

Form PTO-1595 (Rev. 07/05)
OMB No. 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

SONEET KAPILA, in his capacity as Assignee for the Benefit of Creditors of VIRAGEN, INC., a Delaware Corporation, and Assignee for the Benefit of Creditors of VIRAGEN INTERNATIONAL, INC., a Delaware Corporation.

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Name: AviGenics, Inc.

Internal Address: _____

Street Address: 111 Riverbend Road

City: Athens

State: GA

Country: USA Zip: 30605

Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance/Execution Date(s):

Execution Date(s) August 28, 2008

- ☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other Purchase of Intellectual Property Assets

4. Application or patent number(s):

☐ This document is being filed together with a new application.

A. Patent Application No.(s)

10/536,550 Published as US 2005/0273872
11/661,771 Published as US 2008/0120732

B. Patent No.(s)

7,259,291 Issued August 21, 2007

Additional numbers attached? ☐ Yes ☒ No

5. Name and address to whom correspondence concerning document should be mailed:

Name: Kyle Yesland

Internal Address: AviGenics, Inc.

Street Address: 111 Riverbend Road

City: Athens

State: GA Zip: 30605

Phone Number: (706) 227-1170 ext. 233

Fax Number: (706) 227-2180

Email Address: yesland@avigenics.com

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40

- ☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

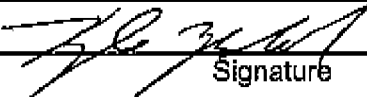
8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 501729

Authorized User Name Kyle Yesland

9. Signature:



Signature

Kyle Yesland

Name of Person Signing

October 2, 2008

Date

Total number of pages including cover sheet, attachments, and documents:

24

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

PATENT

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RECEIVED

AviGenics, Inc.

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is made as of the date set forth below by and between SONEET KAPILA (the "Assignee"), in his capacity as Assignee for the Benefit of Creditors of VIRAGEN, INC. and of VIRAGEN INTERNATIONAL, INC. (collectively, the "Assignors") and AviGenics, Inc. (the "Buyer") (each being singularly, the "Party" and collectively, the "Parties"). Capitalized terms not otherwise defined herein shall have the meanings set forth in Section 11.1 hereof.

RECITAL

WHEREAS, on October 2007, Assignors made a voluntary Assignment for the Benefit of Creditors under Chapter 727 of the Florida Statutes (the "Assignment Case");

WHEREAS, Assignors were engaged, among other things, in the research and development of avian transgenics as a manufacturing platform for the production of human therapeutic proteins and antibodies (the "Avian Transgenics Program");

WHEREAS, the Assignee has determined that it is in the best interest of the creditor body to sell all of his right, title, and interest in certain assets of the Assignors;

WHEREAS, Assignee wishes to sell all of the assets of the Assignors related to the Avian Transgenics Program upon the terms and conditions set forth herein;

WHEREAS, a portion of the Avian Transgenics Program was transacted through an affiliate of the Assignors, Viragen (Scotland) Ltd.;

WHEREAS, Viragen (Scotland) Ltd. is presently in liquidation in Scotland, and its Liquidator has entered into an agreement with the Assignee for the sale by Assignee of assets of Viragen (Scotland) Ltd., which are part of the overall Avian Transgenics Program; and

WHEREAS, the Circuit Court for the Seventeenth Judicial Circuit in Broward County, Florida (the "Circuit Court"), in Consolidated Case No. 07-027244 (14) entered an Order on March 6, 2008 in the Assignment Case authorizing the Assignee to sell the relevant "Scotland Assets," together with Assignor's assets related to the Avian Transgenics Program, and authorizing the division of the proceeds of sale between the Liquidator and the Assignee.

NOW THEREFORE, in consideration of the premises and mutual representations, warranties, covenants and agreements hereinafter set forth, and for other consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. **Sale of Assets.**

1.1 Assets to be Sold. Except as otherwise provided in Section 1.2, the Assignee shall, at the Closing (as defined below), sell, assign, convey, transfer and deliver to the Buyer, and the Buyer will purchase from Assignee, the assets set forth in Exhibit A attached, free and

clear of any and all Liens Or Other Encumbrances with such Lien Or Other Encumbrances attaching to the proceeds of the sale (collectively, the "Purchased Assets"), including without limitation:

1.1.1 All of Assignee's rights, if any, in all Issued Patents and Patent Applications identified on Exhibit A;

1.1.2 All of Assignee's rights, if any, in and to all other Intellectual Property related to the Avian Transgenics Program;

1.1.3 All of Assignee's rights, if any, in and to all books and records related to the Avian Transgenics Program, including, but not limited to laboratory notebooks, technical reports, product evaluation reports, documents related to dissemination of Assignors' confidential information to third parties such as confidential disclosure agreements and nondisclosure agreements, documents related to noncompetition agreements, documents related to unpatented inventions and trade secrets; documents related to Issued Patents and Patent Applications, documents related to business and marketing plans, call reports and the like in any way related to the Avian Transgenics Program;

1.1.4 All of the Assignee's rights, if any, in and to all claims, causes of action, choses in action, rights of recovery, and other rights of action against third parties with respect to any of such Intellectual Property related to the Avian Transgenics Program;

1.1.5 All of the Assignee's rights, if any, to enforce, for Buyer's benefit as a third party beneficiary, any and all of Assignors' rights which pertain to non-disclosure, non-solicitation, non-competition, non-disparagement and assignment of property covenants made under any contract, and all rights under said contract ancillary to the Intellectual Property related to the Avian Transgenics Program; and

1.1.6 All of the Assignee's rights, if any, in and to all other intangible personal property and the goodwill related to the Avian Transgenics Program.

Notwithstanding anything to the contrary in this Section 1.1, Buyer may elect to refuse the purchase of anyone or more of the Purchased Assets, provided that such refusal shall not alter or reduce the Purchase Price.

1.2 Excluded Assets. Anything in Section 1.1 to the contrary notwithstanding, all other assets of the Assignors shall be excluded from the Purchased Assets, including but not limited to the following assets:

1.2.1 all the Assignors' bank accounts including any cash and funds on deposit, check books and cancelled checks;

1.2.2 all claims against creditors to the extent they serve as a basis for objection to allowance of claims of such creditors, except as to the general, unsecured claims of the Buyer, if any, as to which the Assignee has no objection;

1.2.3 except as set forth in Section 1.1.4 and Section 1.1.5, all choses of action and all claims of Assignors against any person or entity; and

1.2.4 all other assets not described in Section 1.1 above.

2. **Liabilities and Obligations Assumed.** The Buyer shall not be deemed by anything contained in this Agreement or otherwise to have assumed any debts, obligations, contracts or other liabilities of the Assignors or relating to any of the Purchased Assets, whether fixed or contingent, known or unknown, accrued or unaccrued, and whether or not identified in this Agreement or the exhibits hereto. The sole exception shall be those obligations or contracts which are specifically set forth herein unless excluded in accordance with Section 1.2. The unassumed liabilities and obligations, if ever in existence, shall be and continue to be the liabilities and obligations of the Assignors.

3. **Purchase Price and Manner of Payment.**

3.1 **Purchase Price.** The aggregate purchase price for the Purchased Assets shall be:

3.1.1 a "Good Faith Deposit" equal to [REDACTED] plus

3.1.2 a "Closing Payment" equal to [REDACTED]

for a total purchase price of [REDACTED] plus all applicable taxes as more fully detailed in Section 5.5 hereof (the "Purchase Price").

3.2 **Manner of Payment of the Purchase Price.** The Purchase Price shall be paid as follows:

3.2.1 The Good Faith Deposit shall be held in escrow by counsel to Assignee and, except as set forth in Section 8.2, shall be paid to the Assignee on the Closing Date (as defined below);

3.2.2 The Closing Payment shall be paid to the Assignee in cash or in another form of immediately available funds within thirty (30) days of the entry of an appropriate court order of the Circuit Court, approving the sale of the Purchased Assets to the Buyer (the "Approval Order") as more fully detailed in Section 8.4 hereof; and

3.2.3 The Closing Payment shall be accompanied by a payment to Assignee of all applicable taxes as more fully detailed in Section 5.5 hereof.

4. **Closing.** Subject to compliance with or waiver of the conditions set forth in Sections 8 and 9 hereof, the closing of the transactions contemplated hereby (the "Closing") shall occur with thirty (30) days following the entry of the Approval Order (the "Closing Date").

5. **Representations and Warranties of the Assignee.** The Assignee represents and warrants to the Buyer as follows:

5.1 Qualification; Enforceability.

5.1.1 The Assignee is the duly selected Assignee for the Benefit of Creditors of Assignors, and has all requisite power and lawful authority to sell the Assignors' assets, subject to the approval of the Circuit Court.

5.1.2 This Agreement and the other instruments delivered in connection herewith, when executed and delivered by the Assignee constitutes the legal, valid and binding obligations of the Assignee in accordance with their respective terms, except to the extent that the enforcement thereof may be limited by the Circuit Court. However, notwithstanding anything else contained herein, Buyer shall have no claim against the Assignee individually and Buyer's sole remedy for breach of this Agreement shall be a claim in the Assignment Case.

5.2 Authority to Execute and Perform Agreements. The Assignee has the full legal right and power and all necessary authority; upon approval of the Circuit Court, to execute and deliver this Agreement and to perform fully the Assignee's obligations hereunder.

5.3 Full Disclosure. To the Knowledge of the Assignee, the information furnished by or on behalf of the Assignee to the Buyer in connection with this Agreement and the transactions contemplated hereby does not contain any untrue statement of a material fact.

5.4 Transfer Tax. The Buyer shall be responsible for any and all excise, sales, value added, use, registration, stamp, franchise, property transfer, gains, transfer and similar taxes, levies, charges and fees incurred in connection with the transactions contemplated by this Agreement. The Buyer and Assignee agree to cooperate in the filing of all necessary documentation and tax returns with respect to all such taxes, including, without limitation, any pre-sale filing procedure. The Buyer shall pay such taxes to the Assignee at Closing; however, the Buyer's obligations herein shall survive the Closing.

6. Representations and Warranties of the Buyer. The Buyer represents and warrants to the Assignee as follows:

6.1 Due Organization. The Buyer is duly organized, validly existing and in good standing under the laws of the State of Delaware and has the requisite corporate power and lawful authority to own its assets and properties and to carry on its business as now conducted. The Buyer is qualified to transact business and is in good standing in each jurisdiction in which the nature of its business or location of its properties requires such qualification and in which the failure to so qualify would have a material adverse effect on the Buyer.

6.2 Power of the Buyer. The Buyer has the full legal right and power and all authority and approval required to enter into, execute and deliver this Agreement and to perform fully its obligations hereunder. This Agreement has been duly executed and delivered and is the valid and binding obligation of the Buyer, enforceable in accordance with its terms, except to the extent that enforcement may be limited by bankruptcy, reorganization, insolvency or similar laws governing the rights of creditors generally or general principles of equity.

6.3 No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of the Buyer in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's, or similar fee or other commission in connection therewith based on any agreement, arrangement or understanding with the Buyer or any action taken by the Buyer.

6.4 Good Faith Purchaser. The Buyer has knowledge of no facts or information that would, in its reasonable judgment, cause it not to be a "good faith" purchaser as that term is defined under applicable law.

6.5 Full Disclosure. To the Knowledge of the Buyer, the information furnished by or on behalf of the Buyer to the Assignee in connection with this Agreement and the transactions contemplated hereby does not contain any untrue statement of a material fact.

7. Pre-Closing Covenants and Agreements. Between the date hereof and the Closing Date, the parties covenant and agree as follows:

7.1 Corporate Examinations and Investigations. Each of the parties hereto shall preserve and maintain, and shall cause each of its affiliates to preserve and maintain, proprietary information and trade secrets of the other party, and shall not disclose to any Person not a party to this Agreement or use any such proprietary information or trade secret for personal advantage, except that any party hereto shall be free to use or disclose any proprietary information and trade secrets that (i) were already in its possession at the time of disclosure to it; (ii) are a matter of public knowledge; (iii) hereafter become a matter of public knowledge other than through the receiving party; (iv) are lawfully obtained by the receiving party from a third party that is not, to the disclosing party's Knowledge, after due inquiry, subject to any restrictions of confidentiality; or (v) are required to be disclosed by the receiving party by law or in response to any inquiries by any governmental authority. In the event that the Closing does not occur, upon the request of the disclosing party, each receiving party agrees to return or destroy all written documentation provided to it.

7.2 CONSENT TO JURISDICTION AND SERVICE OF PROCESS. ANY LEGAL ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE INSTITUTED IN THE CIRCUIT COURT IN OR FOR THE 17TH JUDICIAL CIRCUIT (BROWARD COUNTY, FLORIDA), AND EACH PARTY WAIVES ANY OBJECTION WHICH SUCH PARTY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH ACTION, SUIT OR PROCEEDING, AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE CIRCUIT COURT IN ANY SUCH ACTION, SUIT OR PROCEEDING.

7.3 Further Assurance. Each of the Parties shall execute such documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby. Each such party shall use its best efforts to fulfill or obtain the fulfillment of the conditions to the Closing, including, without limitation, the execution and delivery of any documents or other papers, the execution and delivery of which are conditions precedent to the closing. Should the requirement for additional

documentation create extra work for Assignee's counsel, then Buyer shall indemnify Assignee for such reasonable extra expense, up to a maximum under this Section 7.3 and Section 8.2 below of [REDACTED]

8. **Conditions Precedent to the Obligation of the Buyer to Close.** The obligation of the Buyer to enter into and complete the Closing is subject to the fulfillment on or prior to the Closing Date of the following conditions, any one or more of which may be waived by the Buyer.

8.1 **Assignment Case.** Buyer is buying the Purchased Assets pursuant to the provisions of Chapter 727 of the Florida Statutes. Therefore, notwithstanding anything in this Agreement to the contrary, any and all obligations of the Buyer under this Agreement are subject to the following:

8.1.1 Entry of an order of the Circuit Court in form and substance reasonably satisfactory to the Buyer, approving the sale, assignment and transfer of the Purchased Assets, free and clear of all Liens Or Other Encumbrances, with such Liens Or Other Encumbrances, if any, attaching to the proceeds of the sale;

8.1.2 Entry of findings of fact and conclusions of law by the Circuit Court in form and substance reasonably satisfactory to the Buyer, establishing that:

8.1.2.1 the Assignee has been duly authorized to execute and deliver such instruments as the Assignee is required to execute and deliver pursuant to the terms of this Agreement; and

8.1.2.2 the entry by the Circuit Court of an Approval Order providing each of the elements required by this Section 8.1 and that the Approval Order shall be entered and not subject to any stay.

8.2 **Administrative Costs and Priority Claims.** All administrative costs and priority claims arising under the Assignment Case shall be the sole responsibility of the Assignee, provided that the Buyer will indemnify Assignee for legal fees incurred in assisting Buyer to procure further information regarding the Purchased Assets up to a maximum under this Section 8.2 and Section 7.3 of [REDACTED]. However, other than the promises set forth herein, nothing requires the Assignee to assist the Buyer.

8.3 **Assignee Deliveries.** The Assignee shall have provided to the Buyer the following pursuant to and in accordance with the Approval Order:

8.3.1 Bill of sale, consistent with the Notice of Private Auction, dated February 8, 2008, the March 6, 2008 Order Granting Assignee's Motion for Entry of an Order Authorizing the Sale, in form and substance satisfactory to the Buyer, covering all of the Purchased Assets;

8.3.2 Such Patent assignments and other instruments of conveyance with respect to the Purchased Assets as Buyer reasonably requests, in form and substance satisfactory to the Buyer; and

8.3.3 The Approval Order of the Circuit Court.

8.4 Cooperation. Assignee agrees to provide reasonable assistance to Buyer to document the insolvency of Assignors for purposes of reviving Patent Applications or Issued Patents. The Buyer agrees to pay Assignee reasonable fees and costs for such assistance.

8.5 Objection to Sale. Notwithstanding anything to the contrary herein, in the event that a creditor or a party-in-interest of Viragenics, Inc. objects to the sale of the Purchased Assets based upon the interest of Viragenics, Inc. in the Avian Transgenics Program or any of the Purchased Assets:

8.5.1 the Closing Date shall be extended, if necessary, until two (2) business days after the Circuit Court has resolved such objection;

8.5.2 in the event that Viragenics, Inc. is found by the Circuit Court to have an interest in the Avian Transgenics Program or the Purchased Assets, the Buyer shall not be required to close and the Good Faith Deposit shall be returned to Buyer; and

8.5.3 in the event that Viragenics, Inc. is found by the Circuit Court to not have an interest in the Avian Transgenics Program or the Purchased Assets or no party files an objection to the sale, the Closing shall occur on or before (i) if no objection to the sale is filed, then thirty (30) days following the entry of the Approval Order or (ii) if an objection to sale is filed, then two (2) business days after the Circuit Court has determined that Viragenics, Inc. does not have an interest in the Avian Transgenics Program or the Purchased Assets.

9. Conditions Precedent to the Obligation of the Assignee to Close. The obligation of the Assignee to enter into and complete the Closing is subject to the fulfillment on or prior to the Closing Date of the following conditions, any one or more of which may be waived by the Assignee.

9.1 Representations and Warranties. The representations and warranties of the Buyer contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date. The Buyer shall have performed and complied with all material covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date. The Buyer shall have delivered to the Assignee a certificate, dated the Closing Date and signed by an officer of the Buyer, to the foregoing effect and stating that all conditions to the Assignee's obligations hereunder have been satisfied.

10. Termination; Fees.

10.1 Termination. This Agreement may be terminated prior to the Closing as follows:

10.1.1 By the Assignee, pursuant to an order of the Circuit Court;

10.1.2 At the election of a Party, if any one or more of the conditions to such Party's obligation to close has not been fulfilled as of the scheduled Closing Date;

10.1.3 At the election of the Assignee, if the Buyer has breached any material representation, warranty, covenant or agreement contained in this Agreement;

10.1.4 At the election of the Buyer, if the Assignee has breached any material representation, warranty, covenant or agreement contained in this Agreement, and

10.1.5 At any time on or prior to the Closing Date, by mutual written consent of the Assignee and the Buyer.

If this Agreement terminates by mutual consent, it shall become null and void and have no further force or effect, except as otherwise provided herein.

10.2. Fees, Expenses and Other Payments. All out-of-pocket costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred by the parties hereto shall be borne solely and entirely by the party which has incurred such costs and expenses except as otherwise set forth herein.

11. Miscellaneous.

11.1 Certain Definitions. As used in this Agreement, the following terms have the following meanings unless the context otherwise requires:

"Intellectual Property" shall mean all worldwide intellectual property rights with respect to the Avian Transgenics Program and all rights associated therewith, including without limitation, rights to (i) all Issued Patents; (ii) all Patent Applications; (iii) Technology; (iv) all trade secrets, know-how, techniques, data, inventions, practices, methods, and other confidential or proprietary technical, business, marketing, research, development, and other information, and (v) all other intangible assets, properties and rights, including know how (whether or not appropriate steps have been taken to protect, under applicable law, such other intangible assets, properties or rights).

"Issued Patents" shall mean all issued and existing letters patents U.S. and foreign, including extensions (whether arising from patent or regulatory laws), supplemental protection certificates, registrations, confirmations, reissues, patents issuing from revived patent applications (including, without limitation, patents issuing from a national stage entry of a revived PCT application), reexaminations and renewals and all foreign equivalents thereof.

"Knowledge" means, (i) with respect to the Buyer, the actual knowledge of any officer, director or employee of the Buyer and (ii) with respect to the Assignee, the actual knowledge of the Assignee.

"Lien Or Other Encumbrance" means and includes any lien, pledge, mortgage, security interest, claim, lease, charge, option, right of first refusal, easement or any other encumbrance whatsoever.

"Patent Applications" shall mean all published or unpublished non-provisional and provisional patent applications, U.S. and foreign, expired or live, including any continuation, divisional, continuation-in-part or division thereof, any revived patent application such as a revived U.S. application or revived PCT application, any substitute application, and foreign equivalents thereof.

"Patents" shall mean, collectively, Issued Patents and Patent Applications.

"Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization or other entity.

"Technology" shall mean specifications, processes, product designs, plans, trade secrets, ideas, concepts, manufacturing, engineering and other manuals and drawings, standard operating procedures, flow diagrams, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, safety, efficacy, bioequivalency, quality assurance, quality control and clinical data, research records, compositions, process validation reports, analytical method validation reports, specifications for stability trending and process controls, technical data packages, chemical and physical characterizations, clinical trial reports and materials, regulatory communications and all other information related to the Avian Transgenics Program.

11.2 Publicity. No publicity release or announcement concerning this Agreement or the transactions contemplated hereby shall be issued without advance approval of the form and substance thereof by the Assignee and the Buyer.

11.3 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, transmitted by facsimile or sent by overnight courier or mailed certified, registered or express mail, postage prepaid, and shall be deemed given when so delivered personally, transmitted the next business day if sent by overnight courier, or if mailed, three days after the date of mailing, as follows:

If to the Buyer, to:

AviGenics, Inc.
111 Riverbend Road
Athens, GA 30605
Attn: Chief Executive Officer

With a copy to:

Ronald G. Neiworth, Esq

Fowler White Burnett, P.A.
1395 Brickell Avenue, 14th Floor
Miami, Florida 33131.

If to the Assignee to:

Thomas M. Messana, Esq.
Genovese Joblove & Battista, P.A.
200 E. Broward Blvd., Suite 1110
Fort Lauderdale, Florida 33301

With a copy to:

Soneet R. Kapila, Assignee for the Benefit of Creditors
1000 S. Federal Highway, Suite 200
Fort Lauderdale, FL 33316

11.4 Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the purchase of the Purchased Assets and related transactions and supersedes all prior agreements, written or oral, with respect thereto.

11.5 Waivers and Amendments. This Agreement maybe amended, modified, superseded, canceled, renewed or extended, and the terms and conditions hereof maybe waived only by a written instrument signed by the parties or, in the case of a waiver, the party waiving compliance. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies which any party may otherwise have at law or in equity. The rights and remedies of any party arising out of or otherwise in respect of any inaccuracy in or breach of any representation, warranty, covenant or agreement contained in this Agreement shall in no way be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant or agreement contained in this Agreement (or in any other agreement between the parties) as to which there is no inaccuracy or breach.

11.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida without regard to principles of conflicts of law.

11.7 No Assignment. This Agreement is not assignable by the parties hereto, except (a) by operation of law or (b) pursuant to an order issued by the Circuit Court; provided, however, that Buyer may assign its rights and obligations under this Agreement to any entity controlling, controlled by or under common control with Buyer.

11.8 Variations in Pronouns. All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

11.9 Counterparts. This Agreement maybe executed in two or more counterparts and by facsimile, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

11.10 Exhibits. The Exhibits to this Agreement are hereby made a part of this Agreement as if set forth in full herein.

11.11 Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement.



11.12 Amendments. This Agreement may not be amended or otherwise modified without the prior written consent of all parties hereto.

11.13 Binding on Successors, Assigns and Others. This Agreement and the covenants and conditions contained herein shall apply to, be binding upon and inure to the heirs, executors, administrators, conservators, trustees, agents, legal representatives, successors, transferees and assigns of the Parties hereto.

11.14 Recitals. The foregoing recitals are true and correct and incorporated herein as if fully set forth herein.

11.15 Construction. This Agreement shall be construed as if the Parties jointly participated in the preparation of this Agreement and any uncertainty and/or ambiguity shall not be interpreted against any one Party.

SIGNATURE PAGE FOLLOWS

WITNESSES:	ASSIGNEE: 
	Address: Sonect R. Kapila, Assignee for the Benefit of Creditors 1000 S. Federal Highway, Suite 200 Fort Lauderdale, FL 33316
	Date:  6/16/08, 2008

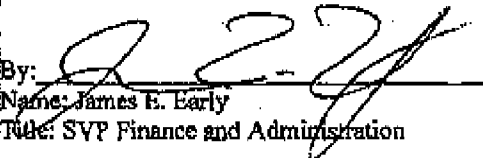
WITNESSES:	ASSIGNEE:
	Address: Soneet R. Kapila, Assignee for the Benefit of Creditors 1000 S. Federal Highway, Suite 200 Fort Lauderdale, FL 33316
	Date: _____, 2008
	BUYER:
	AVIGENICS, INC.
	By: 
	Name: James E. Early Title: SVP Finance and Administration
	Address: AviGenics, Inc. 111 Riverbend Road Athens, GA 30605 Attn: Chief Executive Officer
	Date: _____, 2008

EXHIBIT A

Title	Assignee	Priority Date and Number	Status	Comments
Improved Producer Cell line for the Production of Recombinant Viral Vector Particles for Gene Therapy	Viragen Inc.	Priority date: 2 nd April 2007 GB 0706363.9	UK Provisional application	
Method for the production of Interferon Alpha 2a in transgenic avian	Viragen Inc.	Priority date: 15 th January 2007 GB 0700736.2	UK provisional application	
Method for the production of a type I interferon in a transgenic avian Note: (IFN beta)	Viragen Inc.	Priority date: 12 TH May 2006 GB 0609410.6	PCT application PCT/GB2007/050264 Filed 14 th May 2007	
Promoter for viral vector	Viragen Inc.	Priority date: 11 th May 2005 GB 0509576.5	PCT International application Filed 11 th May 2006 PCT/2006/001735 UK National phase No. 0712766.5 Filing date: 11 th May 2006	Search report received Nov06 and arguments placed on file for future (Feb07)
Protein Production in	Viragen Inc. and Oxford	27 TH November	International Application:	Feb04: Declined to request IPER

Transgenic Avians	Biomedica	2002 GB 0227645.9	PCT/GB2003/005191 WO04047531 European application No. 03767951.1 Publication No. 1587363A Hong Kong No. 06104301.0 Publication no. 1082521 Published 9 th June 2006 US application No. 10/536550 Chinese Application: No. 200380109274.4 Filed 27 th November 2003 Published CN1820072A 16 th August 2006 Canada National Phase No. 2507241 Filed 27 th November 2003 Australia National phase Filed 27 th November	Details published in EU Bulletin on 26Oct05 Published by USPTO on 8 th Dec05 under US/2005/0273872/A1
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			2003 No. 2BA	
Methods of Preparing Eggs for Nuclear Transfer and Uses Thereof	Viragen Inc.	13 th December 2001 GB 0129811.6	<p>International application: PCT/GB2002/005660 WO 03/049537 Filing date 13th December 2002</p> <p>European Application: No. 02804623.3 Publication No. 1455573A Extension fee due 13th Dec 2004</p> <p>US Patent No. 7,259,291 (US application No. 10/498286) Filed 4th June 2004 Published 20th Jan. 2005 2004-0015825-A1</p> <p>Canadian application No. 2,469,257 Filed 13th Dec 2002</p>	<p>National phase entered: US, Europe, Canada, Australia, NZ, Japan, China – Granted US, Canada and NZ.</p> <p>Regional phase entered for EU No. 02804623.3: AT, BE, BG, CY, CZ, DK, EE, FI, FR, DE, GR, IE, IT, LU, MC, NL, PT, RO, SK, SI, ES, SE, CH LI, TR, GB. Plus: AL, LT, LV, MK, RO</p> <p>Extension of EU application to Hong Kong within 6 months EP grant</p> <p>Granted 21st August 2007 First renewal 21 Feb 2011 Expiry 1st Oct 2023</p> <p>Granted 27th May 2005 Payment schedule 13th Dec 06, 09, 12, 15</p> <p>Acceptance deadline 3rd Nov 05</p> <p>Letters Patent received 20 Jun 07</p>

			<p>New Zealand Application No. 532709 Patent No 532709</p> <p>Australian Application No. 2002356292 Patent No. AU2002356292 Granted</p> <p>China application 02824919.4 Filed 13th Dec 2002</p> <p>Japan application 2003- 550592 Filed 13th Dec 2002 Publ.No. 511067/2005</p> <p>Hong Kong application No. 05101363.2 Filed 18th Feb05 Publication No. 1068517A</p>	<p>Published in Patent Gazette 6th Apr05 CN1604735A Response filed at Chinese PO Feb07</p>
Non-penetrating electrode device and method	Viragen Inc. and RMR Technologies LLC	25 TH March No. 60/556648	US Provisional	
Screening method (Explants)	Viragen (Scotland) Limited and Oxford Biomedica	9 th September 2004 No. 0419957.6	International application PCT/GB2005/003488 WO2006/027606 9 TH Sep05	

	(UK) Ltd			
Transgene optimisation	Viragen Inc.	2 nd September 2004 No. 0419424.7	<p>International application PCT/GB2005/003402 WO2006/024867 Filed 2nd September 2005</p> <p>Australia: Application No. 2005278992 Filed 2nd September 2005</p> <p>US:</p> <p>EU: 1784491A</p> <p>Japan: Application No. 2007-528999 Filing date 2nd September 2005</p>	<p>Published 9th March 2006 International Preliminary Report on Patentability and Written Opinion received</p> <p>Entered National phase in US, EU, AU, JP Feb07</p> <p>US Claims modified on entry into National phase to comply with national law</p> <p>Entered national Phase Request exam and fee to be filed by 2nd Sep07</p>

RECEIVED

AviGenics, Inc.

IN THE CIRCUIT COURT OF THE
17TH JUDICIAL CIRCUIT IN AND
FOR BROWARD COUNTY, FLORIDA

In re:

GENERAL JURISDICTION DIVISION

ASSIGNMENT FOR THE BENEFIT OF
CREDITORS OF VIRAGEN, INC., a
Delaware Corporation

CONSOLIDATED CASE NO. 07-027244 (14)

and

ASSIGNMENT FOR THE BENEFIT OF
CREDITORS OF VIRAGEN
INTERNATIONAL, INC. a Delaware
Corporation,

Assignors,

To:

SONEET R. KAPILA,

Assignee.

ORDER APPROVING PRIVATE AUCTION SALE

This matter came on before the Court for hearing on May 14, 2008, regarding the Notice of Private Auction (the "Notice") filed by Soneet Kapila (the "Assignee"), as Assignee for the benefit of creditors of Viragen, Inc. and Viragen, International. The Partial Objection to Sale filed by Avigenics, Inc. was withdrawn on May 13, 2008. The Court had previously considered the Assignee's Motion for Entry of An Order (I) Authorizing the Assignee to Sell the Scotland Assets; (II) Approving the Stipulation between the Assignee and the Liquidator¹ for Allocation of the Proceeds; and (III) Notice of Sale of Certain of the Assets Subject to Higher and Better Offers (the "Motion"). The Court has reviewed the Notice and determined that service therewith was proper.

¹ Unless otherwise noted, all capitalized terms shall have the same meaning as set forth in the Motion.

Upon the proffer of counsel for the Assignee and agreement of counsel for Avigenics, Inc. the Court determined that:

1. Viragen (Scotland) Ltd., a Scottish company identified in the APA, is wholly owned by the Assignor Viragen, International. Upon information and belief, VirgaGenics, Inc., a Delaware corporation identified in the APA, is wholly owned by the Assignor Viragen, Inc.
2. A private auction (the "Auction") was conducted on March 12, 2008 pursuant to the Notice.
3. Avigenics, Inc. was determined to be a qualified bidder and appeared at the Auction.
4. Avigenics, Inc. submitted a bid of [REDACTED] and was determined to be the winning bidder.

Accordingly, the Court determines that good cause exists pursuant to Chapter 727 of the Florida Statutes for the Assignee to sell the referenced assets on the described terms.

NOW, THEREFORE, IT IS HEREBY ORDERED AND ADJUDGED as follows:

- A. The relief requested in the Motion is granted.
- B. The Assignee was previously authorized to sell all of the Intellectual Property including the Avian Transgenics Program, free and clear of liens, claims or encumbrances, with any and all liens, claims, or encumbrances against the Intellectual Property, if any, to attach to the sale proceeds recovered by the Assignee. See Order Granting Assignee's Motion for Entry of An Order (I) Authorizing the Assignee to Sell the Scotland Assets; (II) Approving the Stipulation between the Assignee and the Liquidator for Allocation of the Proceeds; and (III) Notice of the Sale of Certain of the Assets Subject to Higher and Better Offers dated March 6, 2008. Accordingly, the Assignee's execution of the Asset Purchase Agreement ("APA") attached hereto as Exhibit "A," is Approved.

C. No approval or consent of any foreign, federal, state or other governmental or regulatory body or any third party, other than the consent of this Court, is required in connection with the execution and delivery of the APA.

D. The Assignee has provided notice of the sale, assignment and transfer of the Assets to all creditors and interested parties in compliance with Chapter 727 of the Florida Statutes.

E. The Sale of the Avian Transgenics Program to Avigenics, Inc. ("Avigenics"), the Winning Bidder as declared at the May 12, 2008 Private Auction, for the sum of [REDACTED] [REDACTED] is Approved. The Sale is free and clear of all liens, claims, encumbrances or interests, with any such liens, claims, encumbrances or interests to attach to the sale proceeds recovered by the Assignee.

F. The purchase price constitutes fair value for the assets sold herein.

G. The deadline to close the Sale shall be thirty (30) days from the date of this order to allow for (1) additional due diligence with respect to the interest, if any, of Viragenics, Inc. in the Avian Transgenics Program, and (2) objection to the Sale, based on the interest of Viragenics, Inc. in the Avian Transgenics Program, made by a creditor or party-in-interest. If an objection is filed pursuant to this paragraph, the deadline to close the Sale shall be two days following this Court's resolution of such objection. Avigenics shall not be required to close or subjected to forfeiture of its good faith deposit if Viragenics, Inc. is found to have an interest in the Avian Transgenics Program. Any failure to close for a reason other than the finding by this Court of an interest in the Avian Transgenics Program held by Viragenics, Inc. shall result in forfeiture of the good faith deposit pursuant to the Bid Procedures.

H. Upon the closing the Purchaser, Avigenics shall be deemed a good faith purchaser.

I. Metis is entitled to a commission of fifteen percent [REDACTED]. The remaining proceeds, less the costs of sale, will be allocated and distributed between the Assignee and the Liquidator as follows:

- Fifty percent [REDACTED] in favor of the Assignee
- Fifty percent [REDACTED] in favor of the Liquidator.

J. This court retains jurisdiction to resolve any matter or dispute arising from or relating to the Sale.

IT IS SO ORDERED this ____ day of June, 2008, ~~Thomas M. Lynch, IV~~ ^{Thomas M. Lynch, IV} in and for the County of Broward, Florida.

JUN 23 2008

A TRUE COPY

CIRCUIT COURT JUDGE

RECEIVED**AviGenics, Inc.****BILL OF SALE****1.0 The Parties**

- 1.1 SONEET KAPILA, in his capacity as Assignee for the Benefit of Creditors of VIRAGEN, INC., a Delaware Corporation, and Assignee for the Benefit of Creditors of VIRAGEN INTERNATIONAL, INC., a Delaware Corporation, hereinafter called Seller.
- 1.2 AVIGENICS, INC., hereinafter called Buyer.

2. Background

- 2.1 On the 17th day of October 2007, VIRAGEN, INC., and VIRAGEN INTERNATIONAL, INC., (hereinafter collectively called "Assignor") executed their respective Assignments for the Benefit of Creditors, conveying all of their assets, of whatever kind, nature or description, including without limitation, any intellectual property owned by them to SONEET KAPILA for the purpose of liquidation of those assets pursuant to the provisions of Chapter 727, Florida Statutes.
- 2.2 Seller received an offer to purchase certain of the assets of the Assignor free and clear of liens, encumbrances and claims of whatever kind, nature or description, with valid liens, if any to attach to the proceeds of the sale. A complete list of the assets for which Seller received such offer is attached to this Bill of Sale as Exhibit "A".
- 2.3 The Seller requested from the Court, and the Court approved a procedure for auctioning the assets, in order to obtain the highest and best bid under the circumstances. Buyer was the successful bidder at the auction which was held pursuant to Court Order.
- 2.4 On the 23rd day of June 2008, the Circuit Court for the 17th Judicial Circuit, in and for Broward County, Florida, entered an Order approving the proposed sale of the subject assets to Buyer, pursuant to the terms of an Asset Purchase Agreement. The Court specifically authorized the Seller to enter into the Asset Purchase Agreement and to conclude the sale. A true copy of the Court Order, with the Asset Purchase Agreement attached, is attached to this Bill of Sale as Exhibit "B."
- 2.5 Seller acknowledges payment in full of the agreed purchase price.

3.0 Transfer

- 3.1 Accordingly, Seller does hereby assign, transfer and set over to Buyer all of the personal property as set forth in the Asset Purchase Agreement, including without limitation intellectual property, whether tangible or intangible, detailed in Exhibit A attached, free and clear of any liens, claims, encumbrances or interests, consistent with the Court's Order and the Asset Purchase Agreement

PATENT**REEL: 021630 FRAME: 0213**

3.2 The assets are sold in "as is" condition, and Seller makes no representations or warranties of their condition or of their fitness for any particular use.

IN WITNESS WHEREOF, the Seller has executed this instrument this 28th day of AUGUST, 2008.

SELLER

By: *Sonnet Kapila*
SONNET KAPILA, Assignee for the Benefit
of Creditors, VIRAGEN, INC. and
VIRAGEN INTERNATIONAL, INC.

STATE OF FLORIDA)
):ss
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 28th day of AUGUST, 2008 by SONNET R. KAPILA ☐ who is personally known to me or ☐ who have produced as identification.

Joan G. Zeiler
Notary Public, STATE OF FLORIDA

Print Name: JOAN G. ZEILER

My Commission Expires:

