

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR QUALIFIED UNDER ANY OTHER APPLICABLE SECURITIES LAWS. AS A RESULT, NO SALE OR TRANSFER OF THIS NOTE MAY BE MADE EXCEPT IN COMPLIANCE WITH OR PURSUANT TO AN EXEMPTION FROM SUCH LAWS.

PROMISSORY NOTE

U.S. \$1,000,000

Boca Raton, Florida

FOR VALUE RECEIVED, BIOSTEM TECHNOLOGIES, INC., a Florida corporation with a business address of 4749 NE 11th Ave, Oakland Park, Florida 33334 ("Debtor") promises to pay to the order of **GMA BRIDGE FUND, LLC**, a Florida liability company, with a business address of 22069 Cocoa Palm Way, Ste. 154, Boca Raton, Florida 33433 ("Holder") the sum of One Million Dollars (US \$1,000,000) in lawful currency of the United States of America together with interest as specified herein until such obligation is satisfied in full (the "Note").

1. **Rate of Interest.** Debtor agrees to pay to Holder interest on the unpaid principal balance of the Note hereunder, at the rate of one half a percent (0.5%) per month for the first six months after the Funding Date; thereafter, at the rate of three quarter of one percent (0.75%) per month until the Maturity Date. The rate of interest on any late payment, thirty (30) days past due date, shall be equal to the highest applicable rate permitted by law.
2. **Payment Schedule.**
 - a. Term. The term of the Note shall be payable the sooner of: (i) a debt or equity financing in the amount of \$5,000,000 or greater OR (ii) one (1) year commencing July 27, 2018 ("Funding Date") and terminating on June 26, 2019 ("Maturity Date").
 - b. Principal. The payment of principal and accrued interest shall be made in one lump sum on or before the Maturity Date.
 - c. Prepayment. This Note may be prepaid at the option of the Debtor in advance of the Maturity payment.
3. **Purpose of Loan.** This Note has been executed in conjunction with a Loan Agreement of same date. Debtor warrants and represents to Holder that this Loan (defined therein) is for business and commercial purposes and not for personal, family, household or agricultural purposes.
4. **Grant of Security Interest.** Debtor hereby grants to Holder or its Agent (for the benefit of the Lender) as security for the prompt and complete payment, observance and performance of the Note, a security interest in any and all of Debtor's assets, including without limitation, real, tangible and intangible



property, inventory, profits and losses, interest, dividends, distributions, cash, instruments, debt or equity securities and any other property from time to time received, receivable or otherwise distributed ("Collateral"). Debtor agrees to help Holder (i) perfect a security interest and to execute and deliver Uniform Commercial Code ("UCC") financing statements; (ii) register any of the Collateral to Lender or Agent for its nominee and (iii) take such other steps as Lender or Agent may from time to time may reasonably request to perfect Holder's or Agent's security interest.

5. **Representations and Warranties.** Debtor warrants and represents that it has the right, power and authority to execute, deliver and perform this Note, to incur the obligations, and to grant to Holder or its Agent security interests in the Collateral. No consent, approval, or authorization of, or declaration of filing within any governmental authority, and no consent of any other person, is required in connection with Debtor's execution, delivery, and performance of this Note and related documents except for those already duly obtained. All related transaction documents have been duly executed and delivered by Debtor and constitute a legal, valid and binding obligation of Debtor enforceable against it in accordance with its terms. Debtor's execution, delivery, and performance of the related agreements do not and will not conflict with, or constitute a violation or breach of, or constitute a default under, or result in the creation or imposition of any lien upon the Collateral for any by reason.
6. **Waiver of Presentment and Notice.** Debtor and all endorsers, sureties, guarantors and accommodation parties of this Note, and all other persons liable or to become liable for all or any part of the indebtedness evidenced hereby, hereby waive, jointly and severally, presentment, demand, protest, notice of dishonor, diligence and all other notices, any release or discharge arising from any extension of time, protest and impairment of collateral, and consents to all extensions, deferrals, partial payments and refinancing before or after maturity, discharge of a prior party, or other cause of release or discharge other than actual payment in full hereof.
7. **Default.** Debtor shall make all payments in accordance with this Note. In the event of a late payment for any reason, Holder shall be entitled to collect and Debtor shall pay interest at the highest maximum rate permitted by law for the amount and period of any such deficiency. Notwithstanding the foregoing, upon Debtor's failure to make any payment required under this Note without cure after thirty (30) days written notice by Holder to Debtor, or if the prospect of payment, performance or realization on the Note is significantly impaired (as defined herein), Holder may employ all remedies allowed by law including, where permissible, declaring all indebtedness immediately due under the Note, as well as any other indebtedness or liability of Debtor to Holder, immediately due and payable. The parties agree (by way of illustration only, and without attempting to list all events which may do so) that the occurrence of any of the following events will significantly impair the prospect of payment, performance or realization on the Note: (i) failure of Debtor to pay principal or interest when due; (ii) a sale of

substantially all of the stock or assets of the Debtor; (iii) the prospective or actual insolvency or inability to pay debts as they accrue, or (iv) the appointment of a receiver for any part or all of the property, assignment for the benefit of creditors, or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Debtor. Debtor shall be financially responsible for any and all fees, costs and expenses associated with a loan default and the recovery of principal and related costs, fees and expenses.

8. **Amendments and Waivers.** This Note may be amended, modified, accelerated, deferred or waived (whether in whole or in part, or retroactively or prospectively), (including, without limitation, any amendment that has the effect of extending the Maturity Date) only in writing signed by Debtor and Holder. Any amendment or waiver shall be binding upon Debtor, Holder and each transferee of any Note. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. No delay or omission of Holder to exercise any right, whether before or after an Event of Default hereunder, shall impair any such right or shall be construed to be a waiver of any right or Default, and the acceptance at any time by Holder of any past-due amount shall not be deemed to be a waiver of the right to require prompt payment when due of any other amounts then or thereafter due and payable.
9. **Transfer; Successors and Assigns.** The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Notwithstanding the foregoing, Holder may not assign, pledge or otherwise transfer this Note without the prior written consent of Debtor, which shall not be unreasonably withheld; provided, however that Holder may transfer this Note to an Affiliate. For purposes of this Note, an "Affiliate" shall mean (i) as applied to an entity, any person directly or indirectly controlling, controlled by or under direct or indirect common control with such entity and shall also include any person who is a beneficial owner of such entity or (ii) as applied to an individual, such individual's spouse, children (including stepchildren or adopted children), grandchildren, parents or siblings thereof, and any trust or other estate planning vehicle created for the primary benefit of such individual or any one or more of the persons described above.
10. **Time is of the Essence.** Time is of the essence hereof. Upon any Event of Default (defined herein), Holder may exercise all rights and remedies provided for herein and by law or equity, including, but not limited to, the right to immediate payment in full of this Note ad interest.
11. **Usury.** Nothing in this Note shall require Debtor to pay interest at a rate in excess of the maximum rate permitted by applicable law. Any interest payable hereunder or under any other instrument relating to the indebtedness evidenced hereby that is in excess of the maximum rate permitted by applicable law shall, in the event of acceleration of maturity, late payment, prepayment, or otherwise, be applied to a reduction of the unrepaid indebtedness evidenced hereby and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of

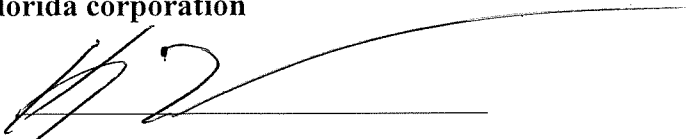
such unrepaid indebtedness, such excess shall be refunded to Debtor. To the extent not prohibited by applicable law, determination of the maximum rate permitted by applicable law shall at all times be made by amortizing, prorating, allocating and spreading in equal parts during the full term of the indebtedness evidenced hereby, all interest at any time contracted for, charged or received from Debtor in connection with the indebtedness evidenced hereby, so that the actual rate of interest on account of such indebtedness is uniform throughout the term thereof.

12. **Attorney's Fees.** It is expressly agreed that if this Note is referred to any attorney or if suit is brought to collect or interpret this Note or any part hereof or to enforce or protect any rights conferred upon Holder by this Note or any other document evidencing or securing this Note, then Debtor covenants and agrees to pay all reasonable costs, including reasonable attorneys' fees and expenses, incurred by Holder in connection therewith.
13. **Change of Address.** Debtor will immediately notify Holder in writing of any change of address from that shown herein.
14. **Governing Law, Arbitration.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, disregarding any rules relating to the choice or conflict of laws. Any dispute regarding the terms of this Agreement shall be submitted to a certified arbitrator, mutually agreeable to the parties, to be decided in accordance with the Rules of the American Arbitration Association in Miami-Dade or Broward County, Florida.
15. **Interpretation.** All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. All references in this Note to sections shall, unless otherwise provided, refer to sections hereof. If any provision or portion of this Note is determined to be invalid or unenforceable, this Note will automatically be amended to substitute, for the invalid or unenforceable provisions, new enforceable provisions that most closely approximate the intent and economic effect of the invalid provisions, and the remaining provisions will, as so amended, continue in full force and effect.
16. **Loss of Note.** Upon receipt by Debtor of satisfactory evidence of the loss, theft, destruction or mutilation of this Note or any Note exchanged for it, and upon execution of an indemnity satisfactory to Debtor (in case of loss, theft or destruction) or surrender and cancellation of such Note (in the case of mutilation), Debtor will make and deliver a new Note of like tenor.
17. **Entire Agreement.** This Note, along with that Agreement and its exhibits of that same date, constitutes the entire agreement between and among the parties with respect to the subject matter hereof. There are no verbal understandings, agreements, representations or warranties not expressly set forth herein. The Note shall not be changed orally, but only by writing signed by the parties hereto.

DEBTOR ACKNOWLEDGES ALL OF THE TERMS AND CONDITIONS OF THIS PROMISSORY NOTE. BY EXECUTION HEREOF, THE UNDERSIGNED HEREBY CERTIFIES THAT IT IS DULY AUTHORIZED TO EXECUTE THIS PROMISSORY NOTE IN THE CAPACITY STATED BELOW.

BIOSTEM TECHNOLOGIES, INC.

A Florida corporation

By: 

Title: HENRY VAN HURST, CEO

Date: JULY 26, 2018