

**AMENDMENT NO. 1 TO
COMMERCIALIZATION, LICENSE AND
RESEARCH REIMBURSEMENT AGREEMENT**

This Amendment No. 1 (the "**Amendment**") to Commercialization, License and Research Reimbursement Agreement is made and entered into as of March 24, 2011 by and between Med BioGene Inc. ("**MBI**") and Precision Therapeutics, Inc. ("**PTI**"). MBI and PTI are referred to herein individually as a "**Party**," or collectively as the "**Parties**." Capitalized terms used but not defined in the Amendment shall have the meanings given to them in the Agreement.

BACKGROUND

WHEREAS, the Parties hereto have entered into that certain Commercialization, License and Research Reimbursement Agreement dated March 1, 2011 (the "**Agreement**"). The parties hereto now deem it to be in their respective best interests to amend the Agreement as provided below.

WHEREAS, pursuant to Section 12.08 of the Agreement, the terms of the Agreement may be waived and amended with the written consent of the Parties.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Section 4.01 of the Agreement shall be deleted in its entirety and replaced with the following Section 4.01:

"4.01 Licensing Payment and Research Reimbursement to MBI.

PTI shall pay to MBI a non-refundable license fee of *[\$amount redacted]* and will pay to MBI non-refundable research reimbursement in the amount of *[\$amount redacted]* for direct costs of research and development undertaken by MBI, for a total of \$2,300,000, which amount shall be payable by PTI as follows:

(a) *[text redacted]*;

(b) *[text redacted]*;

(c) *[text redacted]*; and

(d) *[text redacted]*.

Of these \$2,300,000 in payments, the sum of \$1,150,000 will be fully credited to, reduce and may be fully set-off by PTI against, PTI's royalty payment obligations under Section 4.04."

2. Section 4.04(1)(a) of the Agreement shall be deleted in its entirety and replaced with the following Section 4.04(1)(a):

“(a) in each country where the Products sold (or, in such case where a service performed constitutes a Product, the location where such services are performed) are covered by one or more Valid Patent Claims within the MBI Technology and/or Improvements, a non-refundable royalty of *[amount redacted]*% of Net Revenues; and”

3. Section 11.08(1) of the Agreement shall be deleted in its entirety and replaced with the following Section 11.08(1):

“(1) PTI shall be entitled to a cash termination payment (the “**Termination Payment**”) in an amount equal to \$375,000 (plus all amounts paid under Section 2.01 of the Support Agreement).”

4. Except as modified hereby, all of the terms and conditions of the Agreement remain in full force and effect and are hereby reaffirmed, ratified and approved. This Amendment, together with the Agreement, embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Amendment shall affect, or be used to interpret, change or restrict, the express terms and conditions of this Amendment. Hereafter references to the Agreement in any document or other agreement shall be deemed to constitute references to the Agreement as amended by this Amendment. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Amendment may be made and evidenced by facsimile transmission. This Amendment shall be construed and enforced in accordance with and governed by the internal laws of the State of Delaware, without regard to its principles of conflicts of laws.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives as of the date first above written.

MED BIOGENE INC.

per:

Erinn Broshko
Chief Executive Officer

PRECISION THERAPEUTICS, INC.

per:

Sean McDonald
President & Chief Executive Officer