Michael R. Brown (State Bar No. 65324)
A Professional Law Corporation
180 South Lake Avenue Suite 540
Pasadena, California 91105
Telephone: (626) 440-5965
Facsimile: (626) 585-9669
mbrown@mrbapclaw.com

Attorneys for Plaintiffs VENTUREPHARMA, LLC,
SHARED SUCCESS, LLC, and PROGENEX DAIRY BIOACTIVES, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

VENTUREPHARMA, LLC, a Wyoming limited liability company; SHARED SUCCESS, LLC, a Wyoming limited liability company; and PROGENEX DAIRY BIOACTIVES, INC., a Delaware corporation, Plaintiffs, vs. SCOTT CONNELLY, individually and doing business as BodyRx; VINCENT ANDRICH, BODY-Rx, a business entity of unknown form; PERCON PROTEIN SOLUTIONS, a business entity of unknown form dba BODY-Rx,and DOES 1 through 10, inclusive, Defendants.	Case No.: 03-2010-00371616 Assigned to: Hon. Linda S. Marks (C-7) [General Civil – Unlimited Jurisdiction] **FIRST AMENDED COMPLAINT FOR:** **1) BREACH OF CONTRACT;** **2) FRAUDULENT INDUCEMENT;** **3) BREACH OF THE DUTY OF LOYALTY;** **4) BREACH OF FIDUCIARY DUTY;** **5) INTENTIONAL INTERFERENCE WITH PROSPECTIVE BUSINESS ADVANTAGE;** **6) DECLARATORY RELIEF** **DEMAND FOR JURY TRIAL**

COMES NOW THE PLAINTIFFS AND FOR CAUSES OF ACTION AGAINST THE DEFENDANTS ALLEGES AS FOLLOWS:

THE PARTIES

1. VenturePharma LLC is, and at all relevant times herein was, a Wyoming limited liability company in good standing, duly organized under and existing by virtue of the laws of the State of Wyoming, with its headquarters and principal place of business in Costa Mesa, Orange County, State of California (hereafter "VenturePharma"). At all relevant times herein, VenturePharma conducted business in the County of Orange. VenturePharma is, and at all relevant times herein was, qualified to do business within the State of California.

2. Shared Success LLC is, and at all relevant times herein was, a Wyoming limited liability company in good standing, duly organized under and existing by virtue of the laws of the State of Wyoming, with its headquarters and principal place of business in Costa Mesa, Orange County, State of California (hereafter "Shared Success"). At all relevant times herein, Shared Success conducted business in the County of Orange. Shared Success is, and at all relevant times herein was, qualified to do business within the of California.

3. Progenex Dairy Bioactives, Inc. is, and at all relevant times herein was, a Delaware corporation in good standing, duly organized under and existing by virtue of the laws of the State of Delaware, with its headquarters and principal place of business in Costa Mesa, Orange County, State of California (hereafter "Progenex"). At all relevant times herein, Progenex conducted business in the County of Orange. Progenex is, and at all relevant times herein was, qualified to do business within the State of California.

4. A. Scott Connelly is an individual, residing and doing business in the City of Newport Beach, Orange County, State of California (hereafter "Connelly"). Connelly is the former Chief Executive Officer of Progenex. Connelly is a former member of the Board of Directors of Progenex. Plaintiffs are informed and believed Connelly also has a financial interest in BODY-Rx and Percon Protein Solutions.

5. Vincent Andrich is an individual, residing and doing business in the City of Calabasas, Los Angeles County, State of California (hereafter "Andrich"). Andrich is a former director of Progenex. Andrich is also a former officer of Progenex.

6. BodyRx is a business entity of unknown form owned and/or controlled by Connelly.

Upon information and belief, BodyRx does business in the City of Newport Beach, Orange County, State of California. Plaintiffs are informed and believe Percon Protein Solutions, a business of unknown form, is the operating entity for BodyRx and doing business in California (hereafter "Percon").

7. The acts and conduct described below and which are the subject of this litigation were entered into between the signatories within the State of California and within the County of Orange. The contracts, which are the subject of this litigation, contain a forum selection clause requiring that all disputes arising under the contract be litigated in the courts of California.

8. Furthermore, the tortious conduct of each of the individually named defendants took place in the State of California, County of Orange

9. Plaintiffs are ignorant of the true names of defendants who are referred to herein as Does 1-10, inclusive, and therefore sue these defendants by such fictitious names. Plaintiffs are informed and believe, and thereon allege, that each of such fictitiously named defendants committed or are legally responsible for the wrongs and damages alleged herein. Plaintiffs will amend this complaint to allege their true names and capacities when such have been ascertained.

10. Jurisdiction and venue are proper with this court because: (a) Progenex resided, at relevant times, within the County of Orange, State of California; (b) a substantial part of the acts or omissions, or breach of other duties, giving rise to the claims occurred in the County of Orange, State of California; and (c) the parties do business in the County of Orange, State of California.

INTRODUCTION

11. VenturePharma is a limited liability company, utilized exclusively as an investment vehicle for individuals and entities that invested in Progenex.

12. Shared Success is an incubator created specifically for emerging businesses; it connects entrepreneurs and small businesses with the money they need to grow their businesses.

13. Connelly is an anesthesiologist and represents himself as the creator of the Met-Rx protein drink mix.

14. Progenex is the new company that was formed between VenturePharma, Connelly and MGC in order to commercialize, and bring to market, cutting-edge dairy bioactive protein fractions to be

sold in medical and sports nutrition products, such as Progenex SRG, Progenex Recovery, Progenex More Muscle, Progenex Growth and Progenex Medical formulations for bone fractures/osteo-integration, chemotherapy and wound healing applications.

15. BodyRx (which Plaintiffs believe is a dba for Percon) is a separate side business Connelly maintained on his own to sell what Connelly presented to plaintiffs and investors as non-competing protein-enriched products such as chips, cereals, pizza and snacks. However, as will be shown below, Connelly reneged on his agreement not to compete with Progenex and instead used BodyRx to usurp corporate opportunities belonging to Progenex. – in effect, using Progenex as a door-opener to promote BodyRx over Progenex.

16. The gravamen of this complaint is that Connelly entered into the agreements to grow and develop Progenex, but instead breached his contractual, legal and fiduciary duties associated with the agreements and the growth and development of Progenex, all to the detriment of Plaintiffs.

17. Plaintiffs will prove that Connelly made numerous false representations to induce investors to place money with VenturePharma and enter into subscription agreements for the use of their money to be invested in Progenex.

18. Plaintiffs will prove that Connelly has a long history of making misrepresentations about his background, his education, his military service, his alleged scientific, medical and nutritional discoveries, his financial position, his business relationships and agreements and his ability to deliver on the promises that he makes.

19. Plaintiffs will allege below, and further prove, that Connelly's conduct is part of a pattern and practice Connelly has engaged in over the years, deceiving partners, and investors, all in an effort to perpetuate and continue his false, feigned and deceitful image of being a leader, and "guru" in the field of medical and sports nutrition.

FACTUAL BACKGROUND

The Contract to Negotiate in Good Faith

20. Prior to June 9, 2009, members of Shared Success were introduced to Connelly. At the time of the introduction, Connelly presented himself as the owner of a company known as Progenex SRG. Connelly went on to describe for Shared Success his vision of creating a new company to

commercialize dairy bioactive protein fractions. Connelly represented he had successfully formulated dairy bioactive protein fractions in the past and now saw a greater opportunity to rebrand, rename and repackage these protein formulations. Shared Success was interested in the concept Connelly was discussing and wanted to open a line of further discussions and communications for a potential business relationship with Connelly.

21. On June 9, 2009, Shared Success and Connelly entered into a Contract to Negotiate in Good Faith (Exhibit A hereto) (hereafter "The Contract"), the general purpose of which was to investigate the formation and capitalization of a new company (NEWCO). The purpose of the new company would be to develop and expand the commercial market for Connelly's dairy bioactive protein fractions, such as Progenex SRG.

22. The products to be developed by this new company with these dairy protein fractions used ingredients known as WGFE, Natraboost and TGF-Beta.

23. The new products would be packaged and marketed through the brand of the new company, Progenex.

24. Of utmost important to Shared Success was the ownership rights to the ingredients, including any intellectual property rights to any information, formulas, products or other property rights that could attach to the formulation, creation and marketing of these new products.

25. During the period of time the parties were purportedly negotiating in good faith under Exhibit A, Connelly continually represented to Shared Success and confirmed at all times that the relevant, necessary and applicable component protein formulations were his own, and his ownership of these component formulations included the rights, title and interest to, and in, the ingredients.

26. Connelly further represented, and stated unequivocally, that he had the exclusive rights to the supply of these ingredients.

27. In addition to the representations and promises made in paragraphs 25 and 26 above, and as a further inducement to enter into The Contract, Connelly represented (or rather misrepresented) to Shared Success that: (1) he had no conflicts of interest (Recital C), particularly with BodyRx; (2) "in the event Progenex Australia does not cooperate, Connelly . . . has sufficient power and cause to either shutdown its website and cease distribution under the Progenex name, or foreclose on the assets of the

international partnership, where Progenex Australia is in default according to Connelly" (section 1.D.); and (3) he could pledge the exclusive right to the Aquaplex capsule to Progenex (section 1.E.).

28. Pursuant to The Contract, Connelly agreed to a) receive an ownership interest in NEWCO (Progenex), through VenturePharma, b) to a management role in Progenex and c) to a compensation package, under which he was paid an annual salary of $210,000.00.

29. Shared Success has fulfilled its obligations under The Contract. Connelly has not.

The Contribution Agreement

30. In November 2009, VenturePharma, Progenex, Connelly and Murray Goulburn Cooperative Limited, an Australian entity (hereafter "MGC") entered into the Contribution Agreement (Exhibit B hereto) (hereafter "The Agreement"), the general purpose of which was to capitalize Progenex in exchange for the issuance of company stock.

31. Among other things, Connelly expressly agreed to contribute to Progenex the Founder Assets (as described in detail in section 1.2 of the contract and Schedule A thereto) free and clear of all liens or claims. The Founder Assets included, but were not limited to, Connelly's "life work" in the application of dairy bioactive protein fractions and all related rights, formulas and trade secrets, and all rights associated with products currently developed and promoted as "Progenex" and "Progenex SRG, including, but not limited to, associated trademarks, service marks, brand names, customers, trade secrets, software and databases.

32. In consideration of the contribution of the Founder Assets, Connelly received shares of common stock in Progenex.

33. In addition to the representations and promises made above, and as a further inducement to enter into the Contribution Agreement, Connelly represented (or misrepresented) to VenturePharma and Progenex in the months prior to November 2009 that: (1) he had good and marketable title to the Founder Assets, free and clear of all encumbrances (section 4.1); (2) the Founder Assets were sufficient and constituted all assets and rights necessary to effect the purpose of Progenex (section 4.2); (3) the Founder Assets were free of adverse claims (section 4.3); (4) he would not compete with Progenex; (5) he would remain loyal to Progenex; (6) he would not usurp corporate opportunities; (7) he would devote

substantially full time to Progenex; (8) he would "carve out" BodyRx and maintain it as a separate, non-competing business; and (9) he would deal in good faith.

34. Progenex and VenturePharma have fulfilled all of their obligations under The Agreement.

Connelly as an Officer and Director of Progenex

35. Connelly was an officer and director of Progenex from November 9, 2009 – April 27, 2010. He resigned both appointments on April 27, 2010, after being confronted by Progenex with his conduct that evidenced his breach of duties to the company.

36. With his appointment as officer and director, Connelly assumed, both expressly and impliedly, a duty of loyalty, a duty of care, a duty of good faith and fair dealing and a fiduciary duty to Progenex. As such, he agreed and was required to refrain from self-dealing, usurping corporate opportunities and/or interfering with Progenex's contracts and business relations, including its efforts to procure additional financing. In particular, and in addition to those duties assumed under The Agreement, Connelly agreed to: (1) pursue Progenex business opportunities as Progenex's, not as his own; (2) to maintain BodyRx as a separate, non-competing business; (3) devote substantially all of his full-time efforts to the promotion and growth of Progenex; (4) negotiate in Progenex's best interests; and (5) disclose to Progenex all conflicts of interest and all facts that would reasonably require disclosure by a fiduciary or one in Connelly's position. Among other compensation, Connelly was paid an annual salary of $210,000.

FIRST CAUSE OF ACTION

(Breach of the Contract to Negotiate in Good Faith)

By Shared Success Against Connelly)

37. Plaintiffs repeat and reallege paragraphs 1 through 36, as though fully set forth and incorporated herein.

38. As alleged hereinabove, on or about June 9, 2009, Connelly executed The Contract with Shared Success. Shared Success has fully performed all conditions, covenants, promises, obligations and requirements to be performed by it under the contract. Connelly has not repudiated or renounced The Contract.

39. Connelly breached The Contract by, among other things: (1) negotiating capitalization terms and agreements with third parties without the involvement of VenturePharma (Para. 1A) including David Meltzer and Progenex Party Limited; (2) failing to participate in VenturePharma and demanding a different investment relationship (Para 1B); 3) failing to include VenturePharma in negotiations with Aquaplex (Para 1E); (4) renegotiating the minimum contribution trigger from $1,000,000 to $5,000,000 and refusing to make the deal because of representations made to other investors which were unknown to Shared Success (Para 1C); (5) failing to foreclose on the Australian international partnership after demand was made to do so (Para 1D); (6) using Shared Success contacts for the purpose of promoting his own products with BodyRx (Para 1G); (7) failing to negotiate in good faith and at all times using the negotiations to set the stage for later use of the new company (Progenex) to promote and advance his other products and competing company's interests (Para 2) and (8) failing to limit BodyRX to food products intended for the general market place (Recitals Para E).

40. By reason of Connelly's breach of The Contract, Shared Success has been damaged in an amount according to proof at trial, but in no event less than the jurisdictional minimum of this court. Further, under the contract, Shared Success is entitled to recover attorney's fees and expenses as provided for in The Contract.

SECOND CAUSE OF ACTION

(Breach of the Contribution Agreement)

By VenturePharma and Progenex Against Connelly

41. Plaintiffs repeat and reallege paragraphs 1 through 40, as though fully set forth and incorporated herein.

42. As alleged hereinabove, in or about November 2009, Connelly executed The Contribution Agreement ("The Agreement") with Progenex, VenturePharma, and Murray Goulburn Cooperative Limited ("MGC"). (Exhibit B). VenturePharma and Progenex fully performed all conditions, covenants, promises, obligations and requirements to be performed by them under The Agreement. Connelly has not repudiated or renounced The Agreement.

43. Connelly breached The Agreement by, among other things: (1) failing to contribute to Progenex the Founder Assets as set forth on Exhibit A to the Contribution Agreement as required free and clear of all liens or claims, or at all (Para 4.1 and Para 7.2); (2) failing to locate or secure investors for Progenex; (3) violating Paragraph 6.1 by making false and untrue statements prior to and at the date of closing; (4) failing to perform all obligations as required by Paragraph 6.2; (5) failing to comply with Exhibit H as required by Paragraph 6.13; (6) violating Paragraph 7.1 by making false warranties and representations as of the time of closing; (8) failing to devote substantially full time to Progenex;

44. Moreover, on information and belief, Connelly regularly and intentionally misled MGC (another investor in Progenex and a signatory to The Agreement) related to the financing efforts and resources of VenturePharma with the intent to create doubt and discredit the efforts of VenturePharma.

45. By reason of Connelly's breach of The Agreement, Progenex and VenturePharma have been damaged in an amount according to proof at trial, but in no event less than the jurisdictional minimum of this court. Further, under The Agreement, Progenex and VenturePharma are entitled to recover attorney's fees and expenses.

THIRD CAUSE OF ACTION

(Fraudulent Inducement To Enter Into Contract to Negotiate in Good Faith

(By Shared Success Against Connelly and BodyRx)

46. Plaintiffs repeat and reallege paragraphs 1 through 45, as though fully set forth and incorporated herein.

47. Connelly, in his individual capacity and as owner, agent and representative of BodyRx, made misrepresentations and promises as to material matters as part of a scheme to induce and defraud Shared Success to enter into The Contract and contribute its time, efforts and money to the creation and promotion of Progenex.

48. The representations were made over a period of time, in numerous face-to-face meetings with Connelly, numerous email communications and in numerous telephone conversations. The misrepresentations began in approximately March 2009 and continued through June 9, 2009 at which time The Contract was signed.

49. The misrepresentations were made to representatives of Shared Success, including but not limited to Ryan Page and Aaron Thomas. Additionally, misrepresentations were made to current and prospective investors of Shared Success.

50. The following constitutes a list of many of the representations, which were made by Connelly, that at the time he made them he knew them to be false. This is not intended to be all exhaustive and Plaintiffs continue to investigate and compile the list of the representations ultimately discovered to be false.

a. His educational background.

b. He discovered the ingredient later named Metamyosyn.

c. He was the creator of the original Met-Rx formula.

d. He had sold his company, Met-Rx for $108 million to Rexall Sundown.

e. He had created a business (Met-Rx) that had gone from $0 to $45 million in its first nine months.

f. The ProgenexSRG.com website had a reorder rate above 80% and was generating gross sales greater than $60,000 per month.

g. He had numerous clinical studies that had been conducted related to the efficacy of the specialized ingredients for both sports and medical applications.

h. WGFE was essential to the success of the medical division only obtainable through MGC when in fact the active ingredient is lactoferrin.

i. MGC's Natraboost was also obtainable only from MGC and was the only patented and proprietary ingredient in the world that could produce rapid recovery after exhaustive activity, based upon a demonstrated study, which was represented as using Natraboost.

j. That efficacy for his research and claims, which demonstrated unprecedented, wound healing and tissue regeneration as part of a rat study purportedly were conducted by he and Dr. Robert Demling.

k. That he identified all of the specialized formulations and their ingredients which together formed the medical composite as being generally regarded as safe ("GRAS STATUS) as defined by the FDA.

l. Met-RX was the only commercialized protein supplement document by published third party peer review research to yield substantial enhancement of tissue growth and regeneration.

m. He could pledge the exclusive right to the Aquaplex capsule to Progenex.

n. That he did compete with the new company in the area of sports nutrition, medicine or bodybuilding.

51. Each of the above representations was false at the time made. The true facts are:

a. He did not graduate from the schools and obtain the degrees, or do the fellowship, internships and studies as represented.

b. He did not discover the ingredient Metamyosyn

c. He was not the creator of the Met-Rx formula.

d. He did not sell his company for $108 million.

e. He did not create a business (Met-Rx) that had gone from $0 to $45 million in its first nine months.

f. The ProgenexSRG.com website did not have a reorder rate above 80% and was not generating gross sales greater than $60,000 per month.

g. He did not conduct or author any clinical studies that had been conducted related to the efficacy of the specialized ingredients for both sports and medical applications.

h. WGFE is not essential to the success of the medical division and lactoferrin is available worldwide.

i. MGC's Natraboost is not the only patented and proprietary ingredient in the world that could produce rapid recovery after exhaustive activity.

j. That efficacy for his research and claims which demonstrated unprecedented wound healing and tissue regeneration as part of a rat study purported to have been done by he and Dr. Robert Demling in fact was not Demling's study and not commissioned by Connelly.

k. That he identified all of the special ingredients, which together formed the medical composite as being generally regarded as safe ("GRAS STATUS) as defined by the FDA when some ingredients were not regarded as safe.

l. Met-RX was not documented by published third party peer review research to yield substantial enhancement of tissue grow.

m. He could not pledge the exclusive right to the Aquaplex capsule.

56. While negotiating The Contract, Connelly did not disclose his ultimate plan, which was to use the investment efforts conducted by Progenex to source funding for BodyRx and attempt to tap his network of fund sources to raise money for BodyRx. Other acts demonstrating he had no intent to follow through with his duties and obligations under The Agreement include: a) Connelly approached VMG Partners to seek investment in BodyRx products using the Aquaplex vessel or capsule he had pledged as an exclusive to Progenex; b) failure to disclose his intent to market the BodyRx products outside of agreed-upon distribution channels, such as Costco and grocery stores, and into competing distribution channels, such as gyms, fitness centers and sports-nutrition retailers such like GNC.

57. In addition to the misrepresentations Connelly made, he also knowingly and intentionally withheld information that was solely within his knowledge and which is material, and would have been material, to the decision to invest or joint venture with Connelly. Specifically, Connelly withheld that:

a. Met-Rx had been sued by the Federal Trade Commission in the matter entitled Federal Trade Commission v. Met-Rx, USA (USDC, Central District of California). Inthat suit, it was contended that no scientific data or studies demonstrated that Met-Rx products are safe. In fact, it was alleged that the products contained steroidal compounds.

b. Connelly had falsely represented Met-Rx as being associated with, and endorsed by, the well-respected Cooper Clinic in Dallas, Texas. The Cooper Clinic demanded Connelly cease and desist using its name.

c. In a Dateline NBC report, it was demonstrated that Met-Rx failed to provide peer-reviewed documentation to substantiate its claim of enhancing muscular development.

d. Numerous articles and reports had been written questioning Met-Rx, concluding Met-Rx has no listed ingredients separating it from any other product on the market.

e. The "magic ingredient" of Met-Rx is milk-based and you can get the same benefit from milk.

f. Met-Rx was described as "just another high-priced item that capitalizes upon athlete's wishful thinking."

g. Connelly had openly acknowledged that there are no conclusive studies, but states studies will "eventually" prove the superiority of his product.

h. Connelly has litigated with many prior business partners and has been found to have entered into business contracts with no intent to perform.

58. These are just examples of the numerous, relevant information intentionally withheld from Shared Success, VenturePharma, Progenex and individual investors.

59. Connelly knew that he did not intend to perform his promises in the way he represented to Shared Success. Rather, Connelly intended to enrich himself at the expense of and to the detriment of Shared Success and Progenex.

60. Connelly made the misrepresentations, promises, and omissions with the intent and purpose of inducing actions by Shared Success, including, *inter alia*, entering into The Contract and causing Shared Success to invest time, efforts and money in Progenex. When making the false representations, promises and said omissions, Connelly knew that Shared Success would rely on the representations to its detriment.

61. Connelly and BodyRx colluded, conspired, or otherwise acted in concert or with the express consent of each other to do the acts alleged above and are therefore liable for these acts.

62. Shared Success was unaware of the falsity of Connelly's representations and promises. Shared Success reasonably and justifiably acted in reliance on Connelly's representations to its detriment. Connelly was the sole source of trust of this information, and he provided, at times, false and incomplete information. As a direct result of Connelly's false representations, promises and omissions, Shared Success entered into The Contract and invested its time, efforts and money in the creation and development of Progenex. Had Shared Success known the true facts and the actual intentions of Connelly, Shared Success would not have acted as it did.

63. As a direct or proximate result of Shared Success's reasonable and justifiable reliance on Connelly's misrepresentations and promises, Shared Success has suffered damages in excess of the jurisdictional minimum of this court.

64. In acting as alleged herein, Connelly acted with malice, fraud and oppression. Accordingly, Shared Success is entitled to recover exemplary damages. Alternatively, Connelly intentionally misrepresented facts, deceived Shared Success and concealed material facts known to him with the intention of thereby depriving Shared Success of property and/or legal rights or otherwise causing injury to Shared Success, such that his acts constituted a fraud as defined by California Civil Code section 3294, thereby justifying an award of exemplary damages.

65. Furthermore, as demonstrated by Connelly's prior conduct with other business partners, he has a pattern and practice of entering into agreements with no intent to perform. Accordingly, punitive damages are appropriate to defer such wrongful, intentional and fraudulent conduct in the future.

FOURTH CAUSE OF ACTION

(Fraudulent Inducement To The C**ontribution Agreement)**

By VenturePharma and Progenex Against Connelly and BodyRx

66. Plaintiffs repeat and reallege paragraphs 1 through 65, as though fully set forth and incorporated herein.

67. Connelly, in his individual capacity and as a representative of BodyRx, made additional misrepresentations and promises as to material matters as part of a scheme to induce and defraud VenturePharma and Progenex to enter into The Agreement and, in the case of VenturePharma, contribute its Past Efforts (as that term is defined in section 1.1 of the contract). Among other things, and in addition to the representations, promises, and omissions made above and incorporated herein, Connelly misrepresented to VenturePharma and Progenex that: (1) he had good and marketable title to he Founder Assets, free and clear of all encumbrances and he would transfer all assets to Progenex; (2) the Founder Assets were sufficient and constituted all assets and rights necessary to effect the purpose of Progenex; (3) the Founder Assets were free of adverse claims; (4) he would not compete with Progenex; (5) he would remain loyal to Progenex; (6) he would not usurp corporate opportunities; (7) he would devote substantially

full time to Progenex; (8) he would "carve out" BodyRx and maintain it as a separate, non-competing business;

68. As a further inducement for VP to continue its investment into Progenex, Connelly represented that he would personally fund any shortcoming in the company's funding, if MGC moved to revert.

69. While negotiating The Agreement, Connelly did not disclose that he intended to attempt to tap his network of fund sources to raise money for BodyRx. Indeed, Connelly approached VMG Partners, and Robert Schult, VMG co-founder specifically, on or about Feb. 17 (despite being explicitly requested to NOT contact VMB on his own, as all future conversations should be managed as partners) to seek investment in BodyRx products using the Aquaplex vessel or capsule he had pledged as an exclusive to Progenex. Thus, Connelly had no intention of negotiating exclusivity for the capsules for Progenex.

70. Connelly also did not disclose his intent to market the BodyRx products outside of agreed-upon distribution channels, such as Costco and grocery stores, and into competing distribution channels, such as gyms, fitness centers and sports-nutrition retailers like GNC. In fact, later on, several of Progenex's strategic partners, such as Fred Hatfield and Elias Karras, approached Progenex to ask about the "BodyRx deal" and when they might receive BodyRx products, clearly evidenced by the fact that Connelly was self-dealing and promoting BodyRx

71. Connelly routinely sent BodyRx bars to Progenex athletes and was courting them for sponsorship.

72. Connelly and BodyRx colluded, conspired, or otherwise acted in concert or with the express consent of each other to do the acts alleged above and are therefore liable for these acts.

73. VenturePharma and Progenex were unaware of the falsity of Connelly's representations and promises. VenturePharma and Progenex reasonably and justifiably acted in reliance on Connelly's representations to their detriment.

74. As a direct result of Connelly's false representations and promises, VenturePharma and Progenex, *inter alia*, entered into the Contribution Agreement and invested its Past Efforts in the creation and development of Progenex. Had VenturePharma and Progenex known the true facts and the actual intentions of Connelly, VenturePharma and Progenex would not have acted as they did.

75. As a direct or proximate result of VenturePharma and Progenex's reasonable and justifiable reliance on Connelly's misrepresentations and promises, VenturePharma and Progenex have suffered damages in excess of the jurisdictional minimum of this court.

76. In acting as alleged herein, Connelly acted with malice, fraud and oppression. Accordingly, VenturePharma and Progenex are entitled to recover exemplary damages. Alternatively, Connelly intentionally misrepresented facts, deceived VenturePharma and Progenex and concealed material facts known to him with the intention of thereby depriving VenturePharma and Progenex of property and/or legal rights or otherwise causing injury to VenturePharma and Progenex, such that his acts constituted a fraud as defined by California Civil Code section 3294, thereby justifying an award of exemplary damages.

FIFTH CAUSE OF ACTION

(Breach of Common Law and Statutory Duties of Loyalty)

By Progenex Against Andrich and Connelly

77. Plaintiffs repeat and reallege paragraphs 1 through 76, as though fully set forth and incorporated herein.

78. Connelly was both an employee, corporate officer and Board member of Progenex and as such owed a fiduciary and statutory duty of loyalty to Progenex.

79. Connelly knowingly acted against Progenex's interests in connection with both The Agreement and his role as corporate officer and director.

80. For example, Connelly, as chief executive officer of Progenex, negotiated a sweetheart employment deal for friend and business associate Andrich who is alleged to have been in conspiracy with Connelly to further Connelly's wrongful goals. Connelly hired Andrich to be Progenex's executive vice-president of sports marketing in exchange for an attractive salary and compensation package. As such, Andrich had a duty of loyalty to Progenex. However, Connelly and Andrich never disclosed to Progenex that Andrich was simultaneously working for BodyRx or that he would continue to work for BodyRx while on the Progenex payroll. Indeed, Connelly told Andrich that he (Andrich) could simultaneously market the BodyRx products while on the Progenex payroll and could market those products even to Progenex's

strategic partners. As a consequence of this moonlighting arrangement, Andrich rarely reported to work, and by March 2010, he reported to the office only about two hours per month.

81. Following Connelly's resignation as a member of Progenex's Board, Connelly nominated Andrich to become a member of the Board since Connelly knew that Andrich would continue to advance Connelly's personal goals over the interests of Progenex.

82. At the time Connelly nominated Andrich to the Board, Connelly did not disclose to Progenex and the Board that Andrich had been found responsible for conspiracy to commit fraud and money laundering and had been ordered to pay $10 million in restitution.

83. Connelly and Andrich held secret meetings between themselves and with third parties for the purpose of advancing the interests of Connelly and BodyRX.

84. Connelly and Andrich commenced an operation to divert clients, suppliers and to create a competing line of products to Progenex products.

85. As a result of these breaches of duties owed to Progenex, Progenex has been harmed and suffered damages in an amount not yet fully ascertained but within the jurisdictional limit of this Court.

86. As alleged above, Connelly and Andrich knowingly acted on behalf of BodyRx, a party whose interests are and were adverse to Progenex in connection with: (1) the Contribution Agreement; (2) the development and commercialization of the Progenex products, such as Progenex SRG, Progenex Recovery, Progenex More Muscle and Progenex Growth; (3) Progenex's exclusive use of the Aquaplex delivery vessels; and (4) the placement of BodyRx products outside of agreed-upon distribution channels, such as Costco and grocery stores, and into competing distribution channels, such as gyms, fitness centers and sports-nutrition retailers like GNC. Like Andrich above, and in concert with Andrich, Connelly marketed BodyRx products to Progenex's strategic partners; indeed, key partners like Fred Hatfield and Elias Karras, related professional athletes and research partners, were coming back to Progenex and inquiring about BodyRx products.

87. As another example of Connelly's breach of the duty of loyalty, Connelly, like Andrich, rarely, if ever, showed up for work. Thus, Connelly failed to devote substantially all of his full-time efforts to the promotion and growth of Progenex.

88. Connelly met, or allowed Andrich to meet, VMG Partners to discuss the Aquaplex vessel, which had been pledged to Progenex as an exclusive. Upon information and belief, Connelly tried to induce them to compel another of their acquisition targets to use the bottle capsules to further that business. Not only did this jeopardize Progenex's deal with VMG Partners, it further demonstrates that Connelly had no intention of negotiating exclusivity for the capsules for Progenex. Thus, Connelly failed to disclose to Progenex all conflicts of interest and all facts that would reasonably require disclosure by a fiduciary or one in Connelly's position.

89. As a further example of Connelly's breach of the duty of loyalty, as well as the Contribution Agreement itself, during the time that Connelly was still an officer and director of Progenex, while Progenex was involved in negotiations with its main supplier, Connelly and his attorneys stated they intend to "stop this deal" with the supplier unless Connelly's newly revealed personal, non-negotiated, and outrageous demands regarding BodyRx were met.

90. Connelly breached his duties by intentionally trashing the sports business to sector investors with the intent to force Progenex to miss the $5,000,000 reversion milestone, in order to reclaim the assets.

91. Connelly and Andrich were creating a competing website, drscottconnelly.com. This website markets "Metabolic Advantage" related to Metabolic Syndrome, which is specifically defined as part of Connelly's original asset contribution to Progenex (schedule A).

92. Perhaps the most egregious example of Connelly's breach of the duty of loyalty is the "nutritional sting operation" he conspired to perpetrate with former Progenex operations director (and now BodyRx/K9Rx employee) Don Aspinall and newly-designated Progenex board member Vince Andrich. Connelly resigned from the Progenex board on April 27, 2010. His hand-picked replacement to the board was Andrich who assumed that position on May 10, 2010. Don Aspinall resigned his position as Progenex's operations director on May 4, 2010. At a time when both Connelly and Aspinall were employed by Progenex, Connelly, Andrich and Aspinall secretly planned to launch a new website: DrScottConnelly.com. To wit, on May 13, 2010, after Connelly had been confronted with his wrongful conduct, and only nine days after he resigned from Progenex as CEO and Director, Aspinall sent to Andrich's email address at Progenex an email with attached artwork/mockup for the

DrScottConnelly.com website. In the email, Aspinall refers to the DrScottConnelly.com conspiracy as, "Bringing the future of nutritional sting operations to a douche bag near you." The attached mockup (page two of Exhibit C) shows that Connelly and his co-conspirators: (1) copied actual product photographs from the existing Progenex website; (2) used the Connelly likeness for the DrScottConnelly.com website in direct competition with Progenex and in contravention of Connelly's pledge to Progenex of his likeness; (3) superimposed the Progenex logo onto a likeness of Connelly; (4) infringed upon the trademark of Progenex; (5) marketed "Metabolic Advantage," which was part of the Connelly asset contribution to Progenex defined above as the Founder Assets; and (6) marketed "Clinical Nutrition," which was also part of the Connelly asset contribution to Progenex defined above as the Founder Assets. Four days later, Aspinall followed up with another email to Connelly and Andrich's email address at Progenex with the subject line "Douche Bags" clearly referring to Progenex (Exhibit D).

93. In addition to this conduct constituting a breach of The Agreement and breaches of his fiduciary duties, as well as demonstrating Connelly's lack of intent to honor his contractual obligations, the launch of this new website or any other website, where both investors and consumers rely upon Dr. Connelly's name, likeness and dedication to Progenex and its products, will cause confusion to both investors and consumers. This reveals a clear and identifiable disloyalty to Connelly's original commitment to Progenex, as defined by both the Contribution Agreement and Connelly's duty of loyalty to Progenex as officer and director. Additionally, this competing activity is in direct conflict with Andrich's fiduciary duty to Progenex as board member.

94. Progenex did not give informed consent to Connelly's conduct.

95. Progenex was harmed by Connelly's acts and omissions. Progenex's damages are in excess of the jurisdictional minimum of this court.

96. Connelly's conduct was a substantial factor in causing Progenex's harm.

97. Progenex has suffered and continues to suffer irreparable harm and injury as a result of Connelly's actions and lacks an adequate remedy at law, in that damages may be difficult to ascertain, and, unless Injunctive relief is granted, Connelly will continue to injure Progenex's business, goodwill and reputation. Progenex is therefore entitled to a preliminary and permanent injunction preventing

Connelly from engaging in the aforementioned conduct and/or for assignment of all rights in and to the inventions, business methods, ideas and other intellectual property that were invented or otherwise acquired by Connelly during or by virtue of his employment with Progenex.

98. Connelly's conduct was willful, oppressive and malicious, therefore entitling Progenex to recover punitive and exemplary damages in an amount adequate in relation to Connelly's net worth, so as to punish and make an example of Connelly and deter such wrongful behavior in the future.

SIXTH CAUSE OF ACTION

(Violations of Labor Code 2860)

By Progenex Against Connelly

99. Plaintiffs repeat and reallege paragraphs 1 through 98, as though fully set forth and incorporated herein.

100. Pursuant to Labor Code section 2860, "[e]verything which an employee acquires by virtue of his employment, except the compensation which is due to him from his employer, belongs to the employer, whether acquired lawfully or unlawfully, or during or after the expiration of the term of his employment."

101. Pursuant to Labor Code section 2863, "[a]n employee who has any business to transact on his own account, similar to that entrusted to him by his employer, shall always give the preference to the business of the employer."

102. Progenex is informed and believes that Connelly has obtained and continues to obtain profits and gains from the use of the aforementioned products, business methods, business contacts and other intellectual property, thus entitling Progenex to restitution or disgorgement. The full extent of such profits and gains is not currently known, but which includes, *inter alia*, profits and gains.

103. Progenex has suffered and continues to suffer irreparable harm and injury as a result of Connelly's actions and lacks an adequate remedy at law, in that damages may be difficult to ascertain, and, unless Injunctive relief is granted, Connelly will continue to injure Progenex's business, goodwill and reputation. Progenex is therefore entitled to a preliminary and permanent injunction preventing Connelly from engaging in the aforementioned conduct and/or for assignment of all rights in and to the

inventions, business methods, ideas and other intellectual property that were invented or otherwise acquired by Connelly during or by virtue of his employment with Progenex.

104. Connelly's conduct was willful, oppressive and malicious, therefore entitling Progenex to recover punitive and exemplary damages in an amount adequate in relation to Connelly's net worth, so as to punish and make an example of Connelly and deter such wrongful behavior in the future.

SEVENTH CAUSE OF ACTION

(Breach of Fiduciary Duty)

By Progenex Against Connelly, Andrich, and BodyRx

105. Plaintiffs repeat and reallege paragraphs 1 through 102, as though fully set forth and incorporated herein.

106. As alleged, Connelly and Andrich were employees, officers and directors of Progenex. Serving as both officer and director, both were responsible, at least in part, for: (1) business development; (2) promoting Progenex products, and not those of his own or other competitors; (3) finding investors and strategic business partners for Progenex; (4) informing Progenex of new business opportunities; (4) keeping Progenex informed at all times; (5) disclosing conflicts of interest; and (6) maintaining Progenex's confidential information. Connelly and Andrich, as directors, were in a fiduciary, trust relationship with Progenex. As such, Connelly and Andrich owed a fiduciary duty, as well as other duties of trust, to Progenex. As alleged BodyRx was Connelly's side business.

107. Connelly and Andrich breached their fiduciary duties to Progenex by, *inter alia*, acting without the advice and consent of Progenex, creating/maintaining BodyRx to compete with Progenex, concealing the actions of BodyRx, diverting business opportunities to BodyRx, Andrich and others, colluding with Andrich and BodyRx to divert business to BodyRx, employing and conspiring with Andrich while he was still engaged at BodyRx, and pitching the exclusive Aquaplex delivery vessel to others, all to the benefit and enrichment of Connelly and BodyRx and to the detriment of Progenex.

108. BodyRx, working in collusion with Connelly, participated with Connelly in the breaches of trust. BodyRx's participation was both active and for the purpose of advancing its own

interests or financial advantage. As such, BodyRx is liable for aiding and abetting Connelly's breaches of trust.

109. As a proximate result of Connelly's breach of his fiduciary duties to Progenex, Progenex has been damaged in an amount according to proof at trial, but in no event less that the jurisdictional minimum of this court.

EIGHTH CAUSE OF ACTION

(Intentional Interference with Business Advantage)

By Progenex Against Connelly, Andrich, and BodyRx

110. Plaintiffs repeat and reallege paragraphs 1 through 107, as though fully set forth and incorporated herein.

111. Progenex had existing, ongoing and valuable business relationships with its strategic partners, including, but not limited to, MGC, Hilmar Cheese, Zimmer, Fred Hatfield, Elias Karras, VMG Partners and other, employees, consultants, vendors and customers and had a reasonable expectation that those relationships would continue unless wrongfully interfered with. Connelly and BodyRx (and Andrich) knew of the relationships between Progenex and its strategic partners, employees, consultants, vendors and customers and of Progenex's expectations.

112. Connelly, BodyRx and Andrich have engaged in the following, among other, wrongful conduct with the intention of disrupting Progenex's business relationships and of interfering with Progenex's prospective business advantage:

(a) Soliciting key partners Fred Hatfield and Elias Karras on behalf of BodyRx;

(b) Sending email to database of Progenex contacts and relationships indicating that he is "pursuing other projects with Dr. Connelly outside of Progenex," while Connelly is the CEO.

(c) Disparaging Progenex and its management for the purpose of causing a supplier and causing the supplier (Hilmar) to cease production (mid-order) of the key ingredient in Progenex's More Muscle product.

(d) Contacting Zimmer Orthopedic on or about May 14, 2010, to disclose IP (andgiogenen) that was not owned by PDB, nor ever negotiated for, as part of MGC's contribution.

(e) Forcing Aquaplex to cutoff supply (mid-order) for its Mix on Demand delivery device or capsule, leaving Progenex without the capacity to supply single-servings to customers.

(f) Connelly and his lawyer Sam Krane contacting PDB investors Mike Carey and Mike Moosebrugger to influence them to rescind funds, sue VenturePharma and Progenex, and join Connelly against VenturePharma and Progenex.

(g) Connelly sent an email to Mike Moosbrugger, highlighting the celebration of what Connelly refers to as the "Progenex obituary notice," to further influence VP investors to act against VP and Progenex and rescind their investment.

(h) In Mid-June, 2010, shutting down the company merchant account, alleging fraud and questionable management practices, causing Progenex to be unable to accept payment for orders. Progenex is later cleared for no wrongdoing and credit line increased.

(i) Marketing the Aquaplex delivery vessel to VMG Partners;

(j) Pushing the placement of BodyRx products outside of agreed-upon distribution channels, such as Costco and grocery stores, and into competing distribution channels, such as gyms, fitness centers and sports-nutrition retailers like GNC, entities with whom Progenex had ongoing business relationships;

(k) With Andrich, diverting business from Progenex to BodyRx, such that this business would ultimately leave Progenex;

(l) Using confidential information belonging to Progenex to solicit Progenex's customers;

113. Progenex is informed and believes, and based thereon alleges, that defendants' actions were undertaken for the purpose of damaging Progenex and rendering it unable to compete effectively.

114. As a direct and proximate result of defendants' conduct, Progenex has lost business and is at risk of losing more business. As a proximate result of defendants' conduct, Progenex has sustained and will continue to sustain damages in an amount to be proven at trial, but in no event less than the jurisdictional minimum of this court.

115. Defendants Connelly and BodyRx's actions were undertaken willfully, with malice and conscious and reckless disregard for Progenex's rights and were approved, ratified and/or performed by

defendants and/or by the agents and officers of defendants. Progenex therefore is entitled to exemplary or punitive damages from defendants Connelly and BodyRx, and each of them, in such amounts as may be necessary to punish defendants for their wrongful acts.

116. Unless restrained, defendants will continue to engage in the acts and conduct set forth above, which have resulted and will continue to result in irreparable injury to Progenex for which monetary damages would not afford adequate relief, in that they would not completely compensate for the injury to Progenex's business reputation and goodwill. The exact extent, nature and amount of Progenex's injuries and damages are extremely difficult to ascertain. Defendants' continuing conduct may also generate multiple suits. Plaintiff therefore requests the court to issue a permanent injunction restraining and enjoining defendants, and anyone acting at their direction or in concert with them, from interfering with Progenex's prospective business advantage.

WHEREFORE, plaintiffs pray for judgment as follows:

1. As to Each Cause of Action: All compensatory damages according to proof;

2. As to the Third, Fourth, Fifth, Sixth, and Seventh Causes of Action: Punitive Damages according to proof;

3. As to the First and Second Cause of Action: Attorneys fees and Costs as provided for by Contract;

4. As to the Third, Fourth, and Seventh Causes of Action: Disgorgement and Restitution

5. All other relief the Court deems proper in the premises

Dated: August 30, 2010

MICHAEL R. BROWN, A PROFESSIONAL LAW CORPORATION

By: _____
MICHAEL R. BROWN
Attorneys for Plaintiffs VENTUREPHARMA, LLC, SHARED SUCCESS, LLC, and PROGENEX DAIRY BIOACTIVES, INC.

DEMAND FOR JURY TRIAL

Plaintiffs hereby request a trial by jury of all matters and issues triable by a jury.

Dated: August 30, 2010

MICHAEL R. BROWN, A PROFESSIONAL LAW CORPORATION

By: _____
MICHAEL R. BROWN
Attorneys for Plaintiffs VENTUREPHARMA, LLC, SHARED SUCCESS, LLC, and PROGENEX DAIRY BIOACTIVES, INC.

EXHIBIT “A”

CONTRACT TO NEGOTIATE IN GOOD FAITH

THIS CONTRACT TO NEGOTIATE IN GOOD FAITH ("CONTRACT") is made as of June 9, 2009, by and between Dr. Scott Connelly, an individual, or assigns ("CONNELLY") and SHARED SUCCESS LLC, a Wyoming Limited Liability Company ("SS") or assigns. For convenience, CONNELLY and SS shall hereinafter be referred to collectively as the "PARTIES," and individually as a "PARTY."

RECITALS:

A. The PARTIES have agreed to add CONNELLY to an existing entity, ("VENTUREPHARMA"), currently wholly owned by SS, to serve as a holding company for the collective interests of CONNELLY and SS.

B. The PARTIES agree that VENTUREPHARMA will lead the effort to prepare and capitalize "NEWCO" (also referred to as "Formula X") with at least One Million Dollars ($1,000,000) under favorable terms and conditions, while providing best efforts to minimize dilution and maximize shareholder equity. The PARTIES may agree to accept more capital, conditioned upon a use of proceeds that demonstrates a requirement, and whereby NEWCO can substantiate a valuation greater than Twenty Five Million Dollars ($25,000,000), which may be offered as part of a Series A Round subscription.

C. The PARTIES have agreed that "FORMULA X," currently being marketed by CONNELLY under the name Progenex, defined as dairy bio-active proteins (proteins that require manufacturing methods beyond conventional processing in order to enrich the end product with specific fraction(s)) and any application or derivative thereof will be the sole property of VENTUREPHARMA. The commercialization of FORMULA X shall be the primary focus for NEWCO. However, CONNELLY represents that no conflicts exist through any exclusive licensing or distribution agreements, by and between any individuals or partners, domestic or foreign, which would preclude future expansion into domestic consumer markets, should the PARTIES determine favorable at some later date.

D. The PARTIES have agreed to rebrand and rename CONNELLY's proprietary protein formulation, to be owned exclusively by VENTUREPHARMA and utilized exclusively for all NEWCO business activities. All former and subsequent intellectual property rights, patents, and patents pending, related to FORMULA X, or it's current brand, Progenex (CONNELLY's dairy bio-active proprietary protein), obtained by VENTUREPHARMA or currently owned by CONNELLY, shall be transferred to NEWCO at the time of Initial Capitalization and formation.

E. The PARTIES have agreed that whey protein-based "FOOD PRODUCTS" not containing FORMULA X shall remain the sole property and pursuit of CONNELLY, and shall not be contributed to VENTUREPHARMA or NEWCO.

F. The PARTIES have agreed in principle to some, but not all, of the material terms and conditions surrounding the formation of VENTUREPHARMA.

G. The PARTIES now desire to specify in writing those terms and conditions, legally obligating each PARTY to negotiate in good faith the remaining terms and conditions.

AGREEMENT:

NOW, THEREFORE, in exchange for the mutual promises contained herein, the Parties agree to the following:

1. While of the addition of CONNELLY to VENTUREPHARMA and the formation and capitalization of NEWCO has yet to be formalized, the following matters are understood and agreed upon:

A. Capitalization of NEWCO. The PARTIES agree that VENTUREPHARMA will lead all capitalization efforts and will act as the exclusive agent to negotiate on behalf of VENTUREPHARMA and NEWCO, to embody all the terms, conditions and operating procedures to initiate the formation and launch of NEWCO.

B. CONNELLY's Participation in VENTUREPHARMA. CONNELLY or assigns shall be added as a member to VENTUREPHARMA, where CONNELLY shall maintain his equity stake. VENTUREPHARMA shall serve as a holding company for the equity interests of the PARTIES, provided the minimum capitalization of NEWCO for greater than One Million Dollars ($1,000,000) is achieved, either through SS Investors, its syndicated partners, or either party's related resources, thereby triggering the automatic addition of CONNELLY to VENTUREPHARMA and the formation of NEWCO.

C. Efforts of VENTUREPHARMA and Ownership Interest. It is understood and acknowledged by CONNELLY that VENTUREPHARMA has made considerable progress to substantiate a current pre-money valuation for NEWCO of approximately Thirty Million Dollars ($30,000,000), by establishing a high level of interest, leading to subsequent meetings with qualified investor groups. As such, it appears likely that the initial capitalization could be as high as Five Million Dollars ($5,000,000), over the previously anticipated minimum of One Million Dollars ($1,000,000) in capital commitments, and where the value VENTUREPHARMA is attempting to establish could be as much as 15X greater than anticipated, as outlined by the preceding Contract to Negotiate in Good Faith. Accordingly, the Parties mutually agree to equal ownership in VENTUREPHARMA and to proportionately dilute as deemed necessary for additional investors within NEWCO. However, in no case shall either Party own less than 20% net interest in NEWCO post funding.

D. Progenex Australia. CONNELLY represents and warrants that he maintains use rights to the name Progenex, Progenex SRG, and has control over its website, domestic marketing and distribution. CONNELLY has additionally agreed, through VENTUREPHARMA, to negotiate the acquisition or "fold-in," of Progenex Australia, within VENTUREPHARMA, in exchange for a membership interest of less than Five Percent (5%) of VENTUREPHARMA, along with a possible exclusive supply agreement for _____ to NEWCO. However, in the event that Progenex Australia does not cooperate, Connelly represents and warrants that he has sufficient power and cause, to either, shut down its website and cease distribution under the Progenex name, or; foreclose on the assets of the international partnership, where Progenex Australia is in default according to CONNELLY.

E. Aquaplex LLC. CONNELLY represents and warrants that he maintains an equity interest and significant control of the Aquaplex entity. CONNELLY has additionally agreed to, through VENTUREPHARMA, to negotiate an exclusive relationship with Aqua-

plex, for the use of its vessel as a protein delivery device, or, to facilitate through NEWCO the funding of Aquaplex in exchange for equity and exclusive rights to the delivery mechanism.

F. Management of VENTUREPHARMA. VENTUREPHARMA shall be managed exclusively by its Managing Member(s) or Board of Directors, wherein SS shall Chair one (1) non-removable seat and CONNELLY shall Chair one (1) non-removable seat. The Board of Managers or Directors shall control VENTUREPHARMA and it's subsidiaries on a per-capita, majority vote basis, and not in accordance with ownership percentage. However, the PARTIES have agreed that CONNELLY shall have exclusive say with respect to the use of his name and promotional events that substantiate claims of his products. The Parties are currently negotiating additional decision making rights within VENTUREPHARMA, although intend to lobby for exclusive control over NEWCO by VENTUREPHARMA.

G. Exclusive Rights. Under no circumstance shall either Party have the right to independently use any marketing, promotional or investment materials, created while this Contract is in place or hereafter, unless for the purpose of the formation of NEWCO. Moreover, neither Party shall be entitled to accept investments for same or similar, either through subscription or loans, from Investors introduced or solicited during the term of this Contract.

H. Organization Expense Allowance. NEWCO shall reimburse the PARTIES for all approved "out of pocket" travel and organizational expenses, Including but not limited to, airfare and hotel accommodations and other expenses related to the funding of NEWCO. Reimbursements will occur post-funding of NEWCO and be booked as "Organizational Costs."

I. Post-Funding Officer Compensation. The PARTIES shall mutually select the appropriate Officers and support personnel in accordance with their merit, qualifications, and compensatory benefits that satisfy NEWCO's corporate culture. Key Officers shall receive compensation at comparable market rates, plus additional bonuses and stock options, however; subject to the approval of NEWCO's compensation committee, currently comprised of VENTUREPHARMA.

2. During the term of this Contract, the Parties shall negotiate in good faith to reach agreement on the outstanding points of the VENTUREPHARMA Agreement. It shall not be considered good faith negotiating to conduct parallel negotiations with other persons or entities regarding the transaction contemplated hereunder, to fail to disclose material information regarding the transaction, to refuse to negotiate, or to insist on changing the terms agreed to in Section 1.

3. This Contract constitutes the complete and exclusive statement of agreement among the Parties with respect to the subject matter herein and therein and replace and supersede all prior written and oral agreements or statements by and among the Parties or any of them. No representation, statement, condition or warranty not contained in this Contract will be binding on the Parties or have any force or effect whatsoever.

4. This Contract shall be binding upon and inure to the benefit of the Parties, and their respective successors and assigns.

5. Nothing in this Contract shall confer any rights or remedies under or by reason of this Contract on any person or entity other than the Parties and their respective successors and assigns nor shall anything in this Contract relieve or discharge the obligation or liability of any third person to any Party to this Contract, nor shall any provision give any third person any right of subrogation or action over or against any Party to this Contract.

6. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

7. If any claim is made by any Party relating to any conflict, omission or ambiguity in this Contract, no presumption or burden of proof or persuasion shall be implied by virtue of the fact that this Contract was prepared by or at the request of a particular Party or his counsel. Numbered or lettered articles, sections and subsections herein contained refer to articles, sections and subsections of this Agreement unless otherwise expressly stated.

8. This Contract shall be governed by and construed in accordance with the laws of the State of California. Each Party hereby consents to the exclusive jurisdiction of the state and federal courts sitting in California in any action on a claim arising out of, under or in connection with this Contract or the transactions contemplated by this Contract. Each Party further agrees that personal jurisdiction over him or her may be effected by service of process by registered or certified mail addressed to Parties as provided in Section 10 of this Contract, and that when so made shall be as if served upon him or her personally within the State of California.

9. If any provision of this Contract or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Contract or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

10. Notices given under this Contract shall be in writing and shall either be served personally or delivered by first class registered or certified, return receipt requested U.S. mail, postage prepaid. Notices may also effectively be given by transmittal over electronic transmitting devices such as telex, facsimile or telecopy machine, if the Party to whom the notice is being sent has such a device in its office, provided a complete copy of any notice so transmitted shall also be mailed in the same manner as required for a mailed notice. Notices shall be deemed received at the earlier of actual receipt or three (3) days following deposit in U.S. mail, postage prepaid. Notices shall be directed to the Parties at the addresses shown on below the Parties signatures hereto, provided that a Party may change his address for notice by giving written notice to all other Parties in accordance with this Section 10.

11. All amendments to this Contract shall be in writing and signed by all of the Parties. This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

12. If any dispute between the Parties results in litigation, the prevailing Party in such dispute shall be entitled to recover from the other Party all reasonable fees, costs and expenses of enforcing any right of the prevailing Party, including without limitation, reasonable attorneys' fees and expenses, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys fees

and costs incurred in enforcing such judgment and an award of prejudgment interest from the date of the breach at the maximum rate of interest permitted by law. For purposes of this Section: attorney fees shall include, without limitation, fees incurred in the following: (1) post judgment motions; (2) contempt proceedings; (3) garnishment, levy, and debtor and third Party examinations; (4) discovery; and (5) bankruptcy litigation, and prevailing Party shall mean the Party who is determined in the proceeding to have prevailed or who prevails by dismissal, default or otherwise.

13. The remedies under this Contract are cumulative and shall not exclude any other remedies to which any person may be lawfully entitled.

IN WITNESS WHEREOF, the Parties execute this Contract as of the date written above.

SHARED SUCCESS LLC,
a Wyoming limited liability company:

By: _____
Ryan Page, Managing Member

A. SCOTT CONNELLY, an individual

_____

EXHIBIT “B”

PROGENEX DAIRY BIOACTIVES, INC.

CONTRIBUTION AGREEMENT

November 8, 2009

PROGENEX DAIRY BIOACTIVES, INC.

CONTRIBUTION AGREEMENT

November 6, 2009

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CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "***Agreement***") is made on this ___ day of November 2009, by and among Progenex Dairy Bioactives, Inc., a Delaware corporation (the "***Company***"), VenturePharma LLC, a Wyoming limited liability company ("***VP***"), Scott Connelly, an individual ("***Connelly***"), and Murray Goulburn Co-operative Co. Limited, an entity formed under the laws of Australia ("***MGC***", and each of VP, Connelly and MGC, "***Founder***", and collectively, "***Founders***").

RECITALS

WHEREAS, Founders have recently caused the formation of the Company for the purpose of engaging in the business of commercializing that certain dairy bioactive proteins (proteins that require manufacturing methods beyond conventional processing in order to enrich the end product with specific fraction(s)) and any application or derivative thereof (the "***Company Business***");

WHEREAS, each Founder desires to contribute to the Company in exchange for shares of the Company's capital stock past services, certain assets related to the Company Business or an irrevocable exclusive license of certain intellectual property related to the Company Business, as the case may be (collectively, the "***Contribution***");

WHEREAS, the contributions of property to the Company in exchange for capital stock as contemplated by this Agreement is intended to qualify as a tax-free contribution under Section 351 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, in connection with the Contribution, Founders have come to certain understandings and agreements regarding the management and operation of the Company, and Founders desire to memorialize the Contribution and other understandings and agreements.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Contributions and Issuance of Capital Stock.

1.1 Contribution of Past Services by VP. VP has rendered services to the Company in the past ("***Past Services***"), and the Company agrees to issue and deliver to VP the consideration set forth in Section 1.4(a) below in exchange for such Past Services.

1.2 Asset Contribution by Connelly. Subject to the terms and conditions of this Agreement, Connelly agrees to contribute, convey, transfer, irrevocably assign and deliver to the Company at the Closing the assets and other intellectual property set forth and described on Schedule A attached hereto (the "***Founder Assets***") free and clear of all liens, claims or rights or offset of any kind in exchange for the consideration set forth in Section 1.4(b) below. Upon the Closing, the contribution, conveyance, transfer, irrevocable assignment and

delivery of the Founder Assets pursuant to this Agreement will be deemed to have occurred automatically, without the need for any further documentation or action on the part of Connelly and/or the Company.

1.3 Exclusive License and Supply by MGC.

(a) Subject to the terms and conditions of this Agreement, MGC agrees to (i) license the current intellectual property and marketing rights for the Whey Protein Hydrolysate currently known and marketed as "Progenex Recovery" and the Whey Growth Factors Extract ("***WGFE***") currently known and marketed as "Progenex SRG", for any and all sports/conditioning applications in North America to the Company on an irrevocable, perpetual and exclusive basis (the "***Nutritional License***"), (ii) supply the ingredients to cover the Nutritional License products on an exclusive basis (the "***Nutritional Supply***"), (iii) license the current intellectual property and worldwide marketing rights for the following applications (to be developed by the Company) using WGFE as an ingredient to be added to additional constituents in a composite blend for oral administration: (A) fracture healing; (B) resolution of acute and chronic tissue injury; and (C) mitigation of common co-morbidities accompanying chemotherapy, excluding mucositis as a specific pathological entity, to the Company on an irrevocable, perpetual and exclusive basis (the "***Medical License***", and together with the Nutritional License, the "***License***"), and (iv) supply the ingredients to cover the Medical License products on an exclusive basis (the "***Medical Supply***", and together with the Nutritional Supply, the "***Supply***"), in exchange for the consideration set forth in Section 1.4(c) below.

(b) The terms of such Nutritional License and Nutritional Supply shall be as set forth in the form of the Nutritional Supply, Distribution and License Agreement attached hereto as Exhibit A (the "***Nutritional License Agreement***"). The terms of such Medical License shall be as set forth in the form of the Medical Development, Supply, Distribution and License Agreement attached hereto as Exhibit B (the "***Medical License Agreement***"). The Nutritional License Agreement and the Medical License Agreement and any other documents delivered pursuant thereto shall constitute the full and entire understanding and agreement between the parties with regard to the subjects regarding this Section 1.3 and thereof and supersedes any prior agreements or understandings with respect thereto.

1.4 Issuance of Capital Stock.

(a) In consideration for the Past Services, VP agrees to acquire at the Closing, and the Company agrees to issue and deliver to VP at the Closing, that number of shares of the Company's Common Stock, $0.0001 par value per share (the "***Common Stock***"), set forth opposite such Founder's name on Schedule B attached hereto for the contribution amount of $0.0001 per share.

(b) In consideration for the contribution of the Founder Assets, Connelly agrees to acquire at the Closing, and the Company agrees to issue and deliver to Connelly at the Closing, that number of shares of Common Stock set forth opposite such

Founder's name on Schedule B attached hereto for the contribution amount of $0.0001 per share (such number of shares issued to Connelly, the "***Connelly Shares***").

(c) In consideration for good and valuable consideration, the receipt and sufficiency of which is acknowledged, and subject to the Call Option (as defined below), MGC agrees to acquire at the Closing, and the Company agrees to issue and deliver to MGC at the Closing, that number of shares of Common Stock set forth opposite such Founder's name on Schedule B attached hereto for the contribution amount of $0.0001 per share (such number of shares issued to MGC, the "***MGC Shares***").

1.5 Assumption of Liabilities.

The Company hereby agrees, at the Closing, to assume, satisfy or perform when due any and all liabilities and obligations whether accrued, matured or unmatured, liquidated or unliquidated, fixed or contingent, known or unknown that are related to the use and ownership of the Founder Assets (collectively, the "***Liabilities***") only to the extent such Liabilities arise on or after the Closing.

1.6 Closing. The above described contributions and issuances of capital stock hereunder shall take place at the offices of Fortis General Counsel, LLP ("***FGC***"), 120 Vantis, Suite 440, Aliso Viejo, California, 92656, at 10:00 A.M. on November ___, 2009, or at such other time and place as the Company and Founders mutually agree upon orally or in writing (which time and place are designated as the "***Closing***"). At the Closing, the Company shall deliver to Founders certificates representing the Common Stock that each Founder is acquiring against Past Services, assignment of Founder Assets or the License and Supply, as applicable.

1.7 Call Option in Favor of the Company.

In the Event of Default (as defined below), the Company shall (provided it is solvent, and upon written request by MGC, provide unaudited financial statements as of such requested date) have the option (the "***Call Option***") to repurchase from MGC all of the MGC Shares on the following terms and conditions:

(a) In the event the Call Option is exercised pursuant to this Section 1.7 on or prior to the third anniversary of the date of Closing, then the aggregate price for all the MGC Shares to be purchased by the Company shall be equal to $1,000.00.

(b) In the event the Call Option is exercised pursuant to this Section 1.7 after the third anniversary of the date of Closing, then the aggregate price for all the MGC Shares to be purchased by the Company shall be equal to the fair market value of such shares as determined by the Company's Board of Directors, with any interested members recusing himself from such determination. Such determination shall include, among other things, the negative impact of the termination of the Medical License Agreement and the Nutritional License Agreement on the valuation of the Company. If MCG and the Company cannot agree on such value within ten (10) days after MGC's receipt of the Call Notice (as defined below), the valuation shall be made by an appraiser of recognized standing selected by the Company and MGC or, if they cannot agree on an appraiser within twenty (20) days after MGC's receipt of the

Call Notice, each shall select an appraiser of recognized standing and the two appraisers shall designate a third appraiser of recognized standing, whose appraisal shall be determinative of such value. The Company and MGC shall share the cost of such appraisal equally.

(c) In electing to exercise the Call Option, the Company shall provide written notice of its intent to exercise the Call Option to MGC (the "***Call Notice***"), a form of which is attached hereto as Exhibit C, which includes the number of MGC Shares subject to the Call Notice. Within fifteen (15) days of providing the Call Notice indicating its intent to exercise the Call Option, MGC shall deliver to the Company the certificate or certificates representing the MGC Shares to be purchased pursuant to the Call Option, each certificate to be properly endorsed for transfer or accompanied by a stock power and assignment duly executed in blank.

(d) Upon the Company's exercise of the Call Option, the Medical License Agreement and the Nutritional License Agreement shall be deemed to be terminated.

(e) The Company, upon receipt of the certificates for the purchased shares, shall pay MGC, by certified check, bank draft or wire transfer, the respective purchase price for the MGC Shares purchased from MGC. Such share certificates and transfers must be held in escrow and the transfers shall not take effect until payment is received by MGC in cleared funds.

(f) MGC shall be bound, upon receipt of the Call Notice, to sell that number of MGC Shares indicated therein pursuant to the terms of this Agreement and to undertake all necessary action, including, but not limited to, the execution of any and all documents and transfer deeds required to complete such sale and transfer of the MGC Shares for consideration received.

(g) For purposes of this Agreement, an "***Event of Default***" shall mean any of the following: (i) the consummation of any liquidation, dissolution or winding up of MGC ("***Liquidation***"), (ii) a Liquidation Event, whereby for purposes of this Agreement, a Liquidation shall be deemed to be occasioned by, or to include, (A) the acquisition of MGC by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation, but excluding any merger effected exclusively for the purpose of changing the domicile of MGC) or (B) a sale of all or substantially all of the assets of MGC; unless MGC's equity holders of record as constituted immediately prior to such acquisition or sale will immediately after such acquisition or sale (by virtue of securities issued as consideration for MGC's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity (each of (A) and (B) as so qualified, a "***Liquidation Event***"), and upon or subsequent to such Liquidation Event, the Nutritional License Agreement and/or the Medical License Agreement is/are terminated by a party other than the Company, (iii) the failure of MGC to perform in any material respect any covenant under this Agreement, (iv) the failure of MGC to perform its duties, responsibilities and/or obligations pursuant to the terms of the Nutritional License Agreement or the Medical License Agreement, (v) any breach in any material respect of any representation or warranty made by MGC hereunder, the Nutritional License Agreement or the Medical License Agreement, (vi) the cessation or threatened cessation by MGC of its business generally or the admission by MGC of

its inability to, or, its actual failure to, pay its debts generally, including but not limited to circumstances where MGC (AA) is adjudged bankrupt or insolvent, (BB) makes an assignment in bankruptcy or otherwise for the benefit of creditors, (CC) files any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future bankruptcy, insolvency or similar statute, law or regulation (a "***Filing***"), (DD) files any answer admitting or not contesting the material allegations of a petition filed against MGC or such subsidiary in any such proceeding, (EE) seeks, consents to or acquiesces in the appointment of any trustee, custodian, receiver or liquidator of MGC or such subsidiary all or any substantial part of its properties (an "***Appointment***"), or (FF) takes any action for the purpose of any of the foregoing, or (vii) a Filing is made against MGC or any of its subsidiaries without its consent and is not stayed or dismissed within sixty (60) days, or an order for an Appointment is entered.

(h) MGC represents and warrants that it currently holds exclusive rights to manufacture WGFE under the license from TGR Biosciences referred to in the Nutritional License Agreement. The Call Option shall terminate upon the expiration of the WGFE patent in the United States (US 5,866,418) on February 2, 2016.

1.8 Reversion Options.

(a) Subsequent to the Closing, the Company shall be seeking additional funding from potential investors for an amount of Five Million Dollars ($5,000,000) for the issuance of Twelve Million Five Hundred Thousand (12,500,000) shares of the Company's Common Stock pursuant to the terms as set forth in that certain Common Stock Purchase Agreement by and among the Company and the Investors (as such term is defined therein), in substantially the form attached hereto as Exhibit D. Such initial capital raising efforts shall be deemed successful if the Company raises not less than Five Million Dollars ($5,000,000) (the "***Financing***").

(b) In the event the Financing does not occur within ninety (90) days from the date of Closing of this Agreement, the Company shall (i) at the option of Connelly, assign the Founder Assets back to Connelly in exchange for the Connelly Shares, and (ii) at the option of MGC, terminate the Medical License Agreement and the Nutritional License Agreement, and all corresponding rights, including the Medical License and the Nutritional License granted to the Company pursuant to the Medical License Agreement, and the Nutritional License Agreement shall revert back to MGC, and the Company shall have a right (such right to be exercisable by the Company by giving notice in writing to MGC within ten (10) days of MGC providing a Reversion Notice (as defined below) to acquire, for no further consideration to MGC, from MGC the MGC Shares (both (i) and (ii), the "***Reversion Options***").

(c) In electing to exercise their respective Reversion Options, Connelly and/or MGC, as applicable, shall provide written notice of his/its intent to exercise their respective Reversion Options to the Company (the "***Reversion Notice***") no later than fourteen (14) days after ninety (90) days from the date of Closing of this Agreement. Within fifteen (15) days of providing the Reversion Notice indicating his/its intent to exercise their respective Reversion

Options, Connelly and/or MGC, as applicable, shall deliver to the Company the certificate or certificates representing the Connelly Shares and/or MGC Shares, as applicable, to be assigned back to the Company pursuant to their respective Reversion Options, each certificate to be properly endorsed for transfer or accompanied by a stock power and assignment duly executed in blank.

(d) Until the completion of the Financing, the Company must not charge, encumber, create any lien over, assign or otherwise dispose of any interest by way of security or otherwise in law or equity in the Founder Assets or the Medical License Agreement and the Nutritional License Agreement, and despite any provision of those agreements to the contrary, the Company shall not prior to completion of the Financing have any right to exercise, perform, assign or sub-contract the performance of any right or benefit under the Medical License Agreement and the Nutritional License Agreement.

2. Representations and Warranties of the Company.

The Company hereby represents and warrants to Founders the following:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company is presently qualified to do business as a foreign corporation in California and each jurisdiction in which the nature of its activities and its properties (both owned and leased) makes such qualification necessary, except for those jurisdictions in which the failure to be so qualified would not have a material adverse effect on the Company's financial condition, operations, business or results of operations (a "***Material Adverse Effect***").

2.2 Capitalization and Voting Rights.

(a) Authorized Stock. Immediately prior to the Closing, the authorized capital of the Company consists of Seventy Five Million (75,000,000) shares of Common Stock, none of which are issued and outstanding and Twenty Seven Million Five Hundred Thousand (27,500,000) shares of which will be issued at the Closing.

(b) Rights to Acquire. Except as set forth in (i) that certain Rights Agreement to be entered into upon Closing by and among the Company and the Founders in the form attached hereto as Exhibit E (the "***Rights Agreement***"), and (ii) that certain Deal Point Memorandum dated July 30, 2009, by and between the Company and Steve Clarkson (the "***Memorandum***"), there are not outstanding any options, warrants, rights (including conversion or preemptive rights) or agreements for the purchase or acquisition from the Company of any shares of its capital stock. In addition, the Company, subsequent to the Closing, intends to reserve (i) Ten Million (10,000,000) shares of its Common Stock for a Performance Pool (as such term is defined in the Rights Agreement), and (ii) Two Million Five Hundred Thousand (2,500,000) shares of its Common Stock for a stock option pool.

(c) Voting of Shares. Except for the Voting Agreement (as defined below) to be entered into by and among the Founders in connection with the Closing, the Company is not a party or subject to any agreement or understanding and, to the Company's knowledge, there is no agreement or understanding between any persons and/or entities which

affects or relates to the voting or giving of written consents with respect to any security or by a director of the Company.

2.3 Subsidiaries.

The Company does not presently own or control, directly or indirectly, any interest in any other corporation, association, or other business entity. The Company is not a participant in any joint venture, partnership, or similar arrangement.

2.4 Authorization.

All corporate action on the part of the Company, its officers and directors and necessary for the authorization, execution and delivery of this Agreement, the Rights Agreement and the Right of First Refusal and Co-Sale Agreement in the form attached hereto as Exhibit F (the "***Co-Sale Agreement***", and together with the Rights Agreement, the "***Related Agreements***"), the performance of all obligations of the Company hereunder and thereunder, and the authorization and issuance of the Common Stock being issued hereunder in exchange for Past Services, the assignment of Founder Assets and the License and Supply has been taken or will be taken prior to the Closing. This Agreement and the Related Agreements constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) to the extent the indemnification provisions contained in the Related Agreements may be limited by applicable federal or state securities laws.

2.5 Valid Issuance of Common Stock.

The Common Stock that is being acquired by Founders hereunder, when issued and delivered in accordance with the terms of this Agreement for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable and will be free of restrictions on transfer, other than restrictions on transfer (i) under this Agreement and the Related Agreements and (ii) under applicable state and federal securities laws.

2.6 Governmental Consents.

No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by this Agreement, except for such consents, approvals, orders, authorizations, registrations, qualifications, designations, declarations or filings which are not required to be obtained prior to the Closing and such filings as are required pursuant to applicable federal and state securities laws and blue sky laws, which filings will be effected within the required statutory period.

2.7 Offering and Issuance of Capital Stock.

Subject in part to the truth and accuracy of the Founders' representations set forth in Section 3 of this Agreement, the offer and issuance of Common Stock as contemplated by this Agreement are exempt from the registration requirements of the Securities Act of 1933, as amended (the "***Act***"), and the qualification or registration requirements of applicable state blue sky laws, as such registration requirements and laws currently exist.

2.8 Litigation.

There is no action, suit, proceeding or investigation pending, or to the Company's knowledge, currently threatened against the Company that questions the validity of this Agreement or the Related Agreements, or the right of the Company to enter into such agreements or to consummate the transactions contemplated hereby, or that might result, either individually or in the aggregate, in any material adverse changes in the business, assets or condition of the Company, financially or otherwise. There is no action, suit, proceeding or investigation by the Company currently pending or that the Company intends to initiate.

2.9 Compliance with Other Instruments.

The Company is not in violation of any material provision of its Amended and Restated Certificate of Incorporation (the "***Restated Certificate***") or Bylaws, nor, to its knowledge, of any instrument, judgment, order, writ, decree or contract, statute, rule or regulation to which the Company is subject and a violation of which would have a Material Adverse Effect. The execution, delivery and performance of this Agreement and the Related Agreements, and the consummation of the transactions contemplated hereby and thereto will not result in any such violation, or be in conflict with or constitute, with or without the passage of time and giving of notice, either a default under any such provision or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture or nonrenewal of any material permit, license, authorization or approval applicable to the Company, its business or operations or any of its assets or properties.

2.10 Agreements; Action.

(a) Except for the agreements explicitly contemplated hereby, there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, affiliates or any affiliate thereof.

(b) Except for the agreements explicitly contemplated hereby and the Memorandum, there are no agreements, understandings, instruments, contracts, proposed transactions, judgments, orders, writs or decrees to which the Company is a party or by which it is bound.

(c) Except for the Promissory Note made by the Company payable to VP in the principal amount of One Hundred Fifty Thousand Dollars ($150,000.00), (the "***Note***"), the Company has not (i) incurred any indebtedness for money borrowed, (ii) made any loans or advances to any person or (iii) sold, exchanged or otherwise disposed of any of its assets or rights.

2.11 Related-Party Transactions.

Except for the Note, no officer or director of the Company or member of his or her immediate family is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of them. To the Company's knowledge, none of such persons, except for Luke Adams, Ryan Page and Scott Connelly, has any direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation that competes with the Company, except that officers or directors of the Company and members of their immediate families may own stock in publicly traded companies that may compete with the Company, provided such ownership does not exceed one percent (1%) of the outstanding voting stock of each such company.

2.12 Permits.

The Company has all franchises, permits, licenses and any similar authority necessary for the conduct of its business as now being conducted by it and as proposed to be conducted by it, the lack of which would have a Material Adverse Effect. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.13 Environmental and Safety Laws.

To its knowledge, the Company is not in violation of any applicable statute, law or regulation relating to the environment or occupational health and safety, and to its knowledge, no material expenditures are or will be required in order to comply with any such existing statute, law or regulation.

2.14 Disclosure.

The Company has fully provided Founders with all the information that Founders have requested for deciding whether to acquire the Common Stock. Neither this Agreement (including all the exhibits and schedules hereto) nor any other statements or certificates made or delivered in connection herewith contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading in light of the circumstances under which they were made.

2.15 Corporate Documents; Minute Books.

Except for amendments necessary to satisfy representations and warranties or conditions contained herein, the Restated Certificate and Bylaws of the Company are in the form previously provided to Founders. The minute books of the Company provided to Founders contain a complete summary of all meetings or actions of directors and stockholders since the time of incorporation and reflect all transactions referred to in such minutes accurately in all material respects.

3. Representations and Warranties of Founders.

Each Founder represents, warrants and covenants, severally, with respect to himself or itself, as applicable, that:

3.1 Authorization

. Founder has full power and authority to enter into this Agreement, the Related Agreements and the Voting Agreement (as defined below), and each such agreement constitutes its or his valid and legally binding obligation, enforceable in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) to the extent the indemnification provisions contained in the Related Agreements or the Voting Agreement may be limited by applicable federal or state securities laws.

3.2 Purchase Entirely for Own Account.

This Agreement is made with Founder in reliance upon Founder's representation to the Company, which by Founder's execution of this Agreement, Founder hereby confirms that the Common Stock to be received by Founder (the "***Founder Stock***", or the "***Securities***") will be acquired for investment for Founder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Founder has no present intention of selling, granting any participation in or otherwise distributing the same. By executing this Agreement, Founder further represents that Founder does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to any of the Securities.

3.3 Disclosure of Information.

Founder believes he has received all the information he/it considers necessary or appropriate for deciding whether to make the assignment of Founder Assets or grant the License and Supply, as applicable, and acquire the Common Stock. Founder further represents that he/it has had an opportunity to ask questions and receive answers from the Company and the other Founders regarding the terms and conditions of the issuance of the Common Stock and the business, properties, prospects and financial condition of the Company. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Founder to rely thereon.

3.4 Investment Experience.

Founder is an investor in securities of companies in the development stage and acknowledges that he/it is able to fend for himself/itself, can bear the economic risk of his/its investment, and has such knowledge and experience in financial or business matters that he/it is capable of evaluating the merits and risks of the investment in the Common Stock.

3.5 Accredited Investor.

Founder is an "accredited investor" within the meaning of SEC Rule 501 of Regulation D, as presently in effect.

3.6 Restricted Securities.

Founder understands that the Securities he/it is acquiring are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such Securities may be resold without registration under the Act only in certain limited circumstances. In the absence of an effective registration statement covering the Securities or an available exemption from registration under the Act, the Common Stock must be held indefinitely. In this connection, Founder represents that he/it is familiar with SEC Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Act, including without limitation the Rule 144 condition that current information about the Company be available to the public.

3.7 Legends.

It is understood that the certificates evidencing the Securities may bear one or all of the following legends:

(a) "THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT."

(b) Any legend required by applicable laws.

3.8 Tax Advisors.

Founder has reviewed with Founder's own tax advisors the federal, state and local tax consequences of this investment, where applicable, and the transactions contemplated by this Agreement. Founder is relying solely on such advisors and not on any statements or representations of the Company or any of its agents and understands that Founder (and not the Company) shall be responsible for each of their own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement.

3.9 Founder Counsel.

Founder acknowledges that Founder has had the opportunity to review this Agreement, the exhibits and the schedules attached hereto and the transactions contemplated by this Agreement with Founder's own legal counsel. Founder is relying solely on Founder's legal counsel and not on any statements or representations of the Company's legal counsel, FGC, for legal advice with respect to this investment or the transactions contemplated by this Agreement.

4. Additional Representations and Warranties of Connelly.

Connelly represents, warrants and covenants, that:

4.1 Title to Founder Assets. Connelly has good, exclusive and marketable title to all of the Founder Assets, whether tangible or intangible, free and clear of all Encumbrances. Title to all of the Founder Assets is freely transferable from Connelly to Company, free and clear of all Encumbrances, without obtaining the consent or approval of any person or entity. Upon consummation of the transactions contemplated hereby, Company will have acquired good and marketable title in and to all of the Founder Assets, free and clear of all Encumbrances. As used in this Section 4, the term "***Encumbrance***" shall mean any pledge, lien, collateral assignment, security interest, deed of trust, mortgage, title retention device, claim, conditional sale or other security arrangement, or any charge, adverse claim of title, ownership or right to use or any other encumbrance of any kind whatsoever.

4.2 Sufficiency of Assets. To Connelly's knowledge and notwithstanding the License and Supply, the Founder Assets constitute all assets, rights and intellectual property rights that are necessary to enable Company, following the Closing, to conduct and operate the Company Business as proposed to be conducted without the need for the Company to acquire or license any other intangible asset, intangible property or other intellectual property rights. All tangible personal property included in the Founder Assets is in good operating condition and repair, normal wear and tear excepted. There are no claims relating to the Founder Assets that are pending or threatened, which would be reasonably expected to materially and adversely affect (i) Company's ownership or clean title of and to any of the Founder Assets or (ii) right to use any of the Founder Assets following the Closing.

4.3 No Adverse Claims. To Connelly's knowledge, the use, development, manufacture, marketing, license, sale, furnishing or intended use of the Founder Assets in the conduct of the Company Business as presently proposed to be conducted by the Company does not violate any license, contract, agreement, arrangement, commitment or undertaking between Connelly and any third party or infringe or misappropriate any intellectual property right of any other party, including copyrights, trademarks or patents. There is no pending or, to Connelly's knowledge, threatened claim or litigation contesting the validity, ownership or right of Connelly to own or exercise any rights related to any of the Founder Assets, nor has Connelly received any notice asserting that any Founder Assets, or the proposed use, assignment, sale, license or disposition thereof, as applicable, conflicts or will conflict with the rights of any other party.

5. California Commissioner of Corporations.

5.1 Corporate Securities Law. THE SALE OF THE SECURITIES THAT ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION FOR SUCH SECURITIES PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

6. Conditions of Founders' Obligations at Closing.

Founders' obligations under Section 1 of this Agreement are subject to the fulfillment on or before the Closing of each of the following conditions:

6.1 Representations and Warranties.

The representations and warranties of the Company contained in Section 2 and of Connelly contained in Section 4 shall be true on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the date of such Closing.

6.2 Performance.

The Company and Connelly shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it or him, as the case may be, on or before the Closing.

6.3 Consents, Permits and Waivers.

The Company shall have obtained any and all consents, permits and waivers necessary or appropriate for consummation of the transactions contemplated by the Agreement and the Related Agreements (except for such as may be properly obtained subsequent to the Closing).

6.4 Qualifications.

All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance of the Securities in the Closing pursuant to this Agreement shall be duly obtained and effective as of the Closing, other than such authorizations, approvals or permits or other filings which may be timely made after the Closing.

6.5 Proceedings and Documents.

All corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to Founders, and they shall have received all such counterpart original and certified or other copies of such documents as they may reasonably request.

6.6 Restated Certificate.

The Restated Certificate shall have been filed with the Secretary of State of the State of Delaware and shall continue to be in full force and effect as of the Closing.

6.7 Board of Directors.

Upon Closing, the Board of Directors shall consist of Ryan Page, Scott Connelly, one (1) vacancy to be filled by MGC, one (1) vacancy to be filled by VP and one (1) vacancy to be determined by a majority of the Board.

6.8 Rights Agreement.

The Company and Founders shall each have entered into the Rights Agreement.

6.9 Co-Sale Agreement.

The Company and Founders shall each have entered into the Co-Sale Agreement.

6.10 Voting Agreement.

The Founders shall each have entered into the Voting Agreement, the form of which is attached hereto as Exhibit G (the "***Voting Agreement***").

6.11 Nutritional License Agreement. The Company and MGC shall each have entered into the Nutritional License Agreement.

6.12 Medical License Agreement. The Company and MGC shall each have entered into the Medical Agreement.

6.13 Connelly Agreement. The Company and Connelly shall have entered into the Connelly Agreement in the form attached hereto as Exhibit H (the "***Connelly Agreement***").

7. Conditions of the Company's Obligations.

The obligations of the Company to the Founders under Section 1 of this Agreement in connection with the Closing are subject to the fulfillment on or before the Closing of each of the following conditions:

7.1 Representations and Warranties.

The representations and warranties of the Founders contained in Sections 3 and 4 shall be true on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the Closing.

7.2 Receipt of Founder Assets. Connelly shall have assigned and delivered to the Company the Founder Assets as specified in Section 1.2 of this Agreement on or prior to the Closing.

7.3 Qualifications.

All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection

with the lawful issuance and sale of the Securities in the Closing pursuant to this Agreement shall be duly obtained and effective as of the Closing, other than such authorizations, approvals or permits or other filings which may be timely made after the Closing.

7.4 Rights Agreement.

The Company and Founders shall each have entered into the Rights Agreement.

7.5 Co-Sale Agreement.

The Company and Founders shall each have entered into the Co-Sale Agreement.

7.6 Voting Agreement.

The Founders shall each have entered into the Voting Agreement.

7.7 Nutritional License Agreement. The Company and MGC shall each have entered into the Nutritional License Agreement.

7.8 Medical License Agreement. The Company and MGC shall each have entered into the Medical Agreement.

7.9 Connelly Agreement. The Company and Connelly shall have entered into the Connelly Agreement.

8. Miscellaneous.

8.1 Survival.

The warranties, representations and covenants of the Company and the Founders contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of the Founders or the Company.

8.2 Successors and Assigns.

Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

8.3 Governing Law.

This Agreement shall be governed by and construed under the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

8.4 Titles and Subtitles.

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

8.5 Notices.

All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the address as set forth on the signature page hereof or at such other address as such party may designate by ten days' advance written notice to the other parties hereto.

8.6 Finder's Fee.

Each party represents that it neither is nor will be obligated for any finders' fee or commission in connection with this transaction. Founders agree to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finders' fee (and the costs and expenses of defending against such liability or asserted liability) for which Founders or any of their partners or representatives are responsible. The Company agrees to indemnify and hold harmless Founders from any liability for any commission or compensation in the nature of a finders' fee (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

8.7 Expenses.

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the Restated Certificate or the Related Agreements, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

8.8 Amendments and Waivers.

Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and each of the Founders holding the Common Stock that is issuable or issued pursuant to this Agreement. Any amendment or waiver effected in accordance with this Section 8.8 shall be binding upon the holder of any Securities issued under this Agreement at the time outstanding (including securities

into which such securities are convertible), each future holder of all such Securities and the Company.

8.9 Severability.

If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

8.10 Aggregation of Stock.

All shares of the Common Stock held or acquired by affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

8.11 Entire Agreement.

This Agreement, the exhibits and schedules thereto, and the documents referred to herein constitute the entire agreement among the parties and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth herein or therein.

8.12 Waiver of Conflicts.

Each party to this Agreement acknowledges that FGC, outside general counsel to the Company, has in the past performed and is or may now or in the future represent one or more Founders or their affiliates in matters unrelated to the Contribution, including representation of such Founders or their affiliates in matters of a similar nature to the Contribution. The applicable rules of professional conduct require that FGC inform the parties hereunder of this representation and obtain their consent. FGC has served as outside general counsel to the Company and has negotiated the terms of the Contribution solely on behalf of the Company. The Company and each Founder hereby (a) acknowledge that they have had an opportunity to ask for and have obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation; (b) acknowledge that with respect to the Contribution, FGC has represented solely the Company, and not any Founder or any director, officer, member, manager or employee of the Company or any Founder; and (c) gives its informed consent to FGC's representation of the Company in the Contribution.

8.13 Electronic Signature and Delivery.

Electronic signature and delivery of this Agreement (whether by fax, email or otherwise) shall be equally effective as delivery of a manually executed tangible original of the same.

8.14 Counterparts.

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

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:

PROGENEX DAIRY BIOACTIVES, INC.
a Delaware corporation

By: _____
Ryan Page
President

Address: 3197B Airport Loop Drive
Costa Mesa, CA 92626

[SIGNATURE PAGE TO CONTRIBUTION AGREEMENT]

FOUNDERS:

VENTUREPHARMA LLC
a Wyoming limited liability company

By: _____
Ryan ~~Page~~ O
Manager

Address: 3197B Airport Loop Drive
Costa Mesa, CA 92626

_____
SCOTT CONNELLY

Address: _____
_____

MURRAY GOULBURN CO-OPERATIVE CO. LIMITED
an Australian entity

By: _____
Name: STEPHEN O'ROURKE
Title: MANAGING DIRECTOR.

Address: 140 DAWSON ST
BRUNSWICK, VICTORIA, AUST.
3437

SCHEDULE A

FOUNDER ASSETS

The "***Founder Assets***" shall mean and include all of the following that are necessary or related, either directly or indirectly, to the operation of the Company Business as currently proposed to be conducted as of the date of Closing, whether now owned by Founder or held by Founder under any licenses, sublicenses or lease (or similar grants of rights), or thereafter acquired:

(a) Any and all formula, trade secrets, know-how, processes, designs, techniques, confidential business information and other proprietary information and technologies related to, or involving dairy bioactive proteins (proteins that require manufacturing methods beyond conventional processing in order to enrich the end product with specific fraction(s)) and any application or derivative thereof with respect to medical, fat-loss and/or metabolic syndrome formulations; and

(b) Any and all of the following and all rights in, arising out of, or associated therewith, anywhere in the world, as related to, or involving, the business and/or products currently developed and promoted as "Progenex" or "Progenex SRG": (i) all trademarks (including, but not limited to, US 006 018 044 046 051 052 - nutraceuticals for use as a dietary supplement, and US 006 018 044 046 051 052 - dietary and nutritional supplements), service marks, trade dress, trade names, brand names, Internet domain names and Uniform Resource Locators ("***URLs***"), designs, logos, or corporate names (including, in each case, the goodwill associated therewith), whether registered or unregistered, and all registrations and applications for registration thereof; (ii) all customers, trade secrets, confidential business information, concepts, ideas, designs, research or development information, formulas, processes, procedures, techniques, technical information, specifications, methods, know-how, data, mask works, discoveries, inventions, modifications, extensions, improvements, and other proprietary rights (whether or not patentable or subject to copyright, trademark, or trade secret protection); (iii) all software; (iv) all databases and data collections and rights therein and (v) any similar or equivalent rights.

SCHEDULE B

CAPITAL STOCK CONSIDERATION

Contributor	Property Contributed	Value of Property Contributed	Capital Stock Issued for Contribution
VenturePharma LLC	Past Services	$500.00	5,000,000 Shares of Common Stock
Scott Connelly	Founder Assets	$1,000.00	10,000,000 Shares of Common Stock
Murray Goulburn Co-operative Co. Limited	Consideration as set forth is the Agreement	$1,000.00	10,000,000 Shares of Common Stock

EXHIBIT H

CONNELLY AGREEMENT

CONNELLY AGREEMENT

I consent to the non-exclusive use by Progenex Dairy Bioactives, Inc. (the "***Company***") of my name, likeness and biographical material for art, editorial, publications purposes, and the Company's promotional, advertising and marketing or trade purposes and all media, including but not limited to, print, video, electronic, internet and digital formats whether now known or hereafter created (collectively, the "***Work Product***"). Additionally, I consent to the non-exclusive use of my name and likeness for any and all shows, video, and films that the Company sponsors, produces, or is somehow connected with.

I acknowledge and agree that any and all Work Product shall be subject to my review and approval, and any and all Work Product shall be the sole and exclusive property of the Company.

I hereby release the Company, its' affiliates, partners, directors, officers, employees, successors, assigns (collectively, the "***Affiliates***") from any and all liability, from injury, loss or damage of any kind arising out of or resulting from my presence throughout the photographic shooting, participation in, appearance in, and use of any photographs thereof. Furthermore, I hereby release the Company and its Affiliates from any liability by virtue of any blurring, distortion, alteration, optical illusion, or use in composite form, whether intentional or otherwise, that may occur or be produced, or any unintentional misspellings or inaccuracies.

I waive all rights I may have to any claims for payment or royalties in connection with any exhibition, televising or other publication of my name, likeness and biographical material. I further waive any right to inspect or approve any photo, video or film taken by the Company.

I certify that I am not exclusively signed in any way with a modeling or talent agency, agent, manager, or casting director. I declare that I am eighteen (18) years old or older and am legally competent to execute this release. I understand that the terms contained herein are contractual and not mere recital, that this instrument is legally binding and that I have voluntarily signed this document.

Date: November ___, 2009

SCOTT CONNELLY

Address: _____

_____

ACKNOWLEDGED AND AGREED:

PROGENEX DAIRY BIOACTIVES, INC.

By: _____

Ryan Page
President

EXHIBIT “C”

-------- Original Message --------
Subject: FW: Scott's Page
From: Aspi <daspi@k9rx.com>
Date: Thu, May 13, 2010 11:01 am
To: Vince Andrich <vince@progenexusa.com>

Vinnie D! Hey should we have a "Tag Line" under Dr. Connelly.com? Like "Bringing the future of nutritional sting operations to a douche bag near you" or a reasonable facsimile? LMAO! Something though don't you think? Also, need the text for "About Dr. C" He said you and he wrote something? Let me know...

------ Forwarded Message
From: David Caetta <caetta@verizon.net>
Date: Wed, 12 May 2010 15:29:04 -0700
To: Aspi <daspi@k9rx.com>
Cc: Scott Connelly <scott@bodyrx.com>
Subject: Re: Scott's Page

Don,

Please find updated art for website to review.

As you roll over image a red glow will appear (as shown in attached file).

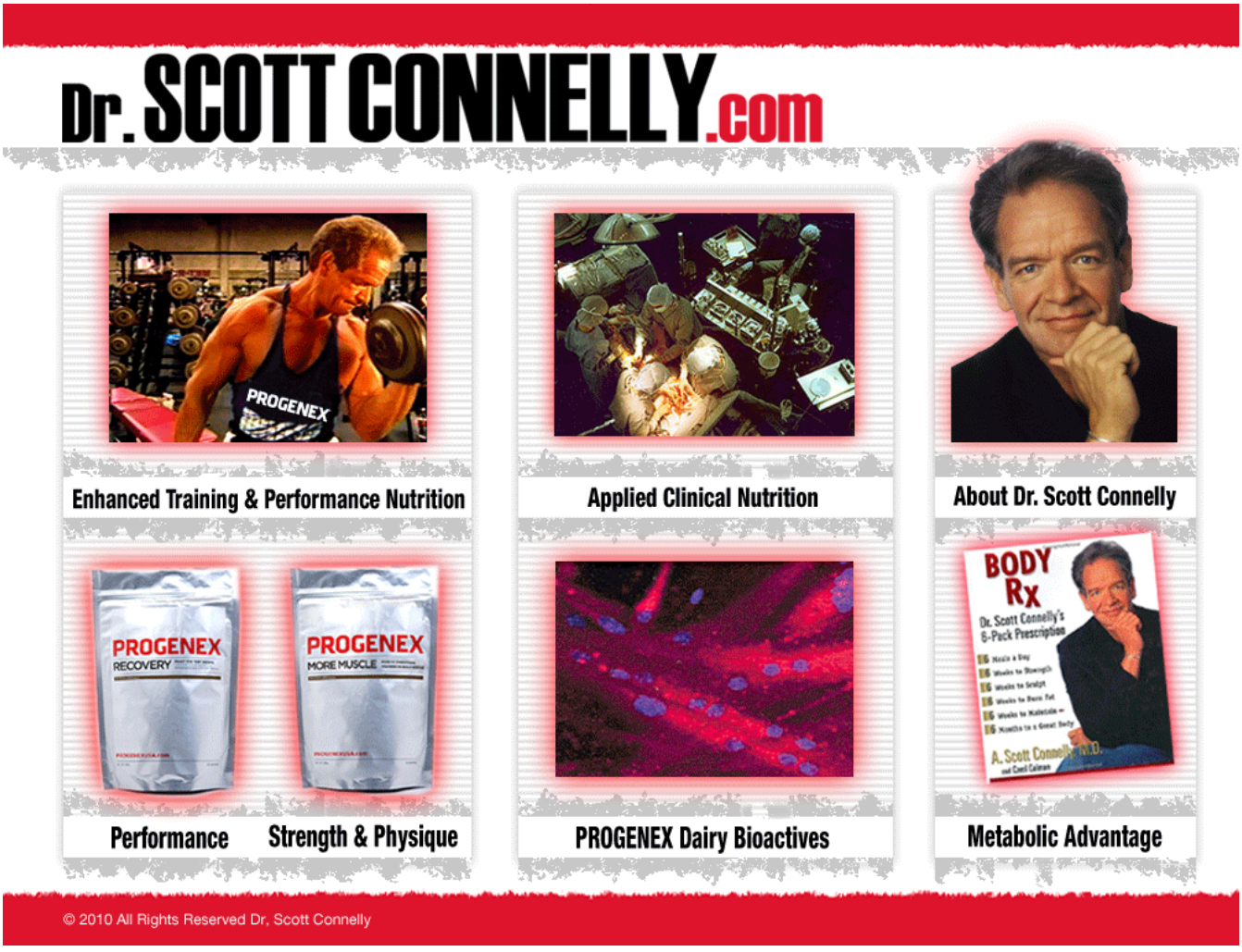
Let me know if you have other improvements.

Thank you,
Dave

From: Adam <adam@xvulture.com>
Subject: **Re: [FWD: FW: Scott's Page]**
Date: June 29, 2010 9:41:51 AM PDT
To: adam@mercuryventures.com, rpage@mercuryventures.com
Cc: dvendler@mpplaw.com, jhayashi@fortisgc.com
1 Attachment, 248 KB

-------- Original Message --------
Subject: FW: Scott's Page
From: Aspi <daspi@k9rx.com>
Date: Thu, May 13, 2010 11:01 am
To: Vince Andrich <vince@progenexusa.com>

Vinnie D! Hey should we have a “Tag Line” under Dr. Connelly.com? Like “Bringing the future of nutritional sting operations to a douche bag near you” or a reasonable facsimile? LMAO! Something though don’t you think? Also, need the text for “About Dr. C” He said you and he wrote something? Let me know...



On May 11, 2010, at 9:40 PM, Aspi wrote:

Here are the changes:

Make the tank top on the curling shot say Progenex (He wants a copy of the original when you're done)

Make the attached Dr.Scott Connelly.com logo all on one line and use that (One of his bakery barn guys did it)

Under that "Myoblast" image – Progenex Dairy Bioactives.

Delete "The" in "The Meatbolic Advantage" so it just says "Metabolic Advantage"

Increase all type 1pt

Can you make the links rollovers so that when you rollover they pop out larger and say where they are going? For instance

Recovery bag - "Learn about Progenex Recovery" & link it back to appropriate Progenex page

More Muscle bag - "Learn about Progenex More Muscle" & link it back to appropriate Progenex page

Dr. Connelly photo - "About Dr. Connelly" & link it. (text to come)

Book Photo - "Body-Rx" & link it to bodyrx.com

Applied Clinical Nutrition photo - "OC Register Article featuring Dr. Connelly" & link it (text to come)
<DRSCONNELLY_HAT_VB21.ai>

------ End of Forwarded Message

=

EXHIBIT "D"

-------- Original Message --------
Subject: Douche Bags
From: Aspi <daspi@k9rx.com>
Date: Mon, May 17, 2010 9:28 am
To: Scott Connelly <scott@bodyrx.com>
Cc: Vince Andrich <vince@progenexusa.com>

Here's the info on Adam's uncle who I saw from time to time working in the office. My friend said he was just laid off from Xbanker but was waiting to be hired by Shared Success or Progenex. It's a long shot but maybe his name is on some of Adam's sham corporations...

Paul Arnold (Probably an alias)

New York Security & Private Patrol
26895 Aliso Creek Road, Suite B253 Aliso Viejo, Ca 92656-5301
Phone: (949)916-3034 Fax:(949)916-3035

LICENSES: PPO 15037 ACO 5992

PROOF OF SERVICE

STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES.

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is: 180 South Lake Avenue #540, Pasadena, California 91101

On **AUGUST 30, 2010**, I caused the foregoing document described as **FIRST AMENDED COMPLAINT** on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as follows:

Samuel Krane, Esq. Ralph C. Loeb, Esq. KRANE & SMITH 16255 Ventura Boulevard, Suite 600 Encino, California 91436-2302 sam@kranesmith.com ralph@kranesmith.com	Attorneys for Defendant and Cross-Complainant SCOTT CONNELLY
Mark Frazier, Esq. Larry Cerutti, Esq. Alejandro S. Angulo, Esq. RUTAN & TUCKER, LLP 611 Anton Boulevard, 14th Floor Costa Mesa, CA 92626 mfrazier@rutan.com	Co-Counsel for Defendant and Cross-Complainant SCOTT CONNELLY
Heather Linn Rosing, Esq. David M. Majchrzak, Esq. Talia E. Shandling, Esq. KLINEDINST PC 501 West Broadway, Suite 600 San Diego, California 92101 619/239-8131, ext. 2229 619/238-8707 (Facsimile	Attorney for Cross-Defendants JOE HAYASHI & FORTIS GENERAL COUNSEL, LLP
Vince Andrich 3678 El Encanto Drive Calabasas, CA 91302	In Pro Per

√* **BY MAIL**

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with U.S. Postal Service on that same day with postage thereon fully prepared at Pasadena, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid

if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

BY PERSONAL SERVICE I caused such envelope to be delivered by hand to the offices of the addressee listed above.

_

BY FACSIMILE TRANSMISSION: From Fax No. to Fax No. indicated above. The facsimile machine I used complied with Rule 2003(3), and no error was reported by the machine. Pursuant to Rule 2005(i), I caused the machine to print a record of the transmission, a copy of which is attached to this declaration.

X **BY EMAIL:** I caused the document to be transmitted by electronic mail to the email addresses set forth for each of the recipients and known to me to be the current and correct electronic mail addresses and used by those individuals. I did not receive any communication that the emails were not transmitted, nor were they returned as undeliverable.

_X__ I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on **AUGUST 30, 2010**, at Costa Mesa, California

MICHAEL R. BROWN