

PRESS RELEASE

Regeneus sets platform for next phase of development

Sydney, Australia – 24 November 2014

- **Regeneus concludes strategic review**
- **Streamlines management structure, operations and reduces costs**
- **Successfully completes key manufacturing developments**
- **Increases focus on partnering for commercialisation of products**

Regenerative medicine company, Regeneus Ltd (ASX: RGS), announces that it has completed a strategic review of the business resulting in the company taking a number of measures to streamline its management structure, operations and reduce costs. These changes are in line with the business strategy that was outlined at the recent AGM and are now being implemented for increased focus on business and operational efficiency. Completion of the early stage research and development phases for a number of products now allows a greater focus on partnering and commercialisation.

New CEO John Martin said "our review identified a number of opportunities for streamlining our management structure and operations without having any significant impact on meeting our business and product development milestones for the next 18 months. We have increased our focus on licensing commercialisation partners for the co-development and distribution of products. HiQCell, Kvax and our stem cell secretions cream are all at the stage where they can be commercialised and we are currently engaged with a number of parties about the distribution of these products. We are also in discussions with potential partners about the licensing, development and distribution of our allogeneic stem cell products CryoShot and Progenza (PRG)".

The cost reductions are a result of the completion of various product development and manufacturing costs and a reduction in headcount.

"We have successfully completed an expensive phase in the development of our products. The Kvax vaccine manufacturing process is complete and has been transferred to Hennessey, our manufacturing partner in the US. The manufacture process for canine CryoShot has been transferred to Lonza, our manufacturing partner in the US and is undergoing final scale-up development prior to cGMP manufacture. Product manufacture and pre-clinical safety studies are near completion for Progenza (PRG) in readiness for the first-in-man safety trial" said John Martin.

The streamlining measures and cost reductions means that the company is on track to meet its reduced quarterly cash burn target of \$1.7m as outlined at the recent AGM giving the company an expected two year cash runway.

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About Regeneus:

Regeneus Ltd (ASX: RGS) is a Sydney-based ASX listed regenerative medicine company that develops and commercialises stem cell and other biological therapies for the human and veterinary health markets with a focus on musculoskeletal and oncology conditions. The company has a product platform that includes

autologous (patient's cells) products and allogeneic (donor cells) products.

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