FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _ to

Commission file number **1-12830**

BioTime, Inc.

(Exact name of registrant as specified in its charter)

California	**94-3127919**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502
(Address of principal executive offices)

(510) 521-3390
(Registrant's telephone number, including area code)

6121 Hollis Street
Emeryville, California 94608
(Former address, changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

:Yes 9 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act).

Large accelerated filer 9	Accelerated filer 9
Non-accelerated filer 9 (Do not check if a smaller reporting company)	Smaller reporting company :

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

9Yes :No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 23,694,374 common shares, no par value, as of June 30, 2008**.**

PART 1--FINANCIAL INFORMATION

Statements made in this Report that are not historical facts may constitute forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those discussed. Such risks and uncertainties include but are not limited to those discussed in this report under Item 1 of the Notes to Financial Statements, and in BioTime's Annual Report on Form 10-K filed with the Securities and Exchange Commission. Words such as "expects," "may," "will," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar expressions identify forward-looking statements.

Item 1. Financial Statements

BIOTIME, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	June 30, 2008 (unaudited)	December 31, 2007
CURRENT ASSETS:		
Cash and cash equivalents	$ 172,461	$ 9,501
Accounts receivable	4,095	3,502
Prepaid expenses and other current assets	150,626	128,643
Total current assets	327,182	141,646
Equipment, net of accumulated depreciation of $588,318 and $585,765, respectively	11,316	12,480
Advance license fee and others	270,976	20,976
TOTAL ASSETS	$ 609,474	$ 175,102
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 623,065	$ 480,374
Lines of credit payable	1,924,156	716,537
Deferred license revenue, current portion	293,070	261,091
Total current liabilities	2,840,291	1,458,002
LONG-TERM LIABILITIES:		
Stock appreciation rights compensation liability	52,603	13,151
Deferred license revenue, net of current portion	1,630,122	1,740,702
Other liabilities	7,347	9,636
Total long-term liabilities	1,690,072	1,763,489
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' DEFICIT:		
Common shares, no par value, authorized 50,000,000 shares; issued and outstanding 23,694,374 and 23,034,374 shares at June 30, 2008 and December 31, 2007, respectively	40,968,465	40,704,136
Contributed capital	93,972	93,972
Accumulated deficit	(44,983,326)	(43,844,497)
Total shareholders' deficit	(3,920,889)	(3,046,389)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	$ 609,474	$ 175,102

See accompanying notes to the condensed consolidated financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
REVENUES:				
License fees	$ 67,725	$ 47,065	$ 133,908	$ 93,499
Royalties from product sales	341,153	163,676	650,053	362,940
Other revenue	1,685	—	7,620	—
Total revenues	410,563	210,741	791,581	456,439
EXPENSES:				
Research and development	(416,978)	(210,767)	(764,129)	(554,317)
General and administrative	(532,358)	(293,772)	(968,297)	(711,552)
Total expenses	(949,336)	(504,539)	(1,732,426)	(1,265,869)
Loss from operations	(538,773)	(293,798)	(940,845)	(809,430)
Interest expenses and other income	(124,007)	(50,279)	(197,983)	(88,509)
Net Loss	$ (662,780)	$ (344,077)	$ (1,138,828)	$ (897,939)
Loss per common share – basic and diluted	$ (0.03)	$ (0.02)	$ (0.05)	$ (0.04)
Weighted average number of common shares outstanding – basic and diluted	23,694,374	22,828,879	23,368,660	22,788,518

See accompanying notes to the condensed consolidated financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended	
	June 30, 2008	June 30, 2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (1,138,828)	$ (897,939)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	2,553	3,233
Amortization of deferred finance cost on lines of credit	128,220	11,997
Interest on royalty obligation	–	83,437
Interest on lines of credit	21,895	6,370
Common stock issued for services	43,500	–
Stock-based compensation	107,080	68,319
Changes in operating assets and liabilities:		
Accounts receivable	(593)	1,262
Prepaid expenses and other current assets	890	1,371
Accounts payable and accrued liabilities	133,491	59,774
Deferred license revenue	(78,601)	(71,498)
Deferred rent	6,911	1,678
Net cash used in operating activities	(773,482)	(731,996)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments of royalty fees	(250,000)	–
Purchase of equipment	(1,389)	(1,779)
Net cash used in investing activities	(251,389)	(1,779)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of line of credit	(12,169)	–
Borrowings under lines of credit	1,200,000	300,000
Net cash provided by financing activities	1,187,831	300,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:	162,960	(433,775)
Cash and cash equivalents at beginning of period	9,501	561,017
Cash and cash equivalents at end of period	$ 172,461	$ 127,242
Supplemental disclosure of cash flow statement		
Cash paid for interest	$ 55,510	$ –
NON-CASH FINANCING AND INVESTING ACTIVITIES:		
Issuance of stock related to line of credit agreement	$ (153,200)	$ –
Issuance of stock related to outside services	$ (43,500)	$ –

See accompanying notes to the condensed consolidated financial statements.

BIOTIME, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Organization

General - BioTime, Inc. ("BioTime") was organized November 30, 1990 as a California corporation. BioTime is a biomedical organization which is engaged in the research and development of synthetic plasma expanders, blood volume substitute solutions, and organ preservation solutions, for use in surgery, trauma care, organ transplant procedures, and other areas of medicine. In October 2007, BioTime announced its entry into the field of regenerative medicine by initiating the development of advanced human stem cell products and technology for diagnostic, therapeutic and research use. Regenerative medicine refers to therapies based on human embryonic stem cell technology that are designed to rebuild cell and tissue function lost due to degenerative disease or injury. Human embryonic stem cells are the first human cells ever discovered that are capable of infinite cell division while possessing the potential to differentiate into all of the cell types of the human body. Stem cells may also have commercial uses in screening for the discovery of experimental new drugs.

The unaudited condensed balance sheet as of June 30, 2008, the unaudited condensed statements of operations for the three and six months ended June 30, 2008 and 2007, and the unaudited condensed statements of cash flows for the six months ended June 30, 2008 and 2007 have been prepared by BioTime's management in accordance with the instructions from the Form 10-Q and Article 8-03 of Regulation S-X. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at June 30, 2008 and for all interim periods presented have been made. The balance sheet as of December 31, 2007 is derived from the Company's audited financial statements as of that date. The results of operations for the three and six months ended June 30, 2008 and 2007 are not necessarily indicative of the operating results anticipated for the full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as permitted by regulations of the Securities and Exchange Commission except for the condensed consolidated balance sheet as of December 31, 2007, which was derived from audited financial statements. Certain previously furnished amounts have been reclassified to conform with presentations made during the current periods. It is suggested that these condensed consolidated financial statements be read in conjunction with the annual audited financial statements and notes thereto included in BioTime's Form 10-KSB for the year ended December 31, 2007.

Principles of Consolidation – The accompanying condensed consolidated financial statements include the accounts of Embryome Sciences, Inc. ("Embryome Sciences"), a wholly-owned subsidiary of BioTime. As of June 30, 2008, there was only one significant transaction with respect to this subsidiary: a Product Production and Distribution Agreement was executed with Lifeline Cell Technology, LLC, for the production and marketing of embryonic progenitor cells or progenitor cell lines, and products derived from those embryonic progenitor cells. See

Note 4 to the condensed consolidated financial statements. All intercompany accounts and transactions have been eliminated in consolidation.

Certain Significant Risks and Uncertainties - BioTime's operations are subject to a number of factors that can affect its operating results and financial condition. Such factors include but are not limited to the following: the results of clinical trials of BioTime's pharmaceutical products; BioTime's ability to obtain United States Food and Drug Administration and foreign regulatory approval to market its pharmaceutical products; BioTime's ability to develop new stem cell research products and technologies; competition from products manufactured and sold or being developed by other companies; the price and demand for BioTime products; BioTime's ability to obtain additional financing and the terms of any such financing that may be obtained; BioTime's ability to negotiate favorable licensing or other manufacturing and marketing agreements for its products; the availability of ingredients used in BioTime's products; and the availability of reimbursement for the cost of BioTime's pharmaceutical products (and related treatment) from government health administration authorities, private health coverage insurers and other organizations.

Liquidity and Going Concern - The accompanying unaudited condensed financial statements have been prepared assuming BioTime will continue as a going concern. At June 30, 2008, BioTime had $172,461 of cash on hand and negative working capital of $2,513,109, a shareholders' deficit of $3,920,889 and an accumulated deficit of $44,983,326. BioTime will continue to need additional capital and greater revenues to continue its current operations and to continue to conduct its product development and research programs. Sales of additional equity securities could result in the dilution of the interests of present shareholders. BioTime is also continuing to seek new agreements with pharmaceutical companies to provide product and technology licensing fees and royalties. The availability and terms of equity financing and new license agreements are uncertain. The unavailability or inadequacy of additional financing or future revenues to meet capital needs could force BioTime to modify, curtail, delay or suspend some or all aspects of its planned operations. To mitigate these factors, management has instituted a cost-cutting plan which included a reduction in discretionary general and administrative expenses such as public relations. Additionally, in October 2007 and again in March 2008, BioTime's line of credit for working capital was increased and the maturity date was extended (see Note 3). BioTime will continue to seek additional financing or capital as well as additional licensing revenues from its current and future patents. In view of the matters described above, BioTime's continued operations are dependent on its ability to raise additional capital, obtain additional financing, reduce its operating costs, and succeed in generating more revenue from its operations. The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities should BioTime be unable to continue as a going concern.

2. Summary of Select Significant Accounting Policies

Financial Statement Estimates - - The preparation of unaudited condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 unaudited condensed consolidated financial statements and the reported amounts of

revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition – BioTime complies with the Securities and Exchange Commission's ("SEC") Staff Accounting Bulletin ("SAB") No. 101, Revenue Recognition, as amended by SAB No. 104. Royalty and license fee revenues consist of product royalty payments and fees under license agreements and are recognized when earned and reasonably estimable. BioTime recognizes revenue in the quarter in which the royalty report is received rather than the quarter in which the sales took place, as it does not have sufficient sales history to accurately predict quarterly sales. Up-front nonrefundable fees where BioTime has no continuing performance obligations are recognized as revenues when collection is reasonably assured. In situations where continuing performance obligations exist, up-front nonrefundable fees are deferred and amortized ratably over the performance period. If the performance period cannot be reasonably estimated, BioTime amortizes nonrefundable fees over the life of the contract until such time that the performance period can be more reasonably estimated. Milestones, if any, related to scientific or technical achievements are recognized in income when the milestone is accomplished if (a) substantive effort was required to achieve the milestone, (b) the amount of the milestone payment appears reasonably commensurate with the effort expended and (c) collection of the payment is reasonably assured.

BioTime also defers costs, including finders' fees, which are directly related to license agreements for which revenue has been deferred. Deferred costs are charged to expense proportionally and over the same period that related deferred revenue is recognized as revenue. Deferred costs are net against deferred revenues in BioTime's balance sheet.

Grant income is recognized as revenue when earned.

Recently Adopted Accounting Pronouncements – On December 21, 2007, the SEC issued SAB No. 110, which amends SAB No. 107 to allow for the continued use of the simplified method to estimate the expected term in valuing stock options beyond December 31, 2007. The simplified method can only be applied to certain types of stock options for which sufficient exercise history is not available. The Company has concluded that its historical share option exercise experience does not provide a reasonable basis upon which to estimate the expected term due to the significant structural changes in its business. Therefore, the Company will continue to use the "simplified" method in developing its estimate of the expected term of "plain vanilla" share options.

In September 2006, the FASB issued FASB Statement No. 157, Fair Value Measurements ("SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements. SFAS No. 157 applies to other accounting pronouncements that require or permit fair value measurements. The new guidance is effective for financial statements issued for fiscal years beginning after November 15, 2007, and for interim periods within those fiscal years. The Company adopted SFAS No. 157 during the quarter ended March 31, 2008 which had no impact on its condensed balance sheets, condensed statement of operations, condensed statement of stockholders' equity and cash flows.

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities.” SFAS No. 159 permits entities to choose to measure many financial instruments, and certain other items, at fair value. SFAS No. 159 was effective January 1, 2008. The adoption of SFAS No. 159 did not have an impact on the consolidated financial statements since the Company did not elect the fair value option for any of its existing assets or liabilities.

Recently Issued Accounting Pronouncements – In May 2008, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position ("FSP") Emerging Issues Task Force ("EITF") No. 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities" ("EITF 03-6-1"). EITF 03-6-1 addresses whether instruments granted in share-based payment transactions, with rights to dividends or dividend equivalents, are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share ("EPS") under the two-class method described in FASB Statement No. 128, "Earnings per Share." Unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of EPS pursuant to the two-class method. In contrast, the right to receive dividends or dividend equivalents that the holder will forfeit if the award does not vest does not constitute a participation right. EITF 03-6-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. All prior-period EPS data presented shall be adjusted retrospectively (including interim financial statements, summaries of earnings, and selected financial data). Early adoption of EITF 03-6-1 is prohibited. The Company will adopt EITF 03-6-1 as of January 1, 2009, and does not currently believe that the adoption will have a material impact on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 141R (revised 2007), “*Business Combinations*” (“SFAS No. 141R”), which replaces SFAS No. 141. SFAS No. 141R establishes the principles and requirements for how an acquirer: (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree; (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. Additionally, SFAS No. 141R requires that acquisition-related costs be expensed as incurred. The provisions of SFAS No. 141R will become effective for acquisitions completed on or after January 1, 2009; however, the income tax provisions of SFAS No. 141R will become effective as of that date for all acquisitions, regardless of the acquisition date. SFAS No. 141R amends SFAS No. 109, to require the acquirer to recognize changes in the amount of its deferred tax benefits recognizable due to a business combination either in income from continuing operations in the period of the combination or directly in contributed capital, depending on the circumstances. SFAS No. 141R further amends SFAS No. 109 and FIN 48, to require, subsequent to a prescribed measurement period, changes to acquisition-date income tax uncertainties to be reported in income from continuing operations and changes to acquisition-date acquiree deferred tax benefits to be reported in income from continuing operations or directly in contributed capital, depending on the circumstances. BioTime is currently evaluating the impact SFAS No. 141R will have on its future business combinations.

In December 2007, the FASB issued SFAS No. 160, "*Non-controlling Interests in Consolidated Financial Statements—An Amendment of ARB No. 51"* ("SFAS No. 160"). SFAS No. 160 establishes new accounting and reporting standards for the non-controlling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 is effective for fiscal years beginning on or after December 15, 2008. BioTime does not believe the adoption of this statement will have a material effect on its financial position, results of operations, and cash flows.

In March 2008, the FASB issued SFAS No. 161, "*Disclosures about Derivative Instruments and Hedging Activities—An Amendment of FASB Statement No. 133"* ("SFAS No. 161"). SFAS No. 161 applies to all derivative instruments and related hedged items accounted for under FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*. It requires entities to provide greater transparency about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement No. 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, results of operations, and cash flows. SFAS No. 161 is effective for fiscal years and interim periods beginning after November 15, 2008. BioTime does not believe the adoption of this statement will have a material effect on the results of operations or financial condition.

Business Segments - The Company operates in one segment and therefore segment information is not presented.

3. Lines of Credit

BioTime has a revolving line of credit Agreement (the "Credit Agreement") with certain private lenders. In 2008, the Credit Agreement was amended twice. In the first amendment, the line of credit was increased from $1,000,000 to $1,100,000, and BioTime agreed to issue to the new lender 10,000 common shares in return for making the additional credit available; the market value for those shares was $3,200 on the date of issue, and that cost was fully amortized over the life of the Credit Agreement. The Credit Agreement was subsequently amended to permit BioTime to borrow up to a total of $2,500,000, and the maturity date of revolving line of credit was extended to November 15, 2008. The loans may become payable prior to the maturity date if BioTime receives an aggregate of $4,000,000 through (A) the sale of capital stock, (B) the collection of license fees, signing fees, milestone fees, or similar fees (excluding royalties) in excess of $2,500,000 under any present or future agreement pursuant to which BioTime grants one or more licenses to use its patents or technology, (C) funds borrowed from other lenders, or (D) any combination of sources under clauses (A) through (C).

In consideration for making the additional credit available and for extending the maturity date of outstanding loans, BioTime agreed to issue the lenders one common share for each $5 principal amount of their loan commitment. In total, 500,000 shares were issuable on March 31, 2008; those shares had a market value of $150,000 on that date, and the cost is being amortized over the life of the Credit Agreement. Unamortized cost of $90,000 is included in prepaid expenses and other current assets as of June 30, 2008.

The lenders have been given the right to exchange their line of credit promissory notes for BioTime's common shares at a price of $1.00 per share, and/or for common stock of BioTime's subsidiary, Embryome Sciences, Inc., at a price of $2.00 per share.

At June 30, 2008, BioTime had drawn $1,825,000 under the Credit Agreement.

BioTime also obtained a line of credit from American Express in August 2004, which allows for borrowings up to $43,600; at June 30, 2008, BioTime had drawn $25,629 against this line. Interest is paid monthly on borrowings at a total rate equal to the prime rate plus 3.99%; however, regardless of the prime rate, the interest rate payable will at no time be less than 9.49%.

BioTime also secured a line of credit from Advanta in November 2006, which allows for borrowings up to $35,000; at June 30, 2008, BioTime had drawn $32,138 against this line. Interest is payable on borrowings at a Variable Rate Index, which will at no time be less than 8.25%.

The Company has accrued interest of $41,389 as of June 30, 2008.

4. License and Collaboration Agreements

In December 2004, BioTime entered into an agreement with Summit Pharmaceuticals International Corporation ("Summit") to co-develop Hextend and PentaLyte for the Japanese market. Under the agreement, BioTime received $300,000 in December 2004, $450,000 in April 2005, and $150,000 in October 2005. The payments represent a partial reimbursement of BioTime's development cost of Hextend and PentaLyte. In June 2005, following BioTime's approval of Summit's business plan for Hextend, BioTime paid to Summit a one-time fee of $130,000 for their services in preparing the plan. The agreement states that revenues from Hextend and PentaLyte in Japan will be shared between BioTime and Summit as follows: BioTime 40% and Summit 60%. Additionally, BioTime will pay Summit 8% of all net royalties received from the sale of PentaLyte in the United States.

The accounting treatment of the payments from Summit fell under the guidance of Emerging Issues Task Force ("EITF") Issue No. 88-18, "Sales of Future Revenues." EITF No. 88-18 addresses the accounting treatment when an enterprise (BioTime) receives cash from an investor (Summit) and agrees to pay to the investor a specified percentage or amount of the revenue or a measure of income of a particular product line, business segment, trademark, patent, or contractual right. The EITF reached a consensus on six independent factors that would require reclassification of the proceeds as debt. BioTime met one of the factors: BioTime was determined to have had significant continuing involvement in the generation of the cash flows to the investor due to BioTime's supervision of the Phase II clinical trials of PentaLyte. As a result, BioTime initially recorded the net proceeds from Summit to date of $770,000 as long-term debt to comply with EITF No. 88-18 even though BioTime is not legally indebted to Summit for that amount.

In July 2005, Summit sublicensed the rights to Hextend in Japan to Maruishi. In consideration for the license, Maruishi agreed to pay Summit a series of milestone payments: Yen 70,000,000, (or $593,390 based on foreign currency conversion rates at the time) upon executing the agreement, Yen 100,000,000 upon regulatory filing in Japan, and Yen 100,000,000 upon regulatory approval of Hextend in Japan. Consistent with the terms of the BioTime-Summit agreement, Summit paid 40% of that amount, or $237,356, to BioTime during October 2005. BioTime does not expect the regulatory filing and approval milestones to be attained for

several years.

The initial accounting viewed the potential repayment of the $770,000 imputed debt to come only from the 8% share of U.S. PentaLyte revenues generated by BioTime and paid to Summit. BioTime first became aware of the terms of the Maruishi and Summit agreement during the fourth quarter of 2005, prepared an estimate of the future cash flows, and determined that Summit would earn a majority of their return on investment from their agreement with Maruishi, and not the 8% of BioTime's U.S. PentaLyte sales. Considering this, the $770,000 was viewed as a royalty obligation which would be reduced by Summit's 8% share of BioTime's U.S. PentaLyte sales plus Summit's 60% share of Japanese revenue. Accordingly, BioTime recorded the entire amount paid by Maruishi to Summit for the sublicense of $593,390 as deferred revenue, to be amortized over the remaining life of the patent through 2019. BioTime's 40% share of this payment was collected in October 2005 and the remaining 60% share was recorded as a reduction of the long-term royalty obligation of BioTime to Summit. Interest on the long-term royalty obligation was accrued monthly using the effective interest method beginning October 2005, using a rate of 25.2% per annum, which BioTime had determined was the appropriate interest rate when the future cash flows from the transaction were considered.

In 2007, BioTime completed its Phase II trials of PentaLyte, however was unable to find a suitable licensing agreement for the product. At this time, BioTime has deemed the continuation of the clinical trials necessary to bring this product to market to be a significantly lower priority than it had been in the past. Correspondingly, it is less likely that proceeds from the 8% of PentaLyte U.S. sales will be sufficient to pay down the Summit Royalty Obligation prior to the expiration of the patents. As a result of this change in accounting estimates, BioTime has reevaluated treatment of this transaction. The transaction no longer meets any of the factors that require it to fall under the guidance from EITF 88-18. Consequently, BioTime has reclassified the royalty obligation to deferred revenue and is amortizing it over the remaining life of the underlying patents.

On January 3, 2008, BioTime entered into a Commercial License and Option Agreement with Wisconsin Alumni Research Foundation ("WARF"). The WARF license permits BioTime to use certain patented and patent pending technology belonging to WARF, as well as certain stem cell materials, for research and development purposes, and for the production and marketing of products used as research tools, including in drug discovery and development.

BioTime will pay WARF a license fee of $225,000 in two installments. The first installment, in the amount of $10,000, was paid and charged to operations during February 2008. The remaining $215,000 is due on the earlier of (i) thirty (30) days after BioTime raises $5,000,000 or more of new equity financing, or (ii) January 3, 2009. A maintenance fee of $25,000 will be due annually on January 3 of each year during the term of the License.

BioTime or Embryome Sciences will pay WARF royalties on the sale of products and services using the technology or stem cells licensed from WARF. The royalty will range from 2% to 4%, depending on the kind of products sold. The royalty rate is subject to certain reductions if BioTime also becomes obligated to pay royalties to a third party in order to sell a product.

BioTime will also pay WARF $25,000 toward reimbursement of the costs associated with preparing, filing and maintaining the licensed WARF patents. That fee is payable in two installments. The first installment of $5,000 was paid and charged to operations during February 2008, and the remaining $20,000 is due on the earlier of (i) thirty (30) days after BioTime raises $5,000,000 or more of new equity financing, or (ii) January 3, 2009.

On June 24, 2008, BioTime, along with its subsidiary, Embryome Sciences, entered into a Product Production and Distribution Agreement with Lifeline Cell Technology, LLC for the production and marketing of embryonic progenitor cells or progenitor cell lines, and products derived from those embryonic progenitor cells. The products developed under the agreement with Lifeline will be produced and sold for research purposes, such as drug discovery and drug development uses.

The proceeds from the sale of products to certain distributors with which Lifeline has a pre-existing relationship will be shared equally by Embryome Sciences and Lifeline, after deducting royalties payable to licensors of the technology used, and certain production and marketing costs. The proceeds from products produced for distribution by both Embryome Sciences and Lifeline, and products produced by one party at the request of the other party, will be shared in the same manner. Proceeds from the sale of other products, which are produced for distribution by one party, generally will be shared 90% by the party that produced the product for distribution, and 10% by the other party after deducting royalties payable to licensors of technology used. In the case of the sale of these products, the party that produces the product and receives 90% of the sales proceeds will bear all of the production and marketing costs of the product.

The products will be produced using technology and stem cell lines licensed from WARF, technology developed by Embryome Sciences, technology developed by Lifeline, and technology licensed from Advanced Cell Technology, Inc. WARF and Advanced Cell Technology will receive royalties from the sale of the products developed using their licensed technology and stem cells.

BioTime and Embryome Sciences paid Lifeline $250,000, included in advanced license fee and others, to facilitate their product production and marketing efforts. Embryome Sciences will be entitled to recover that amount from the share of product sale proceeds that otherwise would have been allocated to Lifeline.

5. Shareholders' Deficit

During April 1998, BioTime entered into a financial advisory services agreement with Greenbelt Corp. ("Greenbelt"), a corporation controlled by Alfred D. Kingsley and Gary K. Duberstein, who are also shareholders of BioTime. BioTime agreed to indemnify Greenbelt and its officers, affiliates, employees, agents, assignees, and controlling person from any liabilities arising out of or in connection with actions taken on BioTime's behalf under the agreement. The agreement was renewed annually through March 31, 2007. BioTime paid Greenbelt $90,000 in cash and issued 200,000 common shares for the twelve months ending March 31, 2007. Greenbelt permitted BioTime to defer paying certain cash fees until October 2007. In return for allowing the deferral, Greenbelt was issued an additional 60,000 common shares by BioTime.

On March 31, 2008, BioTime entered into an amendment to its financial adviser agreement with Greenbelt, renewing that agreement through December 31, 2008. Under the amendment, BioTime will pay Greenbelt a total fee of $135,000 in cash and will issue a total of 300,000 common shares. BioTime issued 150,000 common shares to Greenbelt on April 1, 2008, and will issue 75,000 common shares on October 1, 2008, and 75,000 common shares on January 2, 2009. The cash fee is payable in three equal installments of $45,000 each on July 1, 2008, October 1, 2008, and January 2, 2009. BioTime may elect to defer until January 2, 2009 the cash payments due on July 1, 2008 and October 1, 2008, and if it does so, BioTime will issue to Greenbelt 30,000 additional common shares for each payment deferred. In accordance with these provisions, BioTime did elect to defer the July 1, 2008 payment until January 2, 2009, and as such, will issue 30,000 additional common shares to Greenbelt when that cash payment is made.

The agreement will terminate on December 31, 2008, unless BioTime or Greenbelt terminates it on an earlier date. In the event of an early termination, BioTime will pay Greenbelt a pro rata portion of the cash and shares earned during the calendar quarter in which the agreement terminated, based upon the number of days elapsed.

Activity related to the Greenbelt agreement is presented in the table below:

	Balance included in Accounts Payable at January 1,	Add: Cash-based expense accrued	Add: Stock-based expense accrued	Less: Cash payments	Less: Value of stock-based payments	Balance included in Accounts Payable at June 30,
2008	$90,000	$67,500	$43,500	$(0)	$(43,500)	$157,500
2007	$108,000	$22,500	$62,500	$(0)	$(103,000)	$90,000

6. Loss Per Share

Basic loss per share excludes dilution and is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution from securities and other contracts which are exercisable or convertible into common shares. For the three and six months ended June 30, 2008 and 2007, options to purchase 3,653,332 and 1,691,644 common shares, respectively, and warrants to purchase 7,847,867 common shares in both years were excluded from the computation of loss per share as their inclusion would be antidilutive. As a result, there is no difference between basic and diluted calculations of loss per share for all periods presented.

7. Subsequent Events

BioTime received royalties in the amount of $341,391 from Hospira in August 2008 and in the amount of $24,143 from CJ CheilJedang Corp. in July 2008. These amounts are based on sales of Hextend made by Hospira in the second quarter of 2008, and will be reflected in BioTime's consolidated financial statements for the third quarter of 2008.

On July 10, 2008, BioTime's subsidiary Embryome Sciences entered into a License

Agreement with Advanced Cell Technology, Inc. ("ACT") under which Embryome Sciences acquired exclusive world-wide rights to use ACT's "ACTCellerate" technology for methods to accelerate the isolation of novel cell strains from pluripotent stem cells. The licensed rights include pending patent applications, know-how, and existing cells and cell lines developed using the technology.

Embryome Sciences has paid ACT a $250,000 license fee and will pay an 8% royalty on sales of products, services, and processes that utilize the licensed technology. Once a total of $1,000,000 of royalties has been paid, no further royalties will be due.

ACT may reacquire royalty free, world wide licenses to use the technology for retinal pigment epithelial cells, hemangioblasts, and myocardial cells, on an exclusive basis, and for hepatocytes, on a non-exclusive basis, for human therapeutic use. ACT will pay Embryome Sciences $5,000 for each license that it elects to reacquire.

Embryome Sciences has also now begun marketing cell growth media called ESpan™ in collaboration with Lifeline Cell Technology, LLC. These growth media are designed for the growth of human embryonic progenitor cells. In addition, Embryome Sciences is developing a product called ESpy™ cell lines, which will be derivatives of hES cells that send beacons of light in response to the activation of particular genes. The ESpy™ cell lines will be developed in conjunction with Lifeline using the ACTCellerate technology licensed from ACT and other technology sublicensed from Lifeline.

Also on July 10, 2008, BioTime sent out new draw requests totaling $225,000 under its current Credit Agreement. At the date of filing of this report, BioTime has received all funds so requested.

On July 31, 2008, BioTime's Board of Directors elected Dr. Robert N. Butler as a director. Dr. Butler is the President and CEO of the U.S. branch of the International Longevity Center (ILC), a policy research and education center. He is also a Professor of Geriatrics at Mount Sinai Medical Center and Co-Chair of the Alliance for Health and the Future of the International Longevity Center, which focuses on Europe. He is a physician, gerontologist, psychiatrist, and Pulitzer-Prize winning author who is perhaps best known for his advocacy of the medical and social needs and rights of the elderly and his research on healthy aging and the dementias.

In consideration of Dr. Butler joining BioTime's Board of Directors, the company granted him options to purchase 25,000 common shares under its 2002 Stock Option Plan, as amended, at an exercise price of $ 0.68, which was the closing price of the common shares on the OTC Bulletin Board on the date of grant. The option grant is subject to shareholder approval of an amendment increasing the number of shares available under the Option Plan. The options granted are presently exercisable with respect to 15,000 shares, and will vest and thereby become exercisable for the remaining 10,000 shares in equal monthly installments on the last day of each calendar month, through December 2008, for which Dr. Butler completes a month of service on the Board of Directors.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Since our inception in November 1990, we have been engaged primarily in research and development activities, which have culminated in the commercial launch of Hextend®, our lead product, and a clinical trial of PentaLyte®. Our operating revenues have been generated primarily from licensing fees and from royalties on the sale of Hextend. During October 2007, we entered the field of regenerative medicine where we plan to develop stem cell related products and technology for diagnostic, therapeutic and research use. Our ability to generate substantial operating revenue depends upon our success in developing and marketing or licensing our plasma volume expanders, stem cell products, and organ preservation solutions and technology for medical and research use.

Plasma Volume Expander Products

Our principle product, Hextend, is a physiologically balanced blood plasma volume expander, for the treatment of hypovolemia. Hextend is being distributed in the United States by Hospira, Inc. and in South Korea by CJ CheilJedang Corp. (“CJ”) under exclusive licenses from us. Summit Pharmaceuticals International Corporation (“Summit”) has a license to develop Hextend and PentaLyte in Japan, the People’s Republic of China, and Taiwan. Summit has entered into sublicenses with Maruishi Pharmaceutical Co., Ltd. (“Maruishi”) to obtain regulatory approval, manufacture, and market Hextend in Japan, and Hextend and PentaLyte in China and Taiwan.

Hextend has become the standard plasma volume expander at a number of prominent teaching hospitals and leading medical centers and is part of the Tactical Combat Casualty Care protocol. We believe that as Hextend use proliferates within the leading U.S. hospitals, other smaller hospitals will follow their lead, contributing to sales growth.

Under our license agreements, Hospira and CJ will report sales of Hextend and pay us the royalties and license fees due on account of such sales after the end of each calendar quarter. We recognize such revenues in the quarter in which the sales report is received, rather than the quarter in which the sales took place.

Our royalty revenues for the three months ended June 30, 2008 consist of royalties on sales of Hextend made by Hospira and CJ during the period beginning January 1, 2008 and ending March 31, 2008. Royalty revenues recognized for that three-month period were $341,153, a 108% increase from the $163,676 of royalty revenue during the same period last year. The increase in royalties reflects an increase in sales both to hospitals and to the United States Armed Forces. Purchases by the Armed Forces generally take the form of intermittent, large volume orders, and cannot be predicted with certainty.

We received royalties of $341,391 from Hospira during August 2008, based on Hextend sales during the three months ended June 30, 2008. This represents an 86% increase from royalty revenues of $183,093 received during the same period last year. The increase in royalties is due to increased sales to the United States Armed Forces. This revenue will be reflected in our financial statements for the third quarter of 2008.

We have completed a Phase II clinical trial of PentaLyte in which PentaLyte was used to treat hypovolemia in cardiac surgery. Our ability to commence and complete additional clinical studies of PentaLyte depends on our cash resources and the costs involved, which are not presently determinable as we do not know yet the actual scope or cost of the clinical trials that the FDA will require for PentaLyte.

Stem Cells and Products for Regenerative Medicine Research

We are conducting our stem cell business through our new, wholly-owned subsidiary, Embryome Sciences, Inc. ("Embryome Sciences"). We plan to focus our initial efforts in the regenerative medicine field on the development and sale of advanced human stem cell products and technology for diagnostic, therapeutic and research use. Regenerative medicine refers to therapies based on human embryonic stem ("hES") cell technology that are designed to rebuild cell and tissue function lost due to degenerative disease or injury. Our initial marketing efforts will be directed to researchers at universities and other institutions, to companies in the bioscience and biopharmaceutical industries, and to other companies that provide research products to companies in those industries.

Embryome Sciences has already introduced its first stem cell research products, and is implementing plans to develop additional research products over the next two years. Our first products include a relational database, available at our website embryome.com, that will permit researchers to chart the cell lineages of human development, the genes expressed in those cell types, and antigens present on the cell surface of those cells that can be used in purification. This database will provide the first detailed map of the embryome, thereby aiding researchers in navigating the complexities of human development and in identifying the many hundreds of cell types coming from embryonic stem cells.

Embryome Sciences is also now marketing cell growth media called ESpan™ in collaboration with Lifeline Cell Technology, LLC. These growth media are designed for the growth of human embryonic progenitor cells. Additional new products that Embryome Sciences has targeted for development are ESpy™ cell lines, which will be derivatives of hES cells that send beacons of light in response to the activation of particular genes. The ESpy™ cell lines will be developed in conjunction with Lifeline using the ACTCellerate technology licensed from ACT and other technology sublicensed from Lifeline. Embryome Sciences also plans to bring to market other new growth and differentiation factors that will permit researchers to manufacture specific cell types from embryonic stem cells, and purification tools useful to researchers in quality control of products for regenerative medicine. As new products are developed, they will become available for purchase on embryome.com.

We are in the process of launching our first products for stem cell research, and did not have stem cell products on the market during the first quarter of 2008. We cannot predict the amount of revenue that the new products we offer might generate.

Hextend®, PentaLyte®, and HetaCool® are registered trademarks of BioTime, Inc., and ESpan™ and Espy™ are trademarks of Embryome Sciences, Inc.

Results of Operations

We incurred a net loss of $662,780 during the three months, and a net loss of $1,138,828 during the six months, ended June 30, 2008. Because our research and development expenses, clinical trial expenses, and production and marketing expenses will be charged against earnings for financial reporting purposes, management expects that there will be losses from operations in the near term.

Revenues

For the three months ended June 30, 2008, we recognized $341,153 in royalty revenue, whereas we recognized $163,676 for the three months ended June 30, 2007. This increase of 108% in royalties is attributable to an increase in product sales by Hospira, and reflects an increase in sales both to hospitals and to the United States Armed Forces.

We recognized $67,725 and $47,065 of license fees from CJ and Summit during the three months ended June 30, 2008 and the three months ended June 30, 2007, respectively. These licensing fee amounts were received in earlier accounting periods, but full recognition of license fees has been deferred, and is being recognized over the life of the contract, which has been estimated to last until approximately 2019 based on the current expected life of the governing patent covering our products in Korea and Japan. See Notes 2 and 4 to the condensed consolidated financial statements.

Operating Expenses

Research and development expenses were $416,978 for the three months ended June 30, 2008, compared to $210,767 for the three months ended June 30, 2007. This increase is primarily attributable to a $66,927 increase in salaries allocated to research and development, an increase of $21,268 in payroll fees and taxes allocated to research and development expense, an increase of $14,193 in insurance costs allocated to research and development expense, an increase of $32,771 in expenditures made to cover laboratory expenses and supplies, and an increase of $56,101 in rent costs allocated to research and development expense. Research and development expenses were $764,129 for the six months ended June 30, 2008, compared to $554,317 for the six months ended June 30, 2007. This increase is primarily attributable to a $106,280 increase in salaries allocated to research and development, an increase of $41,973 in payroll fees and taxes allocated to research and development expense, an increase of $29,122 in insurance costs allocated to research and development expense, an increase of $71,714 in expenditures made to cover laboratory expenses and supplies, and an increase of $58,207 in rent costs allocated to research and development expense; these increases were offset to some extent

by a decrease of $108,766 in expenses paid for outside research. Research and development expenses include laboratory study expenses, salaries, and consultants' fees.

General and administrative expenses increased to $532,358 for the three months ended June 30, 2008, from $293,772 for the three months ended June 30, 2007. This increase is primarily attributable to an increase of $50,232 in stock-based expense allocated to general and administrative costs, an increase of $21,766 in legal fees, an increase of $35,281 in travel and entertainment expenses, an increase of $8,160 in expenses related to outside services, an increase of $29,964 in accounting fees, an increase of $25,414 in office expenses, an increase of $14,025 in rent costs allocated to general and administrative expense, and an increase of $40,260 in general and administrative consulting fees. General and administrative expenses increased to $968,297 for the six months ended June 30, 2008, from $711,552 for the six months ended June 30, 2007. This increase is primarily attributable to an increase of $83,560 in stock-based expense allocated to general and administrative costs, an increase of $71,023 in legal fees, an increase of $56,645 in travel and entertainment expenses, an increase of $13,730 in expenses related to outside services, an increase of $15,000 in licensing fees, an increase of $28,815 in office expenses, an increase of $14,551 in rent costs allocated to general and administrative expense, an increase of $21,699 in payroll fees and taxes allocated to general and administrative expense, and an increase of $28,460 in general and administrative consulting fees; these increases were offset to some extent by a decrease of $30,009 in accounting fees, and by a decrease of $36,529 in patent expenses.

Research and development expenses and general and administrative expenses for the three months and six months ended June 30, 2008 increased over the same periods in 2007 due primarily to our entry into the fields of stem cell research and regenerative medicine.

Interest and Other Income (Expense)

For the three months ended June 30, 2008, we incurred a total of $124,821 of net interest expense, compared to net interest expense of $50,279 for the three months ended June 30, 2007. For the six months ended June 30, 2008, we incurred a total of $200,443 of net interest expense, compared to net interest expense of $88,509 for the six months ended June 30, 2007.

Income Taxes

During the three months ended June 30, 2008, we incurred no foreign withholding taxes. With respect to Federal and state income taxes, our effective income tax rate differs from the statutory rate due to the 100% valuation allowance established for our deferred tax assets, which relate primarily to net operating loss carryforwards, as realization of such benefits is not deemed to be likely.

Liquidity and Capital Resources

The major components of our net cash used in operations of approximately $773,000 in the six months ended June 30, 2008 can be summarized as follows: net loss of approximately $1,139,000 was reduced by non-cash expenses of approximately $303,000, resulting in the cash loss of approximately $836,000 which was partly funded with a net overall change in current assets and current liabilities of approximately $63,000.

At June 30, 2008, we had $172,461 cash and cash equivalents on hand, and lines of credit for $2,578,600, from which $1,882,767 had been drawn. On July 10, 2008, our subsidiary Embryome Sciences entered into a License Agreement with Advanced Cell Technology, Inc. ("ACT") under which Embryome Sciences acquired exclusive world-wide rights to use ACT's "ACTCellerate" technology for methods to accelerate the isolation of novel cell strains from pluripotent stem cells. We have paid ACT a $250,000 license fee. Also on July 10, 2008, we sent out new draw requests totaling $225,000 under our current Revolving Line of Credit Agreement. At the date of filing of this report, we have received all funds so requested. See Note 7 to the condensed consolidated financial statements for additional information.

We have a Revolving Line of Credit Agreement (the "Credit Agreement") with certain private lenders that is collateralized by a security interest in our right to receive royalty and other payments under our license agreement with Hospira. We may borrow up to $2,500,000 under the Credit Agreement. The maturity date of revolving line of credit loans is November 15, 2008 but the loans may become payable prior to the maturity date if we receive an aggregate of $4,000,000 through (A) the sale of capital stock, (B) the collection of license fees, signing fees, milestone fees, or similar fees (excluding royalties) in excess of $2,500,000 under any present or future agreement pursuant to which we grant one or more licenses to use its patents or technology, (C) funds borrowed from other lenders, or (D) any combination of sources under clauses (A) through (C).

The lenders have been given the right to exchange their line of credit promissory notes for our common shares at a price of $1.00 per share, and/or for common stock of our subsidiary, Embryome Sciences, Inc., at a price of $2.00 per share.

We also obtained a line of credit from American Express in August 2004, which allows for borrowings up to $43,600; at June 30, 2008, we had drawn $25,629 against this line. See Note 3 to the condensed consolidated financial statements for additional information.

We also secured a line of credit from Advanta in November 2006, which allows for borrowings up to $35,000; at June 30, 2008, we had drawn $32,138 against this line. See Note 3 to the condensed consolidated financial statements for additional information.

Since inception, we have primarily financed our operations through the sale of equity securities, licensing fees, royalties on product sales by our licensees, and borrowings. The amount of license fees and royalties that may be earned through the licensing and sale of our products and technology, the timing of the receipt of license fee payments, and the future availability and terms of equity financing, are uncertain. The unavailability or inadequacy of financing or revenues to meet future capital needs could force us to modify, curtail, delay or suspend some or all aspects of our planned operations. Sales of additional equity securities could result in the dilution of the interests of present shareholders.

We will depend upon royalties from the sale of Hextend by Hospira and CJ as our principal source of revenues for the near future. Those royalty revenues will be supplemented by any revenues that we may receive from our stem cell research products, and by license fees if we enter into new commercial license agreements for our products.

The amount and pace of research and development work that we can do or sponsor, and our ability to commence and complete the clinical trials that are required in order for us to obtain FDA and foreign regulatory approval of products, depend upon the amount of money we have. Future research and clinical study costs are not presently determinable due to many factors, including the inherent uncertainty of these costs and the uncertainty as to timing, source, and amount of capital that will become available for these projects. We have already curtailed the pace of our plasma volume expander development efforts due to the limited amount of funds available, and we may have to postpone further laboratory and clinical studies, unless our cash resources increase through growth in revenues, the completion of licensing agreements, additional equity investment, borrowing, or third party sponsorship.

We have no contractual obligations as of June 30, 2008, with the exception of two facilities lease agreements. We currently have a fixed, non-cancelable operating lease on our office and laboratory facilities in Emeryville, California (the "Emeryville lease"). Under the Emeryville lease, we are committed to make payments of $11,127 per month, increasing 3% annually, plus our pro rata share of operating costs for the building and office complex, through May 31, 2010. We plan to sublet our Emeryville facility if we are able to find a suitable subtenant. In April 2008, we entered into a sublease of approximately 11,000 square feet of office and research laboratory spaced at 1301 Harbor Bay Parkway, in Alameda, California (the "Alameda sublease"). We have now moved our headquarters to this new facility. The Alameda sublease will expire on November 30, 2010. Base monthly rent will be $22,000 during 2008, $22,600 during 2009, and $23,340 during 2010. In addition to base rent, we will pay a pro rata share of real property taxes and certain costs related to the operation and maintenance of the building in which the subleased premises are located.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We did not hold any market risk sensitive instruments as of June 30, 2008, December 31, 2007, or June 30, 2007.

Item 4T. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

It is management's responsibility to establish and maintain adequate internal control over all financial reporting pursuant to Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"). Our management, including our principal executive officer, our principal operations officer, and our principal financial officer, have reviewed and evaluated the effectiveness of our disclosure controls and procedures as of a date within ninety (90) days of the filing date of this Form 10-Q quarterly report. Following this review and evaluation, management collectively determined that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to management, including our chief executive officer, our chief operations officer, and our chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls

There were no changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 2. Unregistered Sale of Equity Securities and Use of Proceeds.

During April 2008 we issued a total of 150,000 common shares to our financial advisor under the terms of our Financial Advisor Agreement. These shares were issued in reliance upon an exemption from registration under Section 4(2) of the Securities Act of 1933, as amended.

Item 5. Other Information.

Our Board of Directors has set Thursday, October 30, 2008, at 10:00 a.m. as the date of our next annual meeting of shareholders. Any shareholder who desires to submit a proposal for consideration and approval by the shareholders at the annual meeting and who wishes to have that proposal included in our proxy statement under SEC Rule 14a-8, must submit their proposal to us no later than September 1, 2008. Any proposal received from a shareholder after that date will not be included in our proxy statement, and notice of the proposal will be considered untimely under SEC Rule 14a-5(e)(2).

Item 6. Exhibits

Exhibit Numbers	Description
3.1	Articles of Incorporation.†
3.2	Amendment of Articles of Incorporation.***
3.3	By-Laws, As Amended.#
4.1	Specimen of Common Share Certificate.+
4.2	Form of Warrant Agreement between BioTime, Inc. and American Stock Transfer & Trust Company++
4.3	Form of Amendment to Warrant Agreement between BioTime, Inc. and American Stock Transfer & Trust Company. +++
4.4	Form of Warrant+++
10.1	Intellectual Property Agreement between BioTime, Inc. and Hal Sternberg.+
10.2	Intellectual Property Agreement between BioTime, Inc. and Harold Waitz.+
10.3	Intellectual Property Agreement between BioTime, Inc. and Judith Segall.+
10.4	Intellectual Property Agreement between BioTime, Inc. and Steven Seinberg.*

10.5 Agreement between CMSI and BioTime Officers Releasing Employment Agreements, Selling Shares, and Transferring Non-Exclusive License.+

10.6 Agreement for Trans Time, Inc. to Exchange CMSI Common Stock for BioTime, Inc. Common Shares.+

10.7 2002 Stock Option Plan, as amended.##

10.8 Exclusive License Agreement between Abbott Laboratories and BioTime, Inc. (Portions of this exhibit have been omitted pursuant to a request for confidential treatment).###

10.9 Modification of Exclusive License Agreement between Abbott Laboratories and BioTime, Inc. (Portions of this exhibit have been omitted pursuant to a request for confidential treatment).^

10.10 Exclusive License Agreement between BioTime, Inc. and CJ Corp.**

10.11 Hextend and PentaLyte Collaboration Agreement between BioTime, Inc. and Summit Pharmaceuticals International Corporation.‡

10.12 Lease dated as of May 4, 2005 between BioTime, Inc. and Hollis R& D Associates ‡‡

10.13 Addendum to Hextend and PentaLyte Collaboration Agreement Between BioTime Inc. And Summit Pharmaceuticals International Corporation‡‡‡

10.14 Amendment to Exclusive License Agreement Between BioTime, Inc. and Hospira, Inc.††

10.15 Hextend and PentaLyte China License Agreement Between BioTime, Inc. and Summit Pharmaceuticals International Corporation.†††

10.16 Revolving Credit Line Agreement between BioTime, Inc, Alfred D. Kingsley, Cyndel & Co., Inc., and George Karfunkel, dated April 12, 2006.††††

10.17 Security Agreement executed by BioTime, Inc., dated April 12, 2006.††††

10.18 Form of Revolving Credit Note of BioTime, Inc. in the principal amount of $166,666.67 dated April 12, 2006.††††

10.19 First Amended and Restated Revolving Line of Credit Agreement, dated October 17, 2007. ####

10.20 Form of Amended and Restated Revolving Credit Note. ####

10.21 Form of Revolving Credit Note. ####

10.22 First Amended and Restated Security Agreement, dated October 17, 2007. ####

10.23 Employment Agreement, dated October 10, 2007, between BioTime, Inc. and Michael D. West++++

10.24 Commercial License and Option Agreement between BioTime and Wisconsin Alumni Research Foundation.****

10.25 Second Amended and Restated Revolving Line of Credit Agreement, dated February 15, 2008.‡‡‡‡

10.26 Form of Amended and Restated Revolving Credit Note.‡‡‡‡

10.27 Second Amended and Restated Security Agreement, dated February 15, 2008.‡‡‡‡

10.28 Third Amended and Restated Revolving Line of Credit Agreement, March 31, 2008.~

10.29 Third Amended and Restated Security Agreement, dated March 31, 2008.~

10.30 Sublease Agreement between BioTime, Inc. and Avigen, Inc.++++

10.31 License, Product Production, and Distribution Agreement, dated June 19, 2008, among Lifeline Cell Technology, LLC, BioTime, Inc., and Embryome Sciences, Inc. ^^

10.32 License Agreement, dated July 10, 2008, between Embryome Sciences, Inc. and Advanced Cell Technology, Inc. ^^

31 Rule 13a-14(a)/15d-14(a) Certification^^

32 Section 1350 Certification^^

†Incorporated by reference to BioTime's Form 10-K for the fiscal year ended June 30, 1998.

+ Incorporated by reference to Registration Statement on Form S-1, File Number 33-44549 filed with the Securities and Exchange Commission on December 18, 1991, and Amendment No. 1 and Amendment No. 2 thereto filed with the Securities and Exchange Commission on February 6, 1992 and March 7, 1992, respectively.

Incorporated by reference to Registration Statement on Form S-1, File Number 33-48717 and Post-Effective Amendment No. 1 thereto filed with the Securities and Exchange Commission on June 22, 1992, and August 27, 1992, respectively.

++ Incorporated by reference to Registration Statement on Form S-2, File Number 333-109442, filed with the Securities and Exchange Commission on October 3, 2003, and Amendment No.1 thereto filed with the Securities and Exchange Commission on November 13, 2003.

+++Incorporated by reference to Registration Statement on Form S-2, File Number 333-128083, filed with the Securities and Exchange Commission on September 2, 2005.

Incorporated by reference to Registration Statement on Form S-8, File Number 333-101651 filed with the Securities and Exchange Commission on December 4, 2002 and Registration

Statement on Form S-8, File Number 333-122844 filed with the Securities and Exchange Commission on February 23, 2005.

Incorporated by reference to BioTime's Form 8-K, filed April 24, 1997.

^ Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 1999.

* Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2001.

** Incorporated by reference to BioTime's Form 10-K/A-1 for the year ended December 31, 2002.

‡ Incorporated by reference to BioTime's Form 8-K, filed December 30, 2004

‡‡ Incorporated by reference to Post-Effective Amendment No. 3 to Registration Statement on Form S-2 File Number 333-109442, filed with the Securities and Exchange Commission on May 24, 2005

‡‡‡ Incorporated by reference to BioTime's Form 8-K, filed December 20, 2005

†† Incorporated by reference to BioTime's Form 8-K, filed January 13, 2006

††† Incorporated by reference to BioTime's Form 8-K, filed March 30, 2006

†††† Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2005

*** Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 2006.

**** Incorporated by reference to BioTime's Form 8-K, filed January 9, 2008.

‡‡‡‡ Incorporated by reference to BioTime's Form 8-K, filed March 10, 2008.

~ Incorporated by reference to BioTime's Form 8-K filed April 4, 2008.

++++ Incorporated by reference to BioTime's Form 10-KSB for the year ended December 31, 2007.

^^ Filed herewith

SIGNATURES

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, thereunto duly authorized.

BIOTIME, INC.

Date: August 14, 2008

/s/ Michael D. West
Michael D. West
Chief Executive Officer

Date: August 14, 2008

/s/ Steven A. Seinberg
Steven A. Seinberg
Chief Financial Officer

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10.11	Hextend and PentaLyte Collaboration Agreement between BioTime, Inc. and Summit Pharmaceuticals International Corporation.‡

10.12 Lease dated as of May 4, 2005 between BioTime, Inc. and Hollis R& D Associates ‡‡

10.13 Addendum to Hextend and PentaLyte Collaboration Agreement Between BioTime Inc. And Summit Pharmaceuticals International Corporation‡‡‡

10.14 Amendment to Exclusive License Agreement Between BioTime Inc. and Hospira, Inc.††

10.15 Hextend and PentaLyte China License Agreement Between BioTime, Inc. and Summit Pharmaceuticals International Corporation.†††

10.16 Revolving Credit Line Agreement between BioTime, Inc, Alfred D. Kingsley, Cyndel & Co., Inc., and George Karfunkel, dated April 12, 2006.††††

10.17 Security Agreement executed by BioTime, Inc., dated April 12, 2006.††††

10.18 Form of Revolving Credit Note of BioTime, Inc. in the principal amount of $166,666.67 dated April 12, 2006.††††

10.19 First Amended and Restated Revolving Line of Credit Agreement, dated October 17, 2007. ####

10.20 Form of Amended and Restated Revolving Credit Note. ####

10.21 Form of Revolving Credit Note. ####

10.22 First Amended and Restated Security Agreement, dated October 17, 2007. ####

10.23 Employment Agreement, dated October 10, 2007, between BioTime, Inc. and Michael D. West.++++

10.24 Commercial License and Option Agreement between BioTime and Wisconsin Alumni Research Foundation.****

10.25 Second Amended and Restated Revolving Line of Credit Agreement, dated February 15, 2008.‡‡‡‡

10.26 Form of Amended and Restated Revolving Credit Note.‡‡‡‡

10.27 Second Amended and Restated Security Agreement, dated February 15, 2008.‡‡‡‡

10.28 Third Amended and Restated Revolving Line of Credit Agreement, March 31, 2008.~

10.29 Third Amended and Restated Security Agreement, dated March 31, 2008.~

10.30 Sublease Agreement between BioTime, Inc. and Avigen, Inc.++++

10.31 License, Product Production, and Distribution Agreement, dated June 19, 2008, among Lifeline Cell Technology, LLC, BioTime, Inc., and Embryome Sciences, Inc. ^^

10.32 License Agreement, dated July 10, 2008, between Embryome Sciences, Inc. and Advanced Cell Technology, Inc. ^^

31 Rule 13a-14(a)/15d-14(a) Certification^^

32 Section 1350 Certification^^

†Incorporated by reference to BioTime's Form 10-K for the fiscal year ended June 30, 1998.

+ Incorporated by reference to Registration Statement on Form S-1, File Number 33-44549 filed with the Securities and Exchange Commission on December 18, 1991, and Amendment No. 1 and Amendment No. 2 thereto filed with the Securities and Exchange Commission on February 6, 1992 and March 7, 1992, respectively.

Incorporated by reference to Registration Statement on Form S-1, File Number 33-48717 and Post-Effective Amendment No. 1 thereto filed with the Securities and Exchange Commission on June 22, 1992, and August 27, 1992, respectively.

++ Incorporated by reference to Registration Statement on Form S-2, File Number 333-109442, filed with the Securities and Exchange Commission on October 3, 2003, and Amendment No.1 thereto filed with the Securities and Exchange Commission on November 13, 2003.

+++Incorporated by reference to Registration Statement on Form S-2, File Number 333-128083, filed with the Securities and Exchange Commission on September 2, 2005.

Incorporated by reference to Registration Statement on Form S-8, File Number 333-101651 filed with the Securities and Exchange Commission on December 4, 2002 and Registration Statement on Form S-8, File Number 333-122844 filed with the Securities and Exchange Commission on February 23, 2005.

Incorporated by reference to BioTime's Form 8-K, filed April 24, 1997.

^ Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 1999.

* Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2001.

** Incorporated by reference to BioTime's Form 10-K/A-1 for the year ended December 31, 2002.

‡ Incorporated by reference to BioTime's Form 8-K, filed December 30, 2004

‡‡ Incorporated by reference to Post-Effective Amendment No. 3 to Registration Statement on Form S-2 File Number 333-109442, filed with the Securities and Exchange Commission on May 24, 2005

‡‡‡ Incorporated by reference to BioTime's Form 8-K, filed December 20, 2005

†† Incorporated by reference to BioTime's Form 8-K, filed January 13, 2006

††† Incorporated by reference to BioTime's Form 8-K, filed March 30, 2006

†††† Incorporated by reference to BioTime's Form 10-K for the year ended December 31, 2005

*** Incorporated by reference to BioTime's Form 10-Q for the quarter ended June 30, 2006.

**** Incorporated by reference to BioTime's Form 8-K, filed January 9, 2008.

‡‡‡‡ Incorporated by reference to BioTime's Form 8-K, filed March 10, 2008.

~ Incorporated by reference to BioTime's Form 8-K filed April 4, 2008.

++++ Incorporated by reference to BioTime's Form 10-KSB for the year ended December 31, 2007.

^^ Filed herewith

Exhibit 10.31

LICENSE, PRODUCT PRODUCTION, AND DISTRIBUTION AGREEMENT

This Agreement is made and entered into this 19th day of June 2008 (the "EFFECTIVE DATE"), by and among LifeLine Cell Technology, LLC, a California limited liability company with offices located at 2595 Jason Court, Oceanside, CA 92056 (“Lifeline”), BioTime, Inc., a California corporation with offices located at 1301 Harbor Bay Parkway, Suite 100 Alameda, California 94502 (“BioTime”), and Embryome Sciences, Inc., a California corporation and subsidiary of BioTime with offices located at 1301 Harbor Bay Parkway, Suite 100, Alameda, California 94502 (“ES”) Lifeline, BioTime, and ES are sometimes hereinafter referred to as the “Parties.”

RECITALS

A. Lifeline has rights to use certain cell technology licensed from Advanced Cell Technology, Inc. (“ACT”), and the expertise and facilities to produce in commercial quality and quantity cells and media optimized for cells derived from or based on that technology.

B. BioTime and ES have rights to embryonic stem technology, and cells produced from that technology, under a license from WARF.

C. Lifeline also has marketing and distribution capability and a pre-existing relationship with certain major distributors of cells and media, which have been disclosed to BioTime and ES.

D. ES has both marketing and distributing capability for cell-based products for the research-only market, particularly through its proprietary “Embryome.com” data base technology, its proprietary “Embryomics” cell isolation and propagation technology, and has access to embryonic stem technology under a license from WARF.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions. For the purposes of this Agreement, the following words and phrases shall have the following meanings:

(a) “Cell Technology” means technology under patents and know-how licensed or sublicensed by Lifeline from Advanced Cell Technology, Inc. under the license agreements listed on Schedule 1.

(b) “ES Products” means cells and cell lines developed by ES without the use of Cell Technology.

(c) “ES Technology” means cell isolation and propagation technology that is proprietary to ES or BioTime, and may include patents, patent applications, and trade-secrets.

(d) “Lifeline Products” means cells and cell lines developed using Lifeline Technology, but not ES Technology, WARF Technology, and/or WARF Materials.

(e) “Lifeline Technology” means technology other than Cell Technology that is proprietary to Lifeline, and may include patents, patent applications, and trade-secrets.

(f) “Joint Products” means (i) clonally or oligoclonally derived embryonic progenitor cells or progenitor cell lines produced using Cell Technology and WARF Technology, WARF Materials, or ES Technology, and (ii) products derived from the progenitor cells described in clause (i).

(g) “Marketing Cost” means, the reasonable costs associated with promoting, selling, packaging, transferring title and moving Joint Products to the customer and include direct costs and overhead costs. Direct costs of marketing include but are not limited to: market research; advertising; development, printing and distribution of collateral materials; selling expenses including salaries, benefits, commissions and sales-related expenses, and reimbursements paid to sales employees, customer service employees, and accounting employees involved with invoicing and accounts receivables, and an overhead burden of 15% of the employee component of direct cost. The initial percentage of overhead costs allocated to marketing will be revised and agreed upon between the Parties on a periodic basis according to Section 5.11.

(h) “Production Cost” means the reasonable costs associated with (i) the initial production and testing of a new Joint Product in the laboratory, (ii) the preparation of equipment and procedures for the production of a new Joint Product on a commercial scale, and (iii) producing, testing and packaging of Joint Products for distribution and sale. Production Costs include direct costs and overhead costs. Direct costs of production include but are not limited to: laboratory supplies and materials, WARF Materials, commercial production and quality control supplies and materials; salaries and benefits paid to production and quality control employees; and payments to independent contractors, and an overhead burden of 30% of the employee component of direct cost. The initial estimate of overhead costs allocated to production will be revised and agreed upon between the parties on a periodic basis according to Section 5.11.

(i) Net Revenues means the gross revenues from the sale of Joint Products, less all (i) shipping costs (including packaging, freight, and insurance costs invoiced to purchasers), (ii) discounts, (iii) sales, VAT and similar taxes, (iv) returns and other credits actually allowed to purchasers, and (v) uncollected accounts.

(j) “WARF” means Wisconsin Alumni Research Foundation.

(k) “WARF Technology” means technology under patents licensed by BioTime from WARF.

(l) "WARF Materials" means cells or cell lines obtained by BioTime or ES under a license from WARF.

ARTICLE 2 – PRODUCTION OF JOINT PRODUCTS

2.1 Production of Joint Products By ES. ES shall produce the Joint Products subject to the rights of Lifeline in Section 2.2:

2.2. Production of Joint Products.

(a) Lifeline may also produce Joint Products if (a) ES fails to offer for sale a minimum of 12 new Joint Products per year beginning in 2009, or (b) ES consents to Lifeline producing a Joint Product.

(b) Lifeline may produce any new Joint Product that Lifeline conceives of and offers to ES to produce but which ES declines to produce, or any other Joint Product the production of which ES has determined to discontinue. In this regard, if Lifeline desires ES to produce a new Joint Product, Lifeline shall provide ES with written information describing the new Joint Product, including the method of production, use, and proposed price of the new Joint Product. The information from Lifeline shall be in sufficient detail to permit ES to make an informed decision to produce or not produce the new Joint Product. Within thirty (30) days after receipt of such information from Lifeline, ES shall notify Lifeline of ES's election to produce the new Joint Product. If ES fails to so notify Lifeline, ES shall be deemed to have elected not to produce the new Joint Product.

(c) If Lifeline uses any WARF Technology or WARF Materials to produce any Joint Product under paragraph (a) or (b) of this Section, ES shall collaborate with Lifeline by providing technical advice through the review and comment on development plans and methods, but ES shall not be required to (i) utilize its laboratory or production facilities, materials, or equipment for the production of the Joint Product; and (ii) provide personnel to staff laboratory or production functions. ES's cost of providing the services described in this paragraph shall be deemed Production Costs.

(d) Lifeline shall not be deemed to have jointly produced stem cells from the H9 stem cell line previously cultured by BioTime or ES with assistance from Lifeline.

2.3 Use of Cell Technology. Lifeline hereby grants ES an exclusive sublicense to use of Cell Technology to the extent required for the purpose of producing, making, and distributing Joint Products, but, except as required for such purpose, no other license or sublicense of Cell Technology is granted or shall be implied by this Agreement. Lifeline will provide ES with a license to use Lifeline Technology to permit ES to practice the Cell Technology for the purpose of producing Joint Products.

2.4 Facilities and Personnel. Lifeline will provide laboratory and production facilities and personnel, as reasonably requested by ES to produce, make, or distribute Joint Products.

Lifeline shall use its own laboratory and production facilities and personnel for the production of any Joint Products that Lifeline produces. ES will make available at the Lifeline facilities the services of Dr. Michael West and other ES personnel as needed to assist Lifeline personnel in developing the techniques needed to produce a Joint Product. Lifeline will make available at the ES facilities the services of Lifeline personnel as needed to assist ES in developing and implementing standard operating procedures for production Joint Products, procedures for distribution of Joint Products, and procedures for Production Cost tracking, accounting and controls. The Parties acknowledge and agree that their personnel will not be providing assistance to each other on a full-time basis, but only to the extent necessary (and subject to their availability taking into account scheduling issues and their other time commitments) to permit each Party to commence production of a Joint Product and to develop and implement operating procedures for commercial production and distribution of a Joint Product, and to track and account for related Production Costs, using their own personnel. Moreover, the assistance of ES personnel may be limited to the matters described in Section 2.2(c) in cases in which that paragraph applies.

2.5 WARF and ES Technology. ES grants Lifeline a sublicense to use WARF Technology, and WARF Materials and ES Technology for the purpose of producing, making, and distributing any Joint Products that Lifeline is entitled to produce, make, and distribute but, except as required for such purpose, no other license or sublicense of WARF Technology, WARF Materials, or ES Technology is granted or shall be implied by this Agreement. Lifeline agrees that (a) WARF Technology and WARF Materials may be used by Lifeline only for the purpose of producing, making, and distributing Joint Products under this Agreement; (b) Lifeline shall not sell, use, or transfer WARF Materials to any third party except as permitted by the WARF license; (c) Lifeline shall not use WARF Technology or WARF Materials in any manner not permitted by the WARF license, and (d) Lifeline's right to use WARF Technology and WARF Materials shall terminate upon the termination of the WARF license.

ARTICLE 3 – MARKETING; SALES AND DISTRIBUTION

3.1 Marketing Efforts. The Parties shall each use commercially reasonable efforts to market and sell Joint Products through each Party's sales force and distributor network, and shall use best efforts to collaborate in marketing Joint Products jointly where appropriate so as to avoid conflicts between the parties' sales efforts.

3.2 Embryome.com. Pricing and terms of marketing and sale of Joint Products through Embryome.com technology shall be subject to ES's approval.

3.3 Branding. Joint Products shall be sold under the Lifeline or ES brand as the Parties shall determine by mutual agreement.

3.4 Use of Joint Products. Joint Products will be produced, marketed, distributed, and sold as research tools only, including in drug discovery and development, and not for the treatment of disease in humans, or for diagnosis, prognosis, screening or detection of disease in humans. Each Party shall sell Joint Products on terms that provided that the Joint Products will be used by the purchaser only for the purposes permitted in this paragraph.

3.5 Limit of Obligations. Nothing in this Agreement shall require either Party to sell Joint Products produced by the other Party. Any Party that produces, markets, or distributes a Joint Product may, upon thirty days notice to the other Parties, discontinue production, marketing, or distribution of the Joint Product.

3.6 Costs and Expenses. Except for royalties payable to WARF and ACT, Production Costs, and Marketing Costs, which shall be reimbursed as provided in Article 5, each Party shall pay its own costs and expenses incurred in connection with the performance of its obligations under this Agreement, unless otherwise expressly provided in this Agreement.

3.7 Competition. Nothing in this Agreement shall prevent, preclude, or limit the right of the parties to compete with each other in the development, licensing, production, marketing, distribution, and sale of technology and products, including products that may directly compete with Joint Products. Lifeline shall have no interest in or right to participate in revenues or profits from the sale of ES Products or from the licensing or sublicensing of ES Technology or WARF Technology by ES or BioTime, or in any production, marketing, and/or sales agreements ES or BioTime may make, except to the extent that Net Revenues from sale of Joint Products are generated through such agreements, in which event such Net Revenues shall be shared as provided herein. ES and BioTime shall have no interest in or right to participate in revenues from the sale of Lifeline Products or from the licensing or sublicensing of Lifeline Technology or Cell Technology by Lifeline, or in any production, marketing, and/or sales agreements Lifeline may make, except to the extent that Net Revenues from sale of Joint Products are generated through such agreements, in which event such Net Revenues shall be shared as provided herein.

ARTICLE 4—CAPITAL PAYMENT

4.1 Payment to Lifeline. Within two business days after the Parties have executed and delivered this Agreement, BioTime or ES will pay Lifeline $250,000 to enable Lifeline to engage in the production, making, and distribution of Joint Products.

ARTICLE 5 – NET REVENUES

5.1 Certain Distributors. Regardless of which Party produces the Joint Product, Net Revenues from the sale of a Joint Product sold to or through those distributors with which Lifeline has a pre-existing relationship (which have been disclosed to ES and BioTime by confidential memorandum), shall be allocated between, and paid to, the Parties as follows:

(a) First, to the Parties in an amount equal to their respective royalty obligations under Article 7 with respect to the sale of the Joint Product;

(b) Second, to the Party or Parties that produced the Joint Product, to reimburse their Production Costs, and to the Parties that marketed the Joint Product, to reimburse their Marketing Costs; and

(c) Finally, 50% to ES and 50% to Lifeline.

5.2 Joint Production. Net Revenues from the sale of a Joint Product not covered by Section 5.1 but which is produced by both ES and Lifeline shall be shall be allocated between, and paid to, the Parties in the manner provided in Section 5.1.

5.3 Production Requested by Other Party. Net Revenues from the sale of a Joint Product not covered by Section 5.1 or Section 5.2 and which was initially produced by one Party but which is produced for distribution by the other Party at the request of the Party that initially produced the Joint Product shall be allocated between, and paid to, the Parties in the manner provided in Section 5.1.

5.4 Other Cases. In the absence of a supplemental agreement between the Parties, Net Revenues from the sale of a Joint Product not covered by Section 5.1, Section 5.2 or Section 5.3 shall be shall be allocated between, and paid to, the Parties as follows:

(a) First, to the Parties in an amount equal to their respective royalty obligations under Article 7 with respect to the sale of the Joint Product;

(b) Second, subject to Section 5.6(b), to the Party that produced the Joint Product for distribution, an amount equal to the greater of (i) 90% of the Net Revenues remaining after the allocation under clause (a) of this Section, and (ii) the amount that would have been allocated to the Party if the provisions of Section 5.1 applied; and

(c) The balance of the Net Revenue will be allocated to the Party that did not produce the Joint Product for distribution

5.5 Reimbursement Payment. The first $250,000 of Net Revenues that otherwise would be allocated to Lifeline under Section 5.1(c) (including Net Revenues from Joint Products described in Sections 5.1, 5.2, and 5.3) or Section 5.4(c) shall be allocated instead to ES as a priority return on its capital investment under Article 4.

5.6 Recovery of Costs.

(a) To the extent that Net Revenues during any calendar quarter are less than the Production Costs, Marketing Costs, and royalty payments incurred by the Party during that period, the unrecovered costs will be carried forward into each successive calendar quarter until paid from Net Revenues, before Net Revenues are otherwise allocated to and shared by the Parties.

(b) If ES provides collaborative technical assistance to Lifeline under Section 2.2(c), the Production Cost incurred by ES shall be reimbursed to ES from a portion of the Net

Revenue allocable to Lifeline under Section 5.4(b), and such reimbursement shall be paid contemporaneously with the allocation of Net Revenues to Lifeline.

5.7 Allocation of Net Revenue. Net Revenues shall be allocated between the Parties in the manner provided in this Article 5 regardless of which Party or Parties sold the Joint Product(s), such that each Party shall pay over to the other Party such share of Net Revenue as may be required to effect the allocation of Net Revenues determined under Sections 5.1 through 5.4, as applicable, subject to Section 5.5 and Section 5.6.

5.8 Payment Due Date. Not later than 25 days after the end of each calendar quarter, the Parties will reconcile accounts of Joint Products sold and shall remit to each other the other Party's share of Net Revenue.

5.9 Currency. All payments due hereunder shall be paid in United States dollars. If any currency conversion shall be required in connection with the payment of Net Revenues or other amounts due under this Agreement, such conversion shall be at the rate of conversion reported in the Wall Street Journal on the last working day of the calendar quarter to which the payment relates.

5.10 Late Payment. If any Net Revenue is not paid by a Party to the other Party when due, interest shall accrue on the overdue amount at the Prime Rate plus two percent, or the maximum rate allowed under applicable law, whichever is less, from the date when such payment should have been made until paid in full. Such interest shall be paid with the past due Net Revenue. The Prime Rate shall be the interest rate reported as the "prime rate" in The Wall Street Journal on the date the payment was due.

5.11 Overhead Costs. Parties will meet, initially on a quarterly basis and less often upon mutual consent, to: work together in good faith to share financial information and calculations, within the constraints of SEC rules, related to: the allocation of overhead costs; develop and agree upon accounting methods of allocating overhead costs in accordance with Generally Accepted Accounting Principles; and review and revise the percentage figures used to allocate overhead costs to Marketing Cost and Production Cost.

ARTICLE 6 - REPORTS AND RECORDS

6.1 Maintenance of Records. Each Party shall keep complete and accurate records and accounts of all Joint Products sold by the Party, all royalties payable by the Party to ACT or WARF, the Party's Production Costs and Marketing Costs.

6.2 Monthly Reports. Each Party shall provide each other Party with a monthly report of Joint Product sales, including a description of each Joint Product sold, the amount (units) of the Joint Product sold, and the gross sales price, each deduction from gross sales made in the calculation of Net Revenues, all royalties paid or payable, and all Production Costs and Marketing Costs. The monthly report shall be delivered no later than 15 days after the end of each calendar month.

6.3 Audit Rights. Each Party's records and accounts of Joint Products sold shall be kept at their principal place of business or at such other location as may be agreed upon by the Parties. Said records and accounts shall be open, upon reasonable advance notice (and no more frequently than once per calendar year), for three (3) years following the end of the calendar year to which they pertain, to the inspection of the other Party or its agents for the purpose of verifying Net Revenues, Production Costs, and Marketing Costs, or compliance in other respects with this Agreement. If any such audit determines that the reported sales or Net Revenues were less than 90% of the actual amount for the period in question, or that royalties paid or Production Costs or Marketing Costs, were less than 90% of the amount reported for the period, the Party whose records were audited shall bear the cost of such audit.

ARTICLE 7—SALE OF ES PROUCTS AND LIFELINE PRODUCTS

7.1 Sale of ES Products by Lifeline. Lifeline may sell, for its own account and under either ES brand names or Lifeline brand names, ES Products consisting of (a) human embryonic stem cells, (b) differentiated human stem cells, (c) media for the growth of human embryonic stem cells or differentiated human stem cells, and (d) materials useful for the culture of cells. ES agrees to sell ES Products described in this paragraph to Lifeline at prices to be determined by mutual agreement, plus shipping, applicable sales and VAT taxes, and insurance. This Section 7.1 shall not apply to any ES Product acquired or developed by ES under a license or other agreement with a third party that would prohibit ES from selling the ES Product to Lifeline under the terms of this Section 7.1.

7.2 Sale of Lifeline Products by ES. ES may sell, for its own account and under either ES brand names or Lifeline brand names, Lifeline Products consisting of (a) human embryonic stem cells, (b) differentiated human stem cells, (c) media for the growth of human embryonic stem cells or differentiated human stem cells, and (d) materials useful for the culture of cells. Lifeline agrees to sell Lifeline Products described in this paragraph to ES at prices to be determined by mutual agreement, plus shipping, applicable sales and VAT taxes, and insurance. This Section 7.2 shall not apply to any Lifeline Product acquired or developed by Lifeline under a license or other agreement with a third party that would prohibit Lifeline from selling the Lifeline Product to ES under the terms of this Section 7.2.

7.3 Payment of the purchase price for ES Products sold to Lifeline shall be on such terms as ES may require. Payment of the purchase price for Lifeline Products sold to ES shall be on such terms as Lifeline may require. Neither party shall be obligated to extend credit to the other party.

7.4 The Provisions of Article 5 shall not apply to sales of ES Products by Lifeline, or sales of Lifeline Products sold by ES, under this Article 7.

ARTICLE 8 – LICENSED TECHNOLOGY AND PATENT RIGHTS

8.1 WARF License. BioTime and ES shall fully and timely perform their respective obligations under its license agreement with WARF in order to keep its license to use WARF Technology and WARF Materials in full force and effect. BioTime or ES shall promptly notify Lifeline of any material change in the terms of the WARF license, or the termination of the WARF license.

(a) ES shall be responsible for the payment of all royalties owed to WARF from the sale of Joint Products, as provided in the license agreement between BioTime and WARF, and such royalties shall be reimbursed from Net Revenues as provided in Article 5.

8.2 Cell Technology Licenses. Lifeline shall fully and timely perform its obligations under its license agreements with Advanced Cell Technology, Inc. ("ACT") in order to keep its licenses to use Cell Technology in full force and effect. Lifeline shall promptly notify BioTime and ES of any material change in the terms of the Cell Technology license, or the termination of the Cell Technology license.

(a) Lifeline shall be responsible for the payment of all royalties owed to ACT from the sale of Joint Products, as provided in the license agreements between Lifeline and ACT, and such royalties shall be reimbursed from Net Revenues as provided in Article 5.

(b) LifeLine shall notify BioTime and ES of the occurrence of (i) any failure of LifeLine to make any payment or to perform any other obligation under the Cell Technology license agreements, and (ii) the receipt of any notice from ACT stating that any breach or default under any of the Cell Technology license agreements has occurred. Such notice shall be given to BioTime and ES within five (5) days after the occurrence of the applicable event. BioTime and ES shall have the right (but not the obligation) to make any payment or to take any other action required to cure any default or potential default by LifeLine under the Cell Technology license agreements. If BioTime or ES makes any payment or incurs any expense to cure or prevent a breach or default by LifeLine under any of the Cell Technology license agreements ("Default Cure Payments"), 120% of the amount of such Default Cure Payments shall be reimbursed to BioTime and ES upon demand, and if such amount is not paid to BioTime or ES within five days of a demand for payment, the unpaid amount shall accrue interest at the rate of 15% per annum until paid in full. Until 120% of all Default Cure Payments, with interest accrued, have been repaid to BioTime and ES, Net Revenues that otherwise would be allocated to Lifeline under Section 5.1(c) (including Net Revenues from Joint Products described in Sections 5.1, 5.2, and 5.3) or Section 5.4(c) shall be allocated instead to BioTime and ES until BioTime and ES have received a return of 120% of the Default Cure Payments, plus accrued interest. LifeLine agrees that the payment of Default Cure Payments will impose a financial burden on BioTime and ES and will provide an economic benefit to LifeLine beyond the financial obligations and benefits that the Parties have agreed to allocate among themselves under this Agreement, and that LifeLine estimates that the economic benefit that will inure to it from a cure of its default will equal or exceed 120% of the Default Cure Payment.

8.3 Ownership of Patents. Any invention or discovery, whether or not patentable, and any patents, patent applications, or technical know-how developed through the efforts of any Party to produce a Joint Product shall be owned by the Party or Parties that employ the inventors. That is to say, if all of the inventors on a patent or patent application are employed by one Party, then the patent or patent application will be owned by that one Party. If inventors are listed from two or more Parties, then the patent or patent application shall be jointly owned by the Parties whose employees are so listed as inventors.

8.4 License of Patents. If a Party obtains a patent covering a Joint Product, the other Party shall have a non-exclusive license to use such patent for the purpose of producing, distributing and marketing the Joint Product to the extent permitted under, and subject to the terms of, this Agreement.

8.5 Certain Acknowledgements. Lifeline acknowledges that the WARF license agreement permitting the use of WARF Technology and WARF Materials is non-exclusive, and grants WARF a non-exclusive license to use for non-commercial purposes Joint Products and any other materials and patents developed using WARF Materials and WARF Technology. BioTime and ES acknowledge that the Lifeline's right to some aspects of the Cell Technology is non exclusive.

8.8 Licenses of Intellectual Property; Bankruptcy Code. The Parties agree that the sublicenses granted to BioTime and ES by Lifeline to use Cell Technology, the license granted by Lifeline to ES and BioTime to use Lifeline know-how, the sublicenses granted by BioTime and ES to use WARF Technology, the license granted by ES to Lifeline to use ES Technology, the license granted by Lifeline to ES to use Lifeline Technology, and any and all licenses granted by any Party to the other Party under Section 8.4, constitute licenses of "intellectual property" as defined in the United States Bankruptcy Code (the "Bankruptcy Code") and as used in Section 365(n) of the Bankruptcy Code. The Parties agree that the know-how included in Cell Technology sublicensed to BioTime and ES by Lifeline, the Lifeline Technology licensed by Lifeline to ES under this Agreement, and the ES Technology licensed by ES to Lifeline under this Agreement includes trade secrets. The Parties also agree that the payments of Net Revenues required to be made by the Parties to each other under Article 5 of this Agreement constitute "royalties" under Section 365(n) of the Bankruptcy Code.

ARTICLE 9 - PROSECUTION OF INFRINGERS AND DEFENSE OF PATENT RIGHTS

9.1 Notice. The Parties agree to notify each other in writing of (a) any actual or threatened infringement, by a third person, of any patents covering Cell Technology, WARF Technology, ES Technology or any other patent pertaining to a Joint Product, or (b) any claim of invalidity or unenforceability of any patent owned by a Party covering a Joint Product.

9.2 Prosecution and Defense of Patent Rights. The Party or Parties owning the patent covering a Joint Product shall have the right (but not the obligation) to prosecute any infringement or defend any claims, as applicable, pertaining to such patent. Each Party shall, at

the expense of the owner of the patent, provide reasonable assistance to the other Party in connection with the prosecution or defense of such claims.

9.3 Judgments and Awards. Any judgment, award, or settlement proceeds arising from any claim, demand, lawsuit or other proceeding commenced or joined by either Party against any third person infringing or allegedly infringing a patent covering a Joint Product ("Proceeds") shall be allocated between the Parties in the following manner: (a) first (in the ratio of expenses incurred by each Party in the action) to reimburse each Party for any expenses incurred in the action; and (b) any Proceeds on account of the Party's respective lost profits shall be treated as Net Revenues, and shall be allocated between the Parties in the manner provided in Article 5 for the allocation of Net Revenues from the sale of such Joint Product; provided, that if royalties payable, Production Costs, or Marketing Costs were taken into account in determining the Proceeds, those costs shall not be deducted again in allocating the Proceeds among the Parties.

9.4 Alleged Infringement of Patents or Trade Secrets. If a claim or lawsuit is brought against a Party ("Defendant") alleging infringement of any patent or misappropriation of any trade secret owned by a third person arising from the production, distribution, sale or use of any Joint Product, the Defendant shall promptly give each other Party written notice to of such infringement claim and shall provide to each other Party all information in the Defendant's possession regarding such infringement claim, within sixty (60) days after receiving such notice. Each Party shall advise the other of the course of action it intends to take to defend such infringement claim, and shall keep the other Party informed of the progress of any litigation arising from the infringement claim. No Party shall enter into any settlement, consent judgment, or other voluntary final disposition of any infringement action that admits the invalidity or unenforceability of any patent pertaining to a Joint Product or that would adversely affect the rights of any other Party, without the prior written consent of the other Party whose rights are so affected, which consent may not be unreasonably withheld, conditioned or delayed.

ARTICLE 10 – INDEMNIFICATION AND LIMITATION OF LIABILITY

10.1 Indemnification. BioTime and ES agree to indemnify, defend and hold harmless Lifeline from and against all liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of or in connection with any breach of any representation or warranty of BioTime or ES under this Agreement. Lifeline agrees to indemnify, defend and hold harmless BioTime and ES from and against all liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of any breach of any representation or warranty of Lifeline under this Agreement. If a claim for indemnification relates to any claim or lawsuit by a third person against the indemnified Party, any indemnification obligations set forth in this Agreement shall be subject to the following conditions: (i) the indemnified Party shall notify the indemnifying Party in writing promptly upon learning of any claim or lawsuit for which indemnification is sought; (ii) the indemnifying Party shall have control of the defense or settlement, provided that the indemnified Party shall have the right (but not the obligation) to participate in such defense or settlement with counsel at its selection and at its sole expense; and

(iii) the indemnified Party shall reasonably cooperate with the defense, at the indemnifying Party's expense.

10.2 Disclaimer of Warranties. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, EACH PARTY, AND ITS DIRECTORS, MANAGERS, OFFICERS, EMPLOYEES, AND AFILIATES, MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, WITH RESPECT TO ANY JOINT PRODUCT.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY BIOTIME OR ES THAT THE PRACTICE OF THE WARF TECHNOLOGY OR ES TECHNOLOGY SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY LIFELINE THAT THE PRACTICE OF THE CELL TECHNOLOGY SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY.

10.3 Limitation on Liability. IN NO EVENT SHALL ANY PARTY, OR ITS DIRECTORS, MANAGERS, OFFICERS, EMPLOYEES AND AFFILIATES, BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS ARISING FROM THE PRODUCTION AND SALE OF JOINT PRODUCTS UNDER THIS AGREEMENT.

ARTICLE 11 – TERMINATION

11.1 Expiration. This Agreement shall be effective on the Effective Date and shall terminate in twenty (20) years or upon the expiration of the last to expire of the patents covering Cell Technology, WARF Technology, or any Joint Product, whichever is later, unless sooner terminated as provided in this Article 11.

11.2 Breach. Any Party may terminate this Agreement and the rights, privileges and license granted hereunder by written notice upon a breach or default of this Agreement by the other Party, subject to the following notice and cure provisions:

(a) If the breach is non-payment of any amount due, the breach is not cured within thirty (30) days of receipt of written notice of such non-payment; or

(b) If the breach is one other than non-payment of any amount due, the breach is not cured within thirty (30) days of a written request to remedy such breach, or if the breach

cannot be cured within said thirty (30) day period, the failure of the Party in breach, within said thirty (30) day period, to commence action necessary to cure the breach, and to proceed with reasonable diligence thereafter to cure the breach.

Such termination shall become automatically effective unless the Party in breach shall have cured the breach prior to the expiration of the applicable cure period.

11.3 Other Grounds for Termination.

(a) BioTime and ES shall have the right to terminate this Agreement at any time immediately upon notice to Lifeline if any claim is brought against BioTime or ES alleging that the use of Cell Technology, WARF Technology, or WARF Materials infringes on the patent or other intellectual property rights of any third person. Notwithstanding any such notice of termination, BioTime and ES shall remain obligated to pay all amounts due Lifeline under this Agreement through the effective date of the termination.

(b) Lifeline shall have the right to terminate this Agreement at any time immediately upon notice to BioTime and ES if any claim is brought against Lifeline alleging that the use of ES Technology, WARF Technology, or WARF Materials infringes on the patent or other intellectual property rights of any third person. Notwithstanding any such notice of termination, Lifeline shall remain obligated to pay all amounts due BioTime and ES under this Agreement through the effective date of the termination.

11.4 Survival. Upon termination of this Agreement for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to the effective date of such termination. Article1, Article 10, Article 12, Article 13, Article 14, Section 6.2, and this Section 11.4, and any other Sections or provisions which by their nature are intended to survive termination, shall survive any such termination.

ARTICLE 12 - CONFIDENTIALITY

12.1 Confidential Information "Confidential Information" means (a) confidential or proprietary information of BioTime or ES (including scientific knowledge, know-how, methods, processes, inventions, techniques, and formulae) relating to ES Technology, (b) confidential or proprietary information relating to Cell Technology licensed to Lifeline and designated as being confidential or secret under the Cell Technology license agreement, (c) confidential or proprietary information relating to WARF Technology or WARF Materials licensed to BioTime or ES and designated as being confidential or secret under the WARF Technology license agreement, (d) confidential or proprietary information developed by a Party (including scientific knowledge, know-how, methods, processes, inventions, techniques, and formulae) relating to the use of Cell Technology or WARF Technology in the production or use of a Joint Product, (e) confidential or proprietary information (including scientific knowledge, know-how, methods, processes, inventions, techniques, and formulae) developed by a Party relating to the production or use of a Joint Product, other than information described in clause (d), (f) Joint Product sales data, (g) marketing plans, methods, and studies, (h) the identity of customers and customer

requirements, (i) Production Costs, and (j) such other information that is designated as Confidential Information in this Agreement, or that a Party maintains as confidential and designates as Confidential Information in a writing delivered to another Party. Confidential Information may be in written, graphic, oral or physical form and may include designs, sketches, photographs, drawings, specifications, reports, data, plans or other records, biological materials, and/or software. Confidential Information shall not include:

(a) information which is, or later becomes, generally available to the public through no fault of the recipient;

(b) information which is provided to the recipient by an independent third party having no obligation to a Party or to WARF or ACT to keep the information secret;

(c) information which the recipient can establish by written documentation was previously known to it;

(d) information which the recipient can establish by written documentation was independently developed by it without reference to the Confidential Information of any other Party; or

(e) information required to be disclosed by a Party under any law or government regulation, or under any order of any court, government agency, or other adjudicative or administrative body having jurisdiction over the Party.

12.2 Protection of Confidential Information. During the term of this Agreement, the Parties may provide each other with Confidential Information. Each Party intends to maintain the confidential or trade secret status of its Confidential Information. Each Party shall exercise reasonable care, and not less than the standard of care it exercises in protecting the secrecy of its own Confidential Information, to protect the Confidential Information received from the other Party from disclosure to third persons. Neither Party shall disclose Confidential Information (other than the Party's own Confidential Information) to any third person without the written permission of the other Party (or ACT in the case of Confidential Information described in clause (b) of Section 12.1, or WARF in the case of Confidential Information described in clause (c) of Section 12.1); provided, that each Party may disclose Confidential Information to the Party's employees, officers, directors, attorneys, and contractors who have a need to know such information in connection with the performance of services for the Party. Upon termination or expiration of this Agreement, each Party shall comply with the other's written request to return all of the other Party's Confidential Information that is in written or tangible form. No Party is granted any license to use another Party's Confidential Information for any purpose other than the production, marketing, distribution, and sale of Joint Products under this Agreement or the enforcement of a Party's rights under this Agreement. The obligations of the Parties under this Article 12 shall survive any expiration or termination of this Agreement.

ARTICLE 13 - PAYMENTS, NOTICES, AND OTHER COMMUNICATIONS

Any payment, notice or other communication required or otherwise given pursuant to this Agreement shall be in writing and sent by certified first class mail, return receipt requested, postage prepaid, or by nationally recognized next business day delivery service addressed to the parties at the following addresses or such other addresses as such party furnishes to the other party in accordance with this paragraph. Such notices, payments or other communications shall be effective upon receipt.

If to Lifeline: LifeLine Cell Technology, LLC,2595 Jason Court
Oceanside, CA 92056
Attention: Jeffrey Janus

If to BioTime: BioTime, Inc.
1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502
Attention: Michael D. West, CEO

If to ES: Embryome Sciences, Inc.
1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502
Attention: Michael D. West, CEO

ARTICLE 14 - REPRESENTATIONS AND WARRANTIES

14.1 Enforceable Agreement--Lifeline. Lifeline represents and warrants that (a) it has licensed the Cell Technology, (b) it has the full legal and contractual right and power to grant the sublicenses granted hereunder, (c) this Agreement constitutes the binding, legal agreement of Lifeline, enforceable in accordance with its terms, (d) the execution and delivery of this Agreement by Lifeline, and the performance of Lifeline's obligations under this Agreement, will not violate, contravene or conflict with (i) any other agreement to which Lifeline is a party or by which it is bound, or (ii) any law, rule or regulation applicable to Lifeline.

14.2 No Infringement—Cell Technology. To the best of Lifeline's knowledge, the use of the Cell Technology to produce, make, and distribute Joint Products will not infringe on any patent or trade secret or other intellectual property right of any third person. Lifeline has never received any complaint, claim, demand, or notice alleging that the Cell Technology infringes on any patent or trade secret or other intellectual property right of any third person.

14.3 Enforceable Agreement--BioTime. BioTime represents and warrants that (a) it has licensed the WARF Technology, (b) it has the full legal and contractual right and power to grant the sublicenses granted hereunder, (c) this Agreement constitutes the binding, legal agreement of BioTime, enforceable in accordance with its terms, and (d) the execution and delivery of this Agreement by BioTime, and the performance of BioTime's obligations under this Agreement,

will not violate, contravene or conflict with (i) any other agreement to which BioTime is a party or by which it is bound, or (ii) any law, rule or regulation applicable to BioTime.

14.4 Enforceable Agreement--ES. ES represents and warrants that (a) this Agreement constitutes the binding, legal agreement of ES, enforceable in accordance with its terms, and (b) the execution and delivery of this Agreement by ES, and the performance of ES's obligations under this Agreement, will not violate, contravene or conflict with (i) any other agreement to which ES is a party or by which it is bound, or (ii) any law, rule or regulation applicable to ES.

14.5 No Infringement—WARF Technology. To the best of BioTime's knowledge, the use of the WARF Technology and ES Technology to develop Joint Products will not infringe on any patent or trade secret or other intellectual property right of any third person. BioTime has never received any complaint, claim, demand, or notice alleging that the WARF Technology or the ES Technology infringes on any patent or trade secret or other intellectual property right of any third person.

14.6 Survival. This Article 14 shall survive expiration or termination of this Agreement.

ARTICLE 15 - MISCELLANEOUS PROVISIONS

15.1 Compliance With Law. Each party shall comply with all local, state, federal and international laws and regulations relating to the production, sale, use, distribution, and export of Joint Products.

15.2 No Partnership or Agency. Nothing herein shall be deemed to constitute any Party as the agent or representative of any other Party. Each Party shall be an independent contractor, not an employee or partner of any other Party, and the manner in which each Party renders its services under this Agreement shall be within its sole discretion. A Party shall not be responsible for the acts or omissions of any other Party, nor shall a Party have authority to speak for, represent or obligate any other Party in any way without prior written authority from the other Party.

15.3 Patent Marking. To the extent commercially feasible, and consistent with prevailing business practices, all Joint Products distributed or sold under this Agreement will be marked (or will be contained in packaging that is labeled or marked) with the number of each issued patent that applies to such Joint Product.

15.4 Applicable Law. This Agreement shall be construed, governed, interpreted and applied in accordance with the laws of the State of California, without regard to principles of conflicts of law thereof.

15.5 Entire Agreement; Amendment. This Agreement sets forth the entire agreement and understanding of the Parties as to the subject matter of this Agreement. This Agreement shall not be amended or modified except by the execution of a written instrument subscribed to by the Party to be charged.

15.6 Severability. The provisions of this Agreement are severable, and in the event that any provisions of this Agreement shall be determined to be invalid or unenforceable under any controlling body of the law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

15.7 Waiver. The failure of a Party to assert a right under this Agreement or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party, in the absence of an express written waiver signed by the Party to be charged.

15.8 Parties. This Agreement shall be binding on, and shall inure to the benefit of, Lifeline, BioTime, and ES, and their respective successors and assigns.

15.9 Sublicense and Assignment. BioTime and ES shall not sublicense or assign any rights to use Cell Technology without first obtaining (a) the prior written consent of LifeLine, and (b) any consent of ACT required under the ACT license agreements. LifeLine shall not sublicense or assign any right to use WARF Technology or WARF Materials without (a) the prior written consent of BioTime and ES, and (b) any consent of WARF required under the WARF license agreement. LifeLine shall not sublicense or assign any right to use ES Technology without obtaining the prior written consent of ES. The foregoing provisions of this Section 15.9 shall not restrict the rights of the Parties to sell Joint Products under the terms of this Agreement.

15.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Any document, including, without limitation, counterparts of this Agreement, may be transmitted by facsimile or other electronic means and upon receipt shall be deemed an original; provided that upon demand of the recipient, the sender within a reasonable time of such demand shall mail or deliver an originally signed copy of such document.

15.11 Persons. All references to a “person” shall include a natural person or a corporation, partnership, limited liability company, trust, or other legal entity.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the Effective Date set forth above.

LifeLine Cell Technology, LLC

By: /s/ Jeffrey Janus
Printed Name: Jeffrey Janus
Title: CEO

BioTime, Inc.

By: /s/ Michael West
Printed Name: Michael West
Title: CEO

Embryome Sciences, Inc.

By: /s/ Michael West
Printed Name: Michael West
Title: CEO

SCHEDLUE 1

Exclusive License Agreement dated May 14, 2004 by and between Advanced Cell Technology, Inc., and PacGen Cellco, LLC, as amended, August 25, 2005, pertaining to certain patents and know-how owned by ACT.

Exclusive License Agreement dated May 14, 2004 by and between Advanced Cell Technology, Inc., and PacGen Cellco, LLC, as amended, August 25, 2005, pertaining to certain patents and know-how owned by Infigen and licensed to ACT.

Exclusive License Agreement dated May 14, 2004 by and between Advanced Cell Technology, Inc., and PacGen Cellco, LLC, as amended, August 25, 2005, pertaining to certain patents and know-how owned by the University of Massachusetts and licensed to ACT.

EXCLUSIVE LICENSE AGREEMENT

This Exclusive License Agreement ("Agreement") is made and entered into as of the 10th day of July, 2008 (the "Effective Date"), by and between Advanced Cell Technology, Inc., a Delaware corporation with offices located at 11100 Santa Monica Blvd, Suite 850, Los Angeles, CA 90025 ("ACT"), Embryome Sciences, Inc., a California corporation ("LICENSEE"), with offices located at 1301 Harbor Bay Parkway, Suite 100, Alameda, California 94502. ACT and LICENSEE are sometimes hereinafter referred to as the "Parties".

WITNESSETH

WHEREAS, ACT owns or has licensed with a sublicensable interest the CELLS, PATENT RIGHTS and KNOW-HOW; and

WHEREAS, LICENSEE desires to obtain an exclusive license from ACT to use the CELLS, PATENT RIGHTS and KNOW-HOW upon the terms and conditions set forth in this Agreement; and

WHEREAS, ACT is willing to grant such a license to LICENSEE upon the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meanings:

1.1 "AFFILIATE" means any corporation, limited liability company, limited partnership or other entity in control of, controlled by, or under common control with LICENSEE.

1.2 "CELLS or CELL LINES" means the cells and cell lines identified in Exhibit A attached hereto that are covered by (i.e., made or developed using) the PATENT RIGHTS or KNOW-HOW and/or are provided to LICENSEE by ACT in accordance with the provisions of Articles 2 or 3, as applicable, of this Agreement.

1.3 "COMBINATION PRODUCT" means a product that contains a LICENSED PRODUCT component and at least one other component that has independent research, diagnostic or therapeutic utility, could reasonably be sold separately and has economic value of its own.

1.4 "CONFIDENTIAL INFORMATION" means confidential or proprietary information of ACT or LICENSEE relating to the PATENT RIGHTS, KNOW-HOW, LICENSED PROCESSES, LICENSED SERVICES or LICENSED PRODUCTS. CONFIDENTIAL INFORMATION may be in written, graphic, oral or physical form and may include scientific knowledge, know-how, processes, inventions, techniques, formulae, products, business operations, customer requirements, designs, sketches, photographs, drawings, specifications, reports, studies, findings, data, plans or other records,

biological materials, and/or software. CONFIDENTIAL INFORMATION shall not include: (a) information which is, or later becomes, generally available to the public through no fault of the recipient; (b) information which is provided to the recipient by an independent third party having no obligation to keep the information secret; (c) information which the recipient can establish by written documentation was previously known to it; or (d) information which the recipient can establish by written documentation was independently developed by it without reference to the CONFIDENTIAL INFORMATION.

1.5 "KNOW-HOW" means all compositions of matter, techniques and data and other know-how and technical information including inventions (whether or not patentable), improvements and developments, practices, methods, concepts, trade secrets, documents, computer data, computer slide illustrations, computer code, apparatus, test data, analytical and quality control data, formulation, manufacturing, patent data or descriptions, development information, drawings, specifications, designs, plans, proposals and technical data and manuals and all other CONFIDENTIAL INFORMATION that is owned or controlled by ACT as of the Effective Date, and that specifically relates to the subject matter (a) described in or claimed by the PATENT RIGHTS, (b) described in or claimed by the abandoned provisional applications including but not limited to: "Methods to accelerate the isolation of novel cell strains from pluripotent stem cells and cells obtained thereby" applications numbers 103080-P66-071,103080-P67-071), and (c) disclosed in the published paper and associated supplementary information (West, M.D., Sargent, R.G., Long, J., Brown, C., Chu, J-S., Kessler, S., Derugin, N., Sampathkumar, J., Burrows, C., Vaziri, H., Williams, R., Chapman, K.B., Larocca, D., Loring, J.F., and Murai, J. 2008. The ACTCellerate Initiative: large-scale combinatorial cloning of novel human embryonic stem cell derivatives. Reg. Med. 3(3): 287-308.).

1.6 "LICENSED PROCESS" means any process or method, the development, use, practice, or sale of which (1) is covered in whole or in part by, or cannot be performed without infringing, a VALID CLAIM of the PATENT RIGHTS in the country in which such LICENSED PROCESS is practiced or sold, or (2) otherwise utilizes the KNOW-HOW.

1.7 "LICENSED PRODUCT" means any product, or part thereof or derived therefrom, the development, manufacture, sale, lease, or use of which (1) is covered in whole or in part by, or cannot be performed without infringing, a VALID CLAIM of the PATENT RIGHTS in the country in which any such product or part thereof is developed, made, used, sold or imported by LICENSEE or (2) otherwise utilizes the KNOW-HOW. By way of illustration but not limitation, the Parties agree that LICENSED PRODUCTS include Cells and any other single cell-derived cultures of human embryonic progenitor cell lines made utilizing the KNOW-HOW or methods covered by VALID CLAIMS described in the patent applications and patents included in the PATENT RIGHTS.

1.8 "LICENSED SERVICES" means any service, the development, use, performance, or sale of which is covered in whole or in part by, or cannot be performed without infringing, a VALID CLAIM of the PATENT RIGHTS in the country in which any such service is so developed, used, performed, sold, offered for sale, imported or exported by LICENSEE or otherwise utilizes the KNOW-HOW.

1.9 "NET SALES" means the invoiced amount on sales by LICENSEE or its Affiliates of LICENSED PRODUCTS, LICENSED SERVICES or LICENSED PROCESSES less (to the extent applicable and appropriately documented) (i) sales, tariff and import duties, use and other taxes directly

imposed with reference to particular sales, (ii) discounts, rebates, and similar credits and chargebacks actually allowed and taken (regardless of whether taken or paid at the time of sale or paid or credited to the buyer at a subsequent date), and (iii) amounts allowed or credited on returns; provided, any such allowed deductions shall be listed on the invoice for the applicable LICENSED PRODUCT, LICENSED PROCESS or LICENSED SERVICE or otherwise documented in the ordinary course of business, and (b) any Sublicense Revenue.

In the case of Combination Products, Net Sales means the total invoice amount earned on sales of Combination Products by LICENSEE or its Affiliates to any third person or entity, less, to the extent applicable, the deductions set forth above, multiplied by a proration factor that is determined as follows:

(i) If all components of the Combination Product were sold separately during the same or immediately preceding calendar quarter, the proration factor shall be determined by the formula [A/(A+B)], where A is the average invoice amount earned on the Licensed Product during such period when sold separately in finished form, and B is the average invoice amount earned on all other active components of the Combination Product during such period when sold separately in finished form; or

(ii) if all components of the Combination Product were not sold separately during the same or immediately preceding calendar quarter, the proration factor shall be determined by the formula [C/(C+D)], where C is the average fully absorbed cost of the Licensed Product component during the prior quarter and D is the average fully absorbed cost of all other active components of the Combination Product during the prior quarter.

1.10 "PATENT RIGHTS" means the patents and patent applications identified on Exhibit B attached hereto, and any divisional, continuation or continuation-in-part of those applications, but only to the extent the claims in said applications are directed to subject matter specifically described in the patents and patent applications identified on Exhibit B, as well as any patents issued on these patent applications, and any reissues, reexaminations, extensions and substitutions (or the equivalent) thereof and any foreign counterparts to those patents and patent applications. The parties agree that Exhibit B may be revised from time to time after the EFFECTIVE DATE to reflect changes thereto.

1.11 "SUBLICENSEE" means a sublicensee of the rights granted LICENSEE under this Agreement, as further described in Article 2.

1.12 "SUBLICENSE REVENUE" means consideration that LICENSEE receives for the sublicense of rights that are granted LICENSEE under Article 2, including without limitation license fees, milestone payments, up front fees, success fees, and license maintenance fees, but not capital contributions or payments for costs incurred in research and development.

1.13 "VALID CLAIM" means (a) a claim of any issued and unexpired United States or foreign patent included in the PATENT RIGHTS which has not lapsed or become abandoned or been declared invalid or unenforceable by a court of competent jurisdiction or an administrative agency from which no appeal can be or has been taken within the time allowed for such appeal and which has not been disclaimed or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise, or (b) to the extent rights are granted by a governmental patent authority thereunder (i.e., to the extent that

the owner would be able to enforce a right to a patent royalty thereunder under applicable patent law), a claim of a pending patent application included in the PATENT RIGHTS.

For purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (a) the use herein of the plural shall include the single and *vice versa* and the use of the masculine shall include the feminine; (b) unless otherwise set forth herein, the use of the term "including" or "includes" means "including [includes] but [is] not limited to"; and (c) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision. Additional terms may be defined throughout this Agreement.

ARTICLE 2 – LICENSE GRANT

2.1 Grant of Rights. ACT hereby grants to LICENSEE, and LICENSEE accepts, subject to the terms and conditions of this Agreement, a royalty-bearing, worldwide, exclusive license, with the right to sublicense, to use the PATENT RIGHTS and KNOW-HOW to (a) research, develop, make, have made, use, sell, have sold, offer for sale, have offered for sale, import, have imported, export and have exported LICENSED PRODUCTS, (b) research, develop, use, practice, sell, have sold, offer for sale, have offered for sale, import, have imported, export and have exported LICENSED PROCESSES, and (c) develop, use, perform, sell, have sold, offer for sale, have offered for sale, import, have imported, export and have exported LICENSED SERVICES.

2.2 Sublicense Rights. LICENSEE shall have the right to grant sublicenses of its rights under Section 2.1 without the consent or approval of ACT; provided however, that LICENSEE agrees to provide ACT with (a) a draft copy of any sublicense agreement to ACT at least thirty (30) days before execution to allow ACT to comment on the terms of the sublicense if ACT chooses to comment; and (b) a fully executed copy of all sublicense agreements within thirty (30) days after execution.

2.3 Knowledge Transfer. Within ten (10) days of the Effective Date, ACT shall provide, deliver, and transfer to LICENSEE all information and data relating to the PATENT RIGHTS and KNOW-HOW as may be reasonably necessary to allow LICENSEE to exploit the licenses granted hereunder. Such transfer shall be made free and clear of all liens, security interests, encumbrances, and claims of any kind by any third party. ACT shall bear all costs of so delivering the KNOW HOW to LICENSEE. ACT shall not retain any copies (in any format or media) of the KNOW HOW.

ARTICLE 3 – MATERIAL TRANSFER

3.1 In consideration of the payment of the License Fee under Section 5.1, ACT hereby transfers and assigns to LICENSEE all of ACT's right, title and interest in and to the CELLS and CELL LINES, wherever located. Within ten (10) days after the Effective Date, ACT shall deliver to LICENSEE all CELLS and CELL LINES. Such transfer and assignment is made free and clear of all liens, security interests, encumbrances, and claims of any kind by any third party. ACT shall bear all costs of delivering the CELLS and CELL LINES to LICENSEE. ACT shall not retain any CELLS or CELL LINES at its own facilities or at the facilities of any third party. All CELLS and CELL LINES shall be delivered to LICENSEE between the hours of 9:00 a.m. and 5:00 p.m. on a weekday (other than a Federal or California state holiday) at the address shown in Article 11 of this Agreement, upon twenty

four hours oral or written notice to LICENSEE. All CELLS and CELL LINES shall be contained in cryovials and packaging suitable for the purpose of storage and delivery. ACT will cooperate with LICENSEE in transferring title of CELLS and CELL LINES held at the American Type Culture Collection to LICENSEE.

ARTICLE 4 – COMMERCIALIZATION OBLIGATIONS

4.1 LICENSEE intends to use, or to cause its Sublicensees to use, commercially reasonable and diligent efforts to bring one or more LICENSED PRODUCTS, LICENSED PROCESSES and LICENSED SERVICES to market through an active and diligent program for exploitation of the PATENT RIGHTS and KNOW-HOW and to continue active, diligent marketing efforts for one or more LICENSED PRODUCTS, LICENSED PROCESSES and LICENSED SERVICES throughout the life of this Agreement. LICENSEE makes no representation, guaranty, or warranty that it or its Sublicensees will be successful in developing or bringing to market any LICENSED PRODUCT, LICENSED PROCESS or LICENSED SERVICES.

ARTICLE 5 - CONSIDERATION

5.1 Initial License Fee. In partial consideration of the rights and licenses granted to LICENSEE by ACT in this Agreement, LICENSEE shall pay to ACT on the Effective Date a license fee equal to Two Hundred Fifty Thousand Dollars (U.S.) ($250,000) (the "License Fee"). The License Fee is not refundable and is not creditable against other payments due to ACT under this Agreement. The License Fee shall be paid to ACT upon ACT's delivery of the KNOW HOW, CELLS, and CELL LINES pursuant to Section 2.3 and Section 3.1.

5.2 Royalties and other Consideration.

(a) As additional consideration of the license granted to LICENSEE from ACT in Article 2 of this Agreement, LICENSEE shall pay to ACT a royalty equal to 8% of (i) the Net Sales received by LICENSEE and its AFFILIATES for all LICENSED PRODUCTS, LICENSED PROCESS or LICENSED SERVICE sold, performed, or leased by LICENSEE or any AFFILIATE, and (ii) all Sublicense Revenue received by LICENSEE and its AFFILIATES. The obligation of LICENSEE to pay royalties shall terminate (a) with respect to NET SALES and Sublicense Revenue arising in any country concurrently with the expiration or termination of the last applicable VALID CLAIM within the PATENT RIGHTS in such country in which the LICENSED PRODUCT, LICENSED PROCESS or LICENSED SERVICE is, (as applicable), performed, sold, leased, or manufactured, or in which the PATENT RIGHTS are licensed, and (b) in any and all cases when royalty payments to ACT by LICENSEE total One Million Dollars (U.S.) ($1,000,000.00); provided, however, that such $1,000,000 of royalties shall be reduced to $500,000 if LICENSEE, at LICENSEE'S option, pays ACT $250,000 in cash within thirty (30) days after the execution of this Agreement in addition to the License fee payable under Section 5.1 (such that the License Fee, additional $250,000 payment, and potential future royalties will total $1,000,000).

(b) No multiple royalties shall be payable on the basis that any LICENSED PRODUCT, LICENSED PROCESS or LICENSED SERVICE, its manufacture, use, lease, sale or performance are or shall be covered by (a) more than one patent or patent application within the

PATENT RIGHTS, or (b) any other patent or know how under a license or sublicense from ACT. In the case of the use of patents or know how licensed or sublicensed by ACT under other agreements, LICENSEE and ACT's other licensees or sublicensees shall have the right to credit against the royalties owing to ACT, under this Agreement and under such other license or sublicense agreements, any royalty payments received by ACT with respect to the sale or lease of any product or performance of any service (regardless of whether LICENSEE or another licensee or sublicensee of ACT patents or know how pays the royalty), such that in no event shall the total of royalty payments that are due to ACT in any royalty period under this Agreement and under such other license or sublicense agreements exceed the highest applicable royalty rate among this Agreement and such other license or sublicense agreements. By way of example only, if a product is produced by LICENSEE or LifeLine Cell Technology, LLC ("LifeLine") under that certain License, Product Production and Distribution Agreement among BioTime, Inc. ("BT"), LICENSEE, and LifeLine (the "LifeLine Agreement"), and that product uses PATENT RIGHTS under this Agreement and patents licensed under a license or sublicense agreement between ACT and LifeLine, (i) only one royalty would be paid to ACT on sales of the product, (ii) the royalty rate would be the higher of the royalty rate applicable under this Agreement or under ACT's license or sublicense agreement with LifeLine, and (iii) the royalty payment (whether paid by LICENSEE or by LifeLine) will be credited toward royalties payable under this Agreement and under the ACT license or sublicense agreement with LifeLine for the sale of the product.

5.3 Payment Method. All payments due under this Agreement shall be paid to ACT in Los Angeles, California, U.S.A., and shall be made in United States currency without deduction for taxes, assessments, exchanges, collection or other charges of any kind. Conversion of foreign currency to U.S. dollars shall be made at the conversion rate reported in The Wall Street Journal on the last working day of the calendar quarter to which the payment relates.

5.4 Late Fee. LICENSEE shall pay ACT interest on any overdue amounts at the rate of one percent (1%) per month (twelve percent (12%) per annum), from the date when such payment should have been made.

ARTICLE 6 - REPORTS AND RECORDS

6.1 LICENSEE shall maintain complete and accurate records of LICENSED PRODUCTS, LICENSED SERVICES and LICENSED PROCESSES that are sold, performed, or, leased by LICENSEE or its AFFILIATES under this Agreement, and all Sublicense Revenue received by LICENSEE and its AFFILIATES. LICENSEE shall keep, and shall cause its AFFILIATES and SUBLICENSEES to keep, full, true and accurate books of account containing all particulars that may be necessary for the purpose of showing the amounts payable to ACT hereunder and LICENSEE's compliance with the terms and conditions of this Agreement. Said books of account shall be kept at LICENSEE's principal place of business or at such other location as may be agreed upon by the parties. Said books and the supporting data shall be open upon reasonable advance notice (and no more frequently than once per calendar year) for three (3) years following the end of the calendar year to which they pertain, to the inspection of ACT or its agents for the purpose of verifying LICENSEE's royalty statement or compliance in other respects with this Agreement. If any such audit determines that the reported payments to ACT were less than ninety percent (95%) of the actual amount due to ACT for the period in question, LICENSEE shall bear the cost of such audit (without limiting ACT's other remedies with respect thereto).

6.2 After the first commercial sale of a LICENSED PRODUCT, LICENSED SERVICE or LICENSED PROCESS by LICENSEE any AFFILIATE, or any SUBLICENSEE, or LICENSEE'S receipt of any Sublicense Revenue, LICENSEE, within forty-five (45) days after March 31, June 30, September 30 and December 31, of each year, shall deliver to ACT a true and accurate report of all NET SALES and License Revenue during the preceding three-month period under this Agreement as shall be pertinent to a royalty accounting hereunder. Each such report shall include at least the following:

(a) number(s) and type(s) of LICENSED PRODUCTS, LICENSED PROCESSES and LICENSED SERVICES sold, leased, or performed by LICENSEE and/or its AFFILIATES;

(b) total billings and payments received for LICENSED PRODUCTS, LICENSED PROCESSES and LICENSED SERVICES performed, sold, or leased by LICENSEE and its AFFILIATES, and/or Sublicense Revenue received from its SUBLICENSEES; and

(c) deductions applicable as provided in Section 1.9;

6.3 With each such report submitted, LICENSEE shall pay to ACT the royalties and other payments due and payable under this Agreement. If no royalties or other payments shall be due, LICENSEE shall so report.

6.4 LICENSEE's reporting obligations hereunder shall terminate when LICENSEE'S obligation to pay royalties to ACT terminates.

ARTICLE 7 - PATENT RIGHTS

7.1 Responsibility for the PATENT RIGHTS. Subject to the terms of this Agreement, LICENSEE shall be primarily responsible after the Effective Date for the preparation, filing, prosecution and maintenance of the PATENT RIGHTS listed on Exhibit B. The costs of such filing, prosecution and maintenance (including without limitation the payment of all government fees in any given country required to maintain the PATENT RIGHTS) after the Effective Date shall be borne by LICENSEE. LICENSEE agrees to use reasonable commercial efforts to prosecute U.S. patents covering the inventions disclosed in the patent applications included in the PATENT RIGHTS. LICENSEE shall not be obligated to reimburse ACT for any costs or expenses incurred by ACT prior to the Effective Date with respect to the preparation, filing, and prosecution of any patent applications.

7.2 ACT's Participation. ACT's patent counsel shall be given a reasonable opportunity to comment, at ACT's expense, on all proposed patent filings and responses to patent office actions or other patent office communications that may affect the PATENT RIGHTS, and LICENSEE will not unreasonably refuse to accept any suggestions of ACT's patent counsel; provided, however, that LICENSEE will have the final decision on the incorporation of any comments of ACT's patent counsel.

7.3 Abandonment. LICENSEE will not allow any patent or patent application within the PATENT RIGHTS to become expired or abandoned, or fail to diligently pursue patent protection for any invention within the PATENT RIGHTS, without giving (a) written notice to ACT at least thirty (30)

business days prior to the next due date for any required communication, response to office action, filing, or payment, failure to meet which would result in expiration or abandonment, including but not limited to provisional abandonment, of the patent or patent application, and (b) ACT the right to assume responsibility for such patent or patent application. If ACT so elects, (i) LICENSEE will execute such documents and otherwise perform such acts and make all filings as may be reasonably required to permit ACT or its designees to prosecute and maintain such patent or application in such jurisdiction(s) and transact all matters connected therewith (including, as necessary, appointing ACT's patent counsel as associate attorneys of record, and changing address of the patent attorney of record with the appropriate patent authorities), (ii) ACT will thereafter assume control thereof and all expenses (arising thereafter) for such prosecution and maintenance by ACT, and (iii) LICENSEE's rights and the licenses granted to LICENSEE with respect to all such patents and patent applications shall automatically terminate upon ACT's assumption of control thereof.

7.4 Enforcement of the PATENT RIGHTS. The Parties agree to notify each other in writing of any actual or threatened infringement by a third party of the PATENT RIGHTS or of any third-party claim of invalidity or unenforceability of the PATENT RIGHTS, or of any interference or other proceeding affecting the PATENT RIGHTS. LICENSEE shall have the first right to prosecute and defend such claims under its sole control and at its sole expense. If LICENSEE does proceed with such prosecution or defense, ACT shall provide reasonable assistance to LICENSEE at LICENSEE's request, provided LICENSEE pays ACT for the reasonable out-of-pockets costs incurred by ACT in providing such assistance. Any recovery obtained in an action under this Section 7.4 shall be distributed as follows, in this order: (i) LICENSEE shall be reimbursed for any expenses incurred in the action; and (ii) LICENSEE shall receive the remaining recovery, less a reasonable approximation of the royalties that LICENSEE would have paid to ACT if LICENSEE had received the amount awarded as ordinary damages as Net Sales of LICENSED PRODUCTS sold by LICENSEE.

7.5 ACT Rights to Enforce. In the event that LICENSEE fails to initiate an infringement action within a reasonable time (but no more than one hundred eighty (180) days) after LICENSEE becomes aware of the basis for such action (e.g., the actual or threatened infringement) or fails to answer a declaratory judgment action or interference proceeding within a reasonable time (but no more than ninety (90) days) after LICENSEE receives or becomes aware of such infringement or action or proceeding, ACT shall have the right, after notifying LICENSEE in writing, to prosecute such infringement or answer such declaratory judgment action or interference proceeding, under its sole control and at its sole expense. If ACT does proceed with such prosecution or defense, LICENSEE shall provide reasonable assistance to ACT at ACT's request, provided ACT pays LICENSEE for its reasonable out-of-pockets costs incurred in such assistance. Any recovery obtained in an action under this Section 7.5 shall be distributed as follows, in this order: (i) ACT shall be reimbursed for any expenses incurred in the action; (ii) as to ordinary damages, LICENSEE shall receive an amount equal to lost profits or a reasonable royalty on the infringing sales (whichever measure the court applied), less a reasonable approximation of the royalties that LICENSEE would have paid to ACT if LICENSEE had received such amount as Net Sales of LICENSED PRODUCTS sold by LICENSEE; and (iii) as to any additional damages, 100% to ACT, unless LICENSEE joins ACT in the prosecution at its own expense at which point the parties will share equally in any award.

7.6. Cooperation. ACT and LICENSEE agree to reasonably cooperate in connection with the preparation, filing, prosecution, and maintenance of the PATENT RIGHTS. Cooperation includes,

without limitation, (a) promptly executing all papers and instruments or requiring employees of ACT or LICENSEE to execute papers and instruments as reasonably appropriate to enable LICENSEE to file, prosecute, and maintain PATENT RIGHTS in any country; and (b) promptly informing LICENSEE of matters that may affect preparation, filing, prosecution, or maintenance of PATENT RIGHTS (such as becoming aware of an additional inventor who is not listed as an inventor in a patent application). Additionally, in the event either party exercises its rights hereunder to proceed with any prosecution of infringement or defense of the PATENT RIGHTS, such party shall consult with the other party regarding the course of such proceedings and shall not enter into any settlement, consent judgment, or other voluntary final disposition of any infringement action that admits the invalidity or unenforceability of any PATENT RIGHTS or that would adversely affect the rights of the other party without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned or delayed. Without limiting the generality of the provisions of this Section 7.6, concurrently with the execution and delivery of this Agreement ACT shall execute, acknowledge, and deliver to LICENSEE the documents attached to this Agreement as Exhibit C.

7.7 New Patents, Inventions, and Discoveries. LICENSEE shall have the right to file and prosecute new patent applications (and to obtain new patents) covering LICENSED PRODUCTS, LICENSED PROCESSES, AND LICENSED SERVICES, and any other subject matter, with respect to any KNOW HOW and any other technology, invention, or discovery made by LICENSEE or any of its Affiliates or Sublicensees using PATENT RIGHTS and KNOW HOW. ACT shall acquire no rights with respect to such new patents, inventions, discoveries, or technology not included within the PATENT RIGHTS and KNOW HOW licensed to LICENSEE by ACT.

ARTICLE 8 – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

8.1 LICENSEE shall at all times during the term of this Agreement and thereafter, indemnify, defend and hold harmless ACT and its affiliates, successors, assigns, agents, officers, directors, shareholders and employees (each, an “Indemnified Party”), at LICENSEE’s sole cost and expense, against all liabilities of any kind whatsoever, including legal expenses and reasonable attorneys’ fees, arising out of the death of or injury to any person or persons or out of any damage to property resulting from the production, manufacture, sale, use, lease, performance, consumption or advertisement of the LICENSED PRODUCTS, LICENSED PROCESSES or LICENSED SERVICES or arising from any obligation, act or omission, or from a breach of any representation or warranty of LICENSEE hereunder, excepting only claims that result from (a) the willful misconduct or gross negligence of ACT, (b) any material breach by ACT of its representations and warranties under this Agreement, and (c) claims alleging that the use of any of the PATENT RIGHTS or KNOW-HOW infringe upon any patent, trade secret, or moral right of any third party. The indemnification obligations set forth herein are subject to the following conditions: (i) the Indemnified Party shall notify LICENSEE in writing promptly upon learning of any claim or suit for which indemnification is sought; (ii) LICENSEE shall have control of the defense or settlement, provided that the Indemnified Party shall have the right (but not the obligation) to participate in such defense or settlement with counsel at its selection and at its sole expense; and (iii) the Indemnified Party shall reasonably cooperate with the defense, at LICENSEE’s expense.

8.2 EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, ACT, ITS DIRECTORS, OFFICERS, AGENTS, SHAREHOLDERS, EMPLOYEES, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY ACT THAT THE PRACTICE BY LICENSEE OF THE LICENSE GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL ACT, ITS DIRECTORS, OFFICERS, AGENTS, SHAREHOLDERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER ACT SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF SUCH DAMAGES.

8.3 LICENSEE agrees to maintain insurance or self-insurance that is reasonably adequate to fulfill any potential obligation to the indemnified parties. LICENSEE shall continue to maintain such insurance or self-insurance during the term of this Agreement and after the expiration or termination of this Agreement for a period of five (5) years.

ARTICLE 9 – TERMINATION

9.1 This Agreement shall be effective on the Effective Date and shall extend twenty (20) years or until the expiration of the last to expire of the PATENT RIGHTS, whichever is later, unless sooner terminated as provided in this Article 9.

9.2 ACT may terminate this Agreement and the rights, privileges and license granted hereunder by written notice upon a breach or default of this Agreement by LICENSEE, as follows:

(i) non-payment of any amounts due which is not cured within thirty (30) days of receipt of written notice of such non-payment wherein said notice is delivered by registered mail; or

(ii) breach of any obligation which is not cured within thirty (30) days of a written request to remedy such breach wherein said request is delivered by registered mail, or if the breach cannot be cured within said thirty (30) day period, failure of LICENSEE within said thirty (30) day period to proceed with reasonable promptness thereafter to cure the breach.

Such termination shall become automatically effective unless LICENSEE shall have cured any such material breach or default prior to the expiration of the applicable cure period.

9.3 LICENSEE shall have the right to terminate this Agreement at any time on three (3) months' prior notice to ACT, and upon payment of all amounts due ACT through the

effective date of the termination.

9.4 Upon termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination; and Sections 6.1,Article 8, Article 10, Article 12, Section 13.4, Section 13.5, and Section 13.6, and any other Sections or provisions which by their nature are intended to survive termination, shall survive any such termination.

ARTICLE 10 - CONFIDENTIALITY

10.1 During the course of this Agreement, ACT and LICENSEE may provide each other with CONFIDENTIAL INFORMATION. CONFIDENTIAL INFORMATION may be disclosed in oral, visual or written form, and includes such information that is designated in writing as such by the discloser at the time of disclosure, orally disclosed information that is designated in writing as confidential within 30 days after such oral disclosure, or information which, under all of the given circumstances ought reasonably be treated as CONFIDENTIAL INFORMATION of the disclosing party. ACT and LICENSEE each intend to maintain the confidential or trade secret status of their CONFIDENTIAL INFORMATION. Each shall exercise reasonable care to protect the CONFIDENTIAL INFORMATION of the other from disclosure to third parties; no such disclosure shall be made without the other's written permission. Upon termination or expiration of this Agreement, ACT and/or LICENSEE shall comply with the other's written request to return all CONFIDENTIAL INFORMATION that is in written or tangible form. Except as expressly provided herein, neither ACT nor LICENSEE is granted any license to use the other's CONFIDENTIAL INFORMATION. The obligations of ACT and LICENSEE under this Article 10 shall survive any expiration or termination of this Agreement. Notwithstanding the preceding provisions of this Section 10.1, until such time as this Agreement is terminated: (a) KNOW HOW and the content of any patent application relating to or included in PATENT RIGHTS shall be deemed to be the LICENSEE's CONFIDENTIAL INFORMATION rather than ACT's CONFIDENTIAL INFORMATION; (b) LICENSEE shall have the right to disclose KNOW HOW and the content of patent applications related to or included in PATENT RIGHTS to third parties without restriction under this Agreement; and (c) LICENSEE shall not have any obligation to ACT to treat KNOW HOW or the content of any patent application related to or included in PATENT RIGHTS as ACT's CONFIDENTIAL INFORMATION.

10.2 The parties agree that the specific terms (but not the overall existence) of this Agreement shall be considered CONFIDENTIAL INFORMATION; provided, however, that the parties may disclose the terms of this Agreement to investors or potential investors, potential business partners, potential Sublicensees and assignees, potential co-developers, manufacturers, marketers, or distributors of any LICENSED PRODUCT, LICENSED PROCESS, or LICENSED SERVICE, and in any prospectus, offering, memorandum, or other document or filing required by applicable securities laws or other applicable law or regulation. The parties may also disclose CONFIDENTIAL INFORMATION that is required to be disclosed to comply with applicable law or court order, provided that the recipient gives reasonable prior written notice of the required disclosure to the discloser and reasonably cooperates with the discloser's efforts to prevent such disclosure.

ARTICLE 11 - PAYMENTS, NOTICES, AND OTHER COMMUNICATIONS

Any payment, notice or other communication required to be given to any party will be deemed to have been properly given and to be effective (a) on the date of delivery if delivered by hand, recognized national next business day delivery service, confirmed facsimile transmission, or confirmed electronic mail, or five (5) days after mailing by registered or certified mail, postage prepaid, return receipt requested, to the respective addresses given below, or to another address as it shall designate by written notice given to the other party in the manner provided in this Section.

In the case of ACT: Advanced Cell Technology, Inc.
11100 Santa Monica Blvd, Suite 850
Los Angeles, CA 90025
Attention: William M. Caldwell, IV

With a copy to: Pierce Atwood LLP
One Monument Square
Portland, ME 04101
Attention: William L. Worden, Esq.

In the case of LICENSEE Embryome Sciences, Inc.
1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502
Attention: Michael D. West

With a copy to: Richard S. Soroko, Esq.
Lippenberger, Thompson, Welch, Soroko & Gilbert LLP
201 Tamal Vista Blvd.
Corte Madera, California 94925

ARTICLE 12 - REPRESENTATIONS AND WARRANTIES

12.1 LICENSEE represents and warrants that it has full corporate power and authority to enter into this Agreement, that this Agreement constitutes the binding legal obligation of LICENSEE, enforceable in accordance with its terms, and that the execution and performance of this Agreement by LICENSEE will not violate, contravene or conflict with any other agreement to which LICENSEE is a party or by which it is bound or with any law, rule or regulation applicable to LICENSEE, and that any permits, consents or approvals necessary or appropriate for LICENSEE to enter into this Agreement have been obtained.

12.2 LICENSEE is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

12.3 ACT represents and warrants that (a) it owns the PATENT RIGHTS and KNOW HOW, (b) it has the full legal right and power to grant the licenses granted hereunder, (c) that this Agreement constitutes the binding legal obligation of ACT, enforceable in accordance with its terms, (c) the execution, delivery, and performance of this Agreement by ACT will not violate, contravene or

conflict with any other agreement to which ACT is a party or by which it is bound or with any law, rule or regulation applicable to ACT, and (d) any permits, consents or approvals necessary or appropriate for ACT to enter into this Agreement have been obtained.

12.4 ACT represents and warrants that, to the best of its knowledge, the use of the PATENT RIGHTS and KNOW HOW by LICENSEE or any Sublicensee for any purposes contemplated or permitted by this Agreement, will not infringe in any way any claim under any patent held by any third party.

12.5 ACT represents and warrant that the use of the PATENT RIGHTS and KNOW-HOW by LICENSEE or any Sublicensee for any purposes contemplated or permitted by this Agreement, will not infringe in any way any claim under any patent held by ACT or under any patent that may issue from any ACT patent application now pending, or under any patent that ACT may in the future obtain, or any other intellectual property rights of ACT.

12.6 ACT further represents, warrants and agrees, that it shall not make any claim or demand, or commence any lawsuit or other proceeding, alleging that use of the PATENT RIGHTS, KNOW-HOW, CELLS, and CELL LINES by LICENSEE or any Sublicensee for any purpose contemplated or permitted by this Agreement infringes in any way any claim under any patent held by ACT or under any patent that may issue from any ACT patent application now pending, or under any patent that ACT may in the future obtain, or any other intellectual property rights of ACT. The provisions of this Section 12.5 shall pertain as well to all subsidiaries of ACT and all patents and patent applications of ACT subsidiaries. ACT and its subsidiaries shall cause the provisions of this Section 12.6, as they pertain to refraining from asserting claims and demands or commencing lawsuits and proceedings, to be including in all licenses and assignments of ACT's patents and patent applications.

12.7 ACT represents and warrants that all of the patent applications of ACT and its subsidiaries pertaining to the processes or technology needed (alone or together with the KNOW-HOW) to make or develop CELLS and CELL LINES are identified on Exhibit B.

12.8 This Article 12 shall survive expiration or termination of this Agreement.

ARTICLE 13 – ACT OPTIONS

13.1 ACT shall have the option to acquire from LICENCEE an exclusive, royalty free, world-wide license to use PATENT RIGHTS and KNOW-HOW to research, develop, make, have made, use, sell, have sold, offer for sale, have offered for sale, import, have imported, export and have exported LICENSED PRODUCTS consisting of retinal pigment epithelial cells, hemangioblasts, and myocardial cells for human therapeutic use, and a non-exclusive, royalty free, world-wide license to use PATENT RIGHTS and KNOW-HOW to research, develop, make, have made, use, sell, have sold, offer for sale, have offered for sale, import, have imported, export and have exported LICENSED PRODUCTS consisting of hepatocytes for human therapeutic use.

13.2 The options granted to ACT under this Section 13.1 are exercisable by ACT individually, with respect to each cell type, so that ACT may elect to exercise its option with respect to all or with respect to one or more of such cell types, but each such exercise shall require payment of the

Exercise Price with respect to each such cell type. The Exercise Price shall be $5,000 for each cell type. ACT may exercise its option with respect to a particular cell type by delivering to LICENSEE written notice of such exercise, specifying the cell type(s) and accompanied by payment of the Exercise Price for each such cell type as to which the option is being exercised.

13.3 The option granted to ACT under this Article 13 with respect to a particular cell type may be exercised by ACT during a 12 month period commencing on the date on which LICENSEE gives ACT notice of the first VALID CLAIM under a patent is issued in any country covering LICENSED PRODUCTS of any kind that would include that cell type, and ending on the day immediately preceding the first anniversary of the date on which such notice was given by LICENSEE. ACT may not exercise the option after such 12 month period expires. Notwithstanding any other provision of this Article 13, ACT may not exercise its option if ACT is in breach or default of any of its agreements, covenants, representations, or warranties under this Agreement.

13.4 If ACT exercises an option and acquires a license under this Article 13, ACT shall at all times during the term of this Agreement and thereafter, indemnify, defend and hold harmless LICENSEE and LICENSEE's Affiliates, successors, assigns, agents, officers, directors, shareholders and employees (each, a "LICENSEE Indemnified Party"), at ACT's sole cost and expense, against all liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of the death of or injury to any person or persons or out of any damage to property resulting from the production, manufacture, sale, use, lease, performance, consumption or advertisement of the LICENSED PRODUCTS under such license, The indemnification obligations set forth herein are subject to the following conditions: (i) the LICENSEE Indemnified Party shall notify ACT in writing promptly upon learning of any claim or suit for which indemnification is sought; (ii) ACT shall have control of the defense or settlement, provided that the LICENSEE Indemnified Party shall have the right (but not the obligation) to participate in such defense or settlement with counsel at its selection and at its sole expense; and (iii) the LICENSEE Indemnified Party shall reasonably cooperate with the defense, at ACT's expense.

13.5 EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSEE, ITS DIRECTORS, OFFICERS, AGENTS, SHAREHOLDERS, EMPLOYEES, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY ACT THAT THE PRACTICE BY ACT OF ANY LICENSE GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL LICENSEE, ITS DIRECTORS, OFFICERS, AGENTS, SHAREHOLDERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER LICENSEE SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY OF SUCH DAMAGES.

13.6 ACT agrees to maintain insurance or self-insurance that is reasonably adequate to fulfill

any potential obligation to the LICENSEE Indemnified Parties. ACT shall continue to maintain such insurance or self-insurance during the term of each of its licenses and after the expiration or termination of the licenses for a period of five (5) years.

ARTICLE 14 - MISCELLANEOUS PROVISIONS

14.1 Nothing herein shall be deemed to constitute either party as the agent or representative of the other party.

14.2 To the extent commercially feasible, and consistent with prevailing business practices, all products manufactured or sold under this Agreement will be marked with the number of each issued patent that applies to such product.

14.3 This Agreement shall be construed, governed, interpreted and applied in accordance with the laws of California, without regard to principles of conflicts of law thereof, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent was granted.

14.4 The parties hereto acknowledge that this Agreement (including the Exhibits hereto) sets forth the entire Agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change or modification except by the execution of a written instrument subscribed to by the parties hereto.

14.5 The provisions of this Agreement are severable, and in the event that any provisions of this Agreement shall be determined to be invalid or unenforceable under any controlling body of the law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

14.6 The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other party.

[The next page is the signature page]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Effective Date set forth above.

ADVANCED CELL TECHNOLOGY, INC.

By: /s/ William M. Caldwell, IV
Printed Name: William M. Caldwell, IV
Title: Chairman & CEO

By:
Printed Name:
Title: Secretary

EMBRYOME SCIENCES, INC.

By: /s/ Michael D. West
Printed Name: Michael D. West
Title: Chief Executive Officer

By: /s/ Judith Segall
Printed Name: Judith Segall
Title: Secretary

EXHIBIT A

ACTC No.	Cell Line
NA	Parental hES Cells
A	Parental hES Cells
50	B-26
51	B-2
52	B-29
53	B-7
54	B-17
55	B-3
56	B-6
57	B-25
58	B-11
59	B-16
60	B-28
61	B-30
62	2-2 (Rep1)
62	2-2 (Rep2)
63	2-1
64	6-1
65	B-12
66	B-4
67	B-14
68	5-4
69	4-2
70	2-3
71	B-15
72	CM50-4

ACTC No.	Cell Line
73	**CM0-3**
74	**CM0-5**
75	**CM50-5**
76	**CM50-2**
77	**CM0-2**
78	**CM30-2**
79	**CM20-4**
80	**E26**
81	**E71**
82	**4-D20-9**
83	**4-SKEL-19**
84	**4-D20-8**
85	**E34**
86	**E51**
87	**C4.4**
88	**E3**
89	**E73**
90	**E93**
91	**E57**
92	**C4 ELSR #14**
93	**E76**
94	**E17**
95	**E40**
96	**E8**
97	**E67**
98	**E15**
99	**E45**
100	**E72**
101	**E69**

ACTC No.	Cell Line
102	**E75**
103	**M10**
104	**M13**
105	**E19**
106	**T44**
107	**E61**
108	**C4 ELSR #18**
109	**RA-SKEL-8**
110	**4-SKEL-8**
111	**RA-PEND-15**
112	**E108**
113	**E35**
114	**E33**
115	**E80**
116	**E84**
117	**E109**
118	**C4 ELS5 #6**
119	**J8**
120	**T43**
121	**E10**
122	**RA-PEND-6**
123	**RA-PEND-10**
124	**RA-SKEL-3**
125	**RA-SKEL-21**
126	**4-SKEL-4**
127	**4-SKEL-20**
128	**RA-PEND-4**
129	**RA-PEND-18**
130	**C4 ELS5 #1**

ACTC No.	Cell Line
131	**C4 ELSR #12**
132	**E163**
133	**C4 Mesen. #3**
134	**G6**
135	**C4 ELS5 #5**
136	**J16**
137	**SK46**
138	**SK47**
139	**EN2**
140	**EN26**
141	**EN31**
142	**SM2**
143	**SM4**
144	**EN4**
145	**EN5**
146	**SK52**
147	**SK43**
148	**SK30**
149	**SM42**
150	**SM28**
151	**SM49**
152	**C4 ELSR #10**
153	**RA-SKEL-11**
154	**RA-SMO-12**
155	**RA-D20-16**
156	**SM22**
157	**SK5**
158	**SK18**
159	**SK50**

ACTC No.	Cell Line
160	**SK54**
161	**J4**
162	**SK17**
163	**SK26**
164	**SK31**
165	**SK32**
166	**SM25**
167	**C4 ELSR #2 (Bio 1)**
167	**C4 ELSR #2 (Bio 2)**
167	**C4 ELSR #2 (Bio 3)**
168	**SK3**
169	**SK53**
170	**E44**
171	**E65**
172	**J13**
173	**EN1**
174	**EN13**
175	**EN42**
176	**EN47**
177	**SM27**
178	**E50**
179	**E30 (Bio1)**
179	**E30 (Bio2)**
180	**E122**
181	**SK61**
182	**SM17**
183	**SM33**
184	**EN7**
185	**EN55**

ACTC No.	Cell Line
186	**T7**
187	**EN22**
188	**SK58**
189	**MW2**
190	**SK8**
191	**SK20**
192	**SK60**
193	**MW6**
194	**Z11 (Rep 1)**
194	**Z11 (Rep 2)**
195	**Z6**
196	**W10**
197	**W11**
198	**T36**
199	**EN27**
200	**Z7**
201	**SM44**
202	**EN38**
203	**SK1**
204	**SK44**
205	**SK57**
206	**J2**
207	**E68**
208	**E169**
209	**E164**
210	**T42**
211	**T14**
212	**RA-D20-6**
213	**Z8**

ACTC No.	Cell Line
214	SK40
215	EN11
216	EN18
217	EN23
218	SK14
219	SK10
220	EN51
221	EN16
222	E53
223	E111
224	SK49
225	SM8
226	RA-D20-5
227	RA-D20-24
228	W7
229	4-D20-14
230	RA-D20-19
231	T20
232	RA-SMO-19
233	M11
234	EN9
235	Q7
236	U31
237	EN19
238	C4 ELS5 #8
239	Q8
240	SK25
241	EN20
242	MW1

ACTC No.	Cell Line
243	C4 ELSR #13
244	Z3
245	W8 (Rep 1)
245	W8 (Rep 2)
246	SK28
247	E120
248	SM51
249	EN8
250	SK11
251	EN43
252	4-D20-3
253	EN44
254	EN50
255	Z2
256	SM30
257	EN53
258	SK27
259	U18
260	SM35
261	EN25
262	C4 ELSR 6
263	Z1
264	F15
265	RA-SKEL-9
266	E85
267	W4
268	MEL-2
269	LS2
270	7-SKEL-4

ACTC No.	Cell Line
271	7-SKEL-7
272	7-PEND-9
273	7-PEND-16
274	7-SKEL-6
275	LS3
276	7-SMOO-19
277	7-SMOO-29
278	7-SMOO-32
279	7-SMOO-33
280	7-SMOO-4
281	7-SMOO-9
282	7-SMOO-17
283	7-PEND-24
284	7-SKEL-32
285	7-SMOO-13
286	7-SMOO-25
287	7-SMOO-12
288	7-PEND-30
289	7-SKEL-25
290	7-SMOO-6
291	7-SMOO-26
292	7-SMOO-22
293	7-SMOO-8
294	7-SKEL-14
295	7-SKEL-11
296	7-SKEL-2
297	7-SKEL-22
298	7-SMOO-7
299	7-PEND-12

ACTC No.	Cell Line
300	**7-SMOO-27**
301	**7-PEND-13**
302	**7-PEND-11**
303	**7-PEND-15**
304	**7-PEND-32**
305	**7-PEND-26**
306	**7-SKEL-24**
307	**7-PEND-10**
308	**7-PEND-23**
309	**10-RPE-9**
310	**10-RPE-8**
311	**RA-PEND-19**
NA	**X4.1**
NA	**X4.3**
NA	**B-10**
NA	**B-1**
NA	**X4**
NA	**X5**
NA	**B-20**
NA	**B-22**
NA	**X6**
NA	**CM10.1**
NA	**X2**
NA	**B-27**
NA	**B-9**
NA	**X4.4**
NA	**E31**
NA	**CM10-4**
NA	**CM30-5**

ACTC No.	Cell Line
NA	**EN28**
NA	**Q4**
NA	**Q6**
NA	**RA-PEND-17 (Bio 1)**
NA	**RA-PEND-17 (Bio 2)**
NA	**RA-SKEL-18 (Rep 1)**
NA	**RA-SKEL-18 (Rep 2)**
NA	**RA-SKEL-6**
NA	**SM19**
NA	**SM29**
NA	**SM40**
NA	**T23**
NA	**T4**
NA	**U30**
NA	**W2**
NA	**W3**
NA	**E11**
NA	**SK15**
NA	**E55**
NA	**E132**
NA	**RA-SMO-10**
NA	**RA-SMO-14**
NA	**W9**
NA	**MW4**
NA	**SK16**

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[Attach complete list of ACTCellerate cell lines (200+ lines)]

EXHIBIT B

PATENT RIGHTS

103080-069-WO1 (PCT/US06/13519, filed on 4-11-06): NOVEL USES OF CELLS WITH PRENATAL PATTERNS OF GENE EXPRESSION, published as WO2007/058671

103080-071-P61 (USSN 60/791,400, filed on Apr. 11, 2006): METHODS TO ACCELERATE THE ISOLATION OF NOVEL CELL STRAINS FROM PLURIPOTENT ST

103080-071-P66 (USSN 60/850,294, filed on Oct. 6, 2006), METHODS TO ACCELERATE THE ISOLATION OF NOVEL CELL STRAINS FROM PLURIPOTENT STEM CELLS

103080-071-P01 (USSN 11/604,047, filed on Nov. 21, 2006), METHODS TO ACCELERATE THE ISOLATION OF NOVEL CELL STRAINS FROM PLURIPOTENT STE...

PCT is 103080-071-WO2 (PCT/US2006/45352, filed on Nov. 21, 2006), published as WO 2007/062198.

Subsequent provisional filings of CIPs of the above through February 2007.

EXHIBIT C
POWERS OF ATTORNEY AND OTHER AUTHTORIZATIONS RELATING TO PATENT RIGHTS

Exhibit 31

CERTIFICATIONS

I, Michael D. West, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioTime, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the periodic reports are being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent (first) fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2008

/s/ Michael D. West
Michael D. West
Chief Executive Officer

Exhibit 31

CERTIFICATIONS

I, Steven A. Seinberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioTime, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the periodic reports are being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent (first) fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2008

/s/ Steven A. Seinberg

Steven A. Seinberg
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of BioTime, Inc. (the "Company") for the quarter ended June 30, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Michael D. West, Chief Executive Officer, and Steven A. Seinberg, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 14, 2008

/s/ Michael D. West
Michael D. West
Chief Executive Officer

/s/ Steven A. Seinberg
Steven A. Seinberg
Chief Financial Officer