classes of capital stock as of July 5, 2009.

Common stock, $$0.00001 par value ; 100,000,000 shares authorized: 1,500 shares issued and outstanding.

NOTE 7. SUBSEQUENT EVENTS

On June 15, 2009 the Company entered into an agreement with BMSN whereby the Company has agreed to sublease approximately 3,000 square feet of office space from BMSN for a term of 3 years for consideration consisting of monthly rental payments of $4,100 per month

On June 15, 2009 the Company entered into an agreement ("Agreement") with BMSN whereby BMSN will make available the services of Dr. Brian Koos. Pursuant to this Agreement Dr. Koos will:

(i) Advise the Company in determining specific studies and time-lines that are needed

(a) to establish the clinical usefulness of a Screening Test for Gestational Diabetes licensed by the Company from the Regents of the University of California (the "Screening Test") and

(b) to create a new rapid analysis method for screening large populations (collectively, the "Technology").

(ii) Advise the Company in:

(a) the design and completion of the specific studies that demonstrate the clinical usefulness of the Screening Test and

(b) establishing and validating a new method for rapid screening of large populations.

The Term of the Agreement is 5 years. The Company is obligated to compensate BMSN in the amount of $10,000 pursuant to this Agreement

Dr. Brian Koos is currently a professor of Obstetrics and Gynecology at the David Geffen School of Medicine at UCLA and also serves on the Company's Scientific Advisory Board

In May 2009, the Company submitted a Project Summary Report to the U.S. Army Medical Research and Materiel Command (USAMRMC) for consideration of funding to study the therapeutic potential of Adipose Derived Stem Cells harvested from liposuction for treating Traumatic Brain Injury. As of June 24, 2009, the Company is awaiting a response from USAMRMC.

Exhibit 99.3

JB CLOTHING CORPORATION
(A DEVELOPMENT STAGE COMPANY)

UNAUDITED PROFORMA FINANCIAL INFORMATION

On July 10, 2009, JB Clothing Corporation ("JBCC") , a Nevada corporation, acquired one thousand five hundred (1,500) shares of the Common Stock of Entest BioMedical, Inc. , a California corporation ("Entest") in exchange for the payment of the purchase price of 10,000,000 shares of the common stock of JBCC and the return and cancellation of 10,000,000 shares of JBCC owned and held by Rick Plote

As a result of the Acquisition Agreement, Entest became a wholly owned subsidiary of JBCC.

The accompanying unaudited pro forma consolidated balance sheet of JBCC and Entest gives effect to the acquisition as if it had been completed as of .

The accompanying unaudited pro forma consolidated statements of operations for the nine months ended June 30, 2006 give effect to the acquisition as if it had been completed as of September 1, 2008.

The accompanying unaudited pro forma consolidated statements of operations for the six months ended February 28, 2009 give effect to the acquisition as if it had been completed as of September 1, 2008.

These unaudited pro forma consolidated financial statements are presented for illustrative purposes only. Such information in not necessarily indicative of the operating results or financial position had the acquisition taken place on the dates above indicated, nor is it indicative of the results that may be expected for future periods.

The pro forma consolidated financial statements should be read in conjunction with JBCC's financial statements and related notes in it's filings with the United States Securities and Exchange Commission and in conjunction with the financial statements of Entest and related notes included in this current report on Form 8-K .

JB Clothing Corporation
(a Development Stage company)

Pro forma Consolidated
Balance Sheets

	Entest BioMedical, inc.	JB Clothing Corporation	Adjustments and Eliminations	Pro Forma Combined
ASSETS				
Current Assets				
Cash and Cash Equivalents	$	$37,613		$37,613
Total Current Assets		37,613		37,613
TOTAL ASSETS	**$-**	$37,613		$37,613
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				0
Advance From Shareholder		2,400		
Total Current Liabilities		2,400		2400
TOTAL LIABILITIES	-	2,400		2,400
STOCKHOLDERS' EQUITY				
Common Stock,	408	14,000	(408)	14,000
Additional paid in Capital		31,730	408	32,138
Contributed capital	78			78
Deficit accumulated during the development stage	(486)	(10,517)		(11,003)
Total Stockholders' Equity (Deficit)	$-	$35,213		$35,213
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**$-**	$37,613		$37,613

JB Clothing Corporation
(a Development Stage company)

Pro forma Consolidated
Statements of Operations
For the six months ending
February 28, 2009
(unaudited)

	Entest BioMedical, Inc	JB Clothing Corporation	Adjustments and Eliminations	Pro Forma Combined
REVENUES				
Total Revenues	$0	$0		$0
COSTS AND EXPENSES				
General and Administrative		120		120
Miscellaneous Expenses	78			78
Total Costs and Expenses	78	120		198
OPERATING LOSS	(78)	(120)		(198)
NET INCOME (LOSS)	$(78)	$(120)		$(198)