

MINUTES
of the
16th Ordinary General Meeting
of
CYTOS BIOTECHNOLOGY LTD

held on Thursday, 3 April 2014, starting at 10 AM at
Cytos Biotechnology Ltd, Wagistrasse 25, 8952 Schlieren / Switzerland

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Welcome

Dr. Christian Itin, Chairman of the Board of Directors, opens the meeting and assumes the chair. On behalf of the Board of Directors and the Executive Board he welcomes the shareholders in attendance to 16th Ordinary General Meeting of Cytos Biotechnology Ltd (hereinafter referred to as "**Cytos Biotechnology Ltd**" or "**Cytos**" or the "**Company**").

Organization of the Meeting

The Chairman makes the following determinations:

- The invitation to the Ordinary General Meeting specified the agenda items and proposals and was made in due time via publication of the invitation in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) on 13 March 2014. The shareholders listed in the share register were also invited with a letter dated 13 March 2014. The invitation was therefore made on time and in proper form.
- An English summary of the proposals of the Board of Directors prior to each vote was not requested.
- The documents listed in the invitation were made available at the registered office of the Company during the period of time provided for by law and the Articles of Association and could be ordered by shareholders.
- Dr. Matthias Staehelin of VISCHER Ltd is appointed as secretary and vote counter for this general meeting.
- PricewaterhouseCoopers AG, Basel, the auditor for the Company's financial statements (Revisionsstelle) and the group's consolidated financial statements (Konzernprüferin) (hereinafter referred to as the "Auditor") is represented by Mr. Reto Gall and Mr. Willy Wenger.
- Mr. Andreas G. Keller, Attorney-at-Law, Gehrenholzpark 2g, 8021 Zurich, serves as the Independent Proxy (unabhängiger Stimmrechtsvertreter) within the meaning of Art. 689c Swiss Code of Obligations.
- Mr. Beat Saner from the notary office of the City of Schlieren serves as the notary.
- As simple majority of the voting shares cast is required for all Agenda Items.
- In order to expedite the voting process, the Chairman proposes that the votes and elections take place by a show of hands, and that the show of hands need not be counted if the result is obvious. The no votes and abstentions need only be tallied if the results are unclear or close.

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- The Chairman notes that shareholders who vote no may request that their names be included in the minutes. They should report to the vote counter.
- The Chairman explains that the General Meeting may resolve to vote by ballot. The Chairman also is entitled to order voting by ballot, or to order that a vote or an election be repeated by ballot.

After no objections were made, the Chairman determines that the General Meeting has been properly organized and has a quorum.

The 2013 Fiscal Year in Retrospect

Christian Itin reports on the highlights of the year 2013, in particular on the successful recruiting of 365 patients in the international clinical phase 2b study with CYT003, on the raising of additional funds of CHF 24.3 million, on the enlargement of the Board of Directors by Dr. Yamo Deniz as well as of Management, on the progress of the development program concerning a flu vaccine and on the start of a phase 1 study for an anti IgE vaccine by Pfizer.

For the Company's lead compound CYT003 Christian Itin summarizes the findings found so far: Positive data from a 299 patients phase 2b study in allergic rhinitis (primary and secondary endpoints were met), and positive phase 2a randomized, placebo-controlled clinical trial in allergic asthma (all clinical endpoints were met) showing that there is means of maintaining asthma control despite steroid withdrawal. He reports that a global phase 2b clinical program in allergic asthma is ongoing with a primary endpoint of Asthma control (ACQ) after 12 weeks and a secondary endpoint consisting of lung function, asthma symptoms and medication score, quality of life, biological markers of inflammation. Enrollment with 365 adult patients with moderate to severe allergic asthma not sufficiently controlled on current standard therapy in more than 90 centers in North America and Europe has been finalized. The study is on track for core data in April 2014; the study is blinded and therefore the outcome at this time uncertain.

Christian Itin finally gives the following outlook: If positive core data from the ongoing Phase 2b clinical trial with CYT003 are obtained, the Company believes to own a highly differentiated and un-partnered Phase 2 asset with the potential of addressing a key medical need in allergic asthma.

Next, Mr. Welten, CFO of the Company, comments on the key performance indicators from the balance sheet and the income statement.

A shareholder inquires why the conversion of the Convertible Loan Notes was announced before the publication of the study results expected for April. Christian Itin replies that these convertibles may be converted at any time by the loan

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grantors. The conversion price is fix. An earlier conversion reduces the Company's debt considerably. An announcement at this time helps to bring clarity.

A shareholder asks how many loans Cytos has repurchased. Harry Welten answers that about one half of the convertible loans were repurchased, since their issuance in 2007.

A shareholder inquires why the conversion price for the Convertible Loan Notes is fixed at CHF 2.13 whereas the shareholders paid CHF 3 in the offering of last fall. Harry Welten replies that this price dates back to the 2012 transaction. At that time a conversion price of CHF 2.244 had to be accepted which was a 20% premium over the price of CHF 1.87 per share that was offered to all shareholders. Due to the anti-dilution clause, the conversion price has been reduced to CHF 2.13 in the meanwhile.

A shareholder asks for revelation of the names of the beneficiaries of the payments of CHF 158'000 to a former member of Management and of CHF 105'000 to a current member of Management. Christian Itin and Harry Welten state that CHF 158'000 were paid to Philipp Müller as a consultancy fee and that CHF 105'000 were paid to Matthias Alder as consultancy fee for his services rendered before his was hired as an employee of the Company.

A shareholder asks for the reason for the increase in personnel costs of 10 %. Harry Welten states that this was a consequence of an increased number of staff.

The complete presentation of the Chairman and the CFO can be reviewed at the registered address of the Company.

Attendance

Next, the Chairman announces attendance as follows:

According to the attendance list:

- 51 Shareholders are in attendance,
- 14,496,488 registered shares at CHF 0.10 are represented and
- 14,279,518 registered shares at CHF 0.10 are represented by the Independent Proxy.

The Chairman states that the simple majority of the votes cast is met when more yes than no votes are counted, which means that, when all shareholders vote with yes or no, the simple majority is 7,248,245 votes.

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In addition, he states that for agenda item 3 ("Discharge of the Members of the Board of Directors and the Executive Board"), the corporate bodies of the Company are not entitled to vote, and accordingly, the simple majority is 7,245,397 votes.

After announcing attendance, the Chairman proceeds to address the agenda items.

Agenda Item 1:

Approval of the Annual Report, Annual Financial Statements, and Consolidated Financial Statements of Cytos Biotechnology Ltd for the year 2013.

The Board of Directors proposes to approve of the Annual Report, the Annual Financial Statements, and the Consolidated Financial Statements of Cytos Biotechnology Ltd for the year 2013, and to take note of the reports of the Auditors.

The Chairman asks whether anyone has questions for the Auditor or if anyone would like to speak to this agenda item. After no one requests to speak, a vote is taken.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the Annual Report, the Annual Financial Statements and the Consolidated Financial Statements of Cytos Biotechnology Ltd for the year 2013, with the auditor's reports considered, had been passed by a large majority.

Agenda Item 2:

Appropriation of Loss

The Chairman moves on behalf of the Board of Directors that the General Meeting approve to carry forward the net loss of the year 2013 in the amount of CHF 44'466'219.02. In view of Mr. Welten's earlier remarks, he does not comment any further on this agenda item.

The Chairman asks whether anyone has any questions about agenda item 2. After no one requests to speak, a vote is taken.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the proposal on agenda item 2 had been passed by a large majority.

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Agenda Item 3:**Discharge of the Members of the Board of Directors and the Executive Board**

The Chairman moves on behalf of the Board of Directors that the General Meeting grant discharge from liability for actions taken in 2013 to the members of the Board of Directors and the Executive Board. The discharge would also apply to the former members of the Executive Board who left these bodies during the course of 2013.

The Chairman asks whether anyone had any questions about agenda item 3. After no one requests to speak, a collective vote is taken.

The Chairman asks the members of the Board of Directors and the Executive Board to abstain from voting on this agenda item.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that discharge of the members of the Board of Directors and the Executive Board was granted by a large majority.

Agenda Item 4:**Re-election of the Auditors**

The Chairman moves on behalf of the Board of Directors that the General Meeting reelect PricewaterhouseCoopers AG, Basel, as the auditor for a one year term of office.

The Chairman asks whether anyone has any questions about agenda item 4.

A shareholder inquires how long PricewaterhouseCoopers AG have been the Company's auditor. Harry Welten replies that PricewaterhouseCoopers AG have been the Company's auditor since the IPO but that the lead examiner is replaced every seven years.

After no one else requests to speak to this agenda item, a vote is taken.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the General Meeting has elected PricewaterhouseCoopers AG, Basel, as the auditor for another one year term of office by a large majority.

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Agenda Item 5:
Amendments of the Articles of Association

The Board of Directors proposes to amend the Articles of Association in line with the Ordinance against excessive pay in stock exchange listed companies (VegüV) of 1 January 2014, by amendment of Articles 17, 20 and 21 and introduction of Article 25a of the Articles of Association as specified in the invitation to today's ordinary general meeting.

The Articles of Association have to be amended according to the requirements and transitional provisions of the Ordinance against excessive pay in stock exchange listed companies (VegüV) which entered into force on 1 January 2014. Accordingly, the one-year term of office of a Board member (including the chairman) and individual election of the Chairman of the Board of Directors and of the members of the Compensation Committee correspond to best practice of corporate governance standards. Further changes of the Articles of Association as required by the VegüV are to be resolved by the Shareholders' Meeting 2015.

The Chairman asks whether anyone has any questions about agenda item 5. After no one requests to speak, a vote is taken.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the proposal of the Board of Directors has been approved by a large majority.

Agenda Item 6:
Re-election to the Board of Directors, of the Chairman of the Board of Directors and of the members of the Compensation Committee

The Board of Directors proposes the following Board members for re-election to the Board of Directors for a one-year term of office (the nominations will be voted on separately):

- Christian Itin, Swiss citizen, resident of Feldafing (Germany), as the Chairman of the Board of Directors;
- Joseph Anderson, a citizen of the United Kingdom, resident of Oxted (U.K.), as a member of the Board of Directors;
- John Edward Berriman, a citizen of the United Kingdom, resident of Reading (U.K.), as a member of the Board of Directors;
- Paul Alan Brooke, a citizen of the U.S.A., resident of New York, NY (U.S.A.), as a member of the Board of Directors;

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- Yamo Deniz, a citizen of the U.S.A. and Sweden, resident of Upper Saddle River, NJ (U.S.A), as a member of the Board of Directors;
- Arthur Mertz Krieg, a citizen of the U.S.A., resident of Needham, MA (U.S.A.), as a member of the Board of Directors; and
- Kurt von Emster, a citizen of the U.S.A., resident of Belmont, CA (U.S.A.), as a member of the Board of Directors.

The Board of Directors proposes the following Board members for election to the Compensation Committee for a one-year term of office (the nominations will be voted on separately):

- John Edward Berriman;
- Paul Alan Brooke.

The Chairman asks whether anyone has any questions about agenda item 6.

A shareholder asks why all the members of the Board of Directors are living abroad. Christian Itin states that the Company is developing a product for a global market. Experienced persons who are also working for other companies located in the US, the United Kingdom and in Germany are indispensable for the Board of Directors. The know-how for this kind of companies is sparse in Switzerland.

A shareholder is surprised at the answer and proposes to select persons active in the Basel life science cluster. No candidate for the Board of Directors is proposed by the shareholders though.

A shareholder asks for additional information on the members of the Board of Directors. Christian Itin points out that short CVs of all proposed members of the Board of Directors are included in the Annual Report.

After no one else requests to speak, a vote is taken.

The Chairman conducts the election separately for every person proposed.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the General Meeting has elected all persons proposed for a term of office of one year in the function they were proposed for by a large majority.

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**Agenda Item 7:
Election of the independent proxy**

The Board of Directors proposes for election as independent proxy for a one-year term of office:

- Andreas G. Keller, attorney-at-law, Gehrenholzpark 2g, CH-8055 Zurich.

The Chairman asks whether anyone has any questions about agenda item 7.

A shareholder inquires about the independence of the proposed independent proxy and if he is already aware if he is elected. Matthias Staehelin observes that the independent proxy represents 98 % of the shares.

Andreas G. Keller discloses the votes and confirms his independence.

After no one else requests to speak, a vote is taken.

After a vote on the resolution by a show of hands (without tallying the show of hands), the vote counter announces that the General Meeting has elected Andreas G. Keller as the independent proxy for a term of office of one year by a large majority.

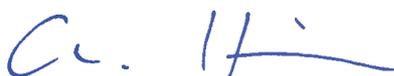
Closing Remarks, Questions

The Chairman states that all agenda items had been addressed, thanks the shareholders for the trust placed in Cytos and asks whether anyone would like to have the floor.

After no one requests to have the floor, the Chairman declares the general meeting closed at 11.10 AM and invites the attendees to have refreshments in the adjoining room.

Schlieren, 3 April 2014

The Chairman:



Dr. Christian Itin

The Secretary:



Dr. Matthias Staehelin