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Placement and Share Purchase Plan

- **Successfully completed A$1.5m placement** including A$250k from Directors (subject to shareholder approval) and Management
- **Share purchase plan** for eligible shareholders expected to launch on Thursday, 14 Dec 2017
- Combined proceeds to be used to **accelerate CelGro® commercialisation and progress US regulatory approvals and key studies; advance the development of Ortho-ATI® and other R&D pipeline products**

Perth, Australia; 13 December 2017: Regenerative medicine company Orthocell Limited (ASX:OCC, "Orthocell" or the "Company") is pleased to announce that it has successfully completed a placement to raise A$1.5 million (before costs) at A$0.34 per share ("Placement").

The Placement will be followed by an offer to all existing eligible Australian and New Zealand shareholders to participate in a Share Purchase Plan ("SPP").

Orthocell Managing Director Paul Anderson said: *"The funds from the placement and the SPP will allow us to pursue the commercialisation of CelGro® in Europe, progress key US regulatory approvals, and advance Ortho-ATI® and key pipeline products. Orthocell is well positioned to execute its business strategy, drive further growth and deliver shareholder value."*

Placement

The Placement to new and existing professional and sophisticated investors was achieved through the issue of approximately 4,411,765 shares at an offer price of A$0.34 per share. Directors (subject to shareholder approval) and management have committed A$250k in the Placement. The offer price represents a discount of 11.7% to the last close and a 12.0% discount to the 5-day volume weighted average price.

Shares issued under the Placement will be fully paid ordinary shares in the capital of the Company. The shares issued will be pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1.

Share Purchase Plan

Following completion of the Placement, eligible shareholders will have an opportunity to subscribe for new Orthocell shares, by way of a non-underwritten SPP, at the Placement price of A$0.34 per share (without incurring brokerage or transaction fees).

Under the SPP, each eligible shareholder on Orthocell's register at 5:00pm (AEDT) on 12 December 2017 (Record Date), and whose registered address on the share register is in Australia or New Zealand, is entitled to acquire up to A$15,000 worth of new shares in the Company. An SPP Offer Booklet with further details on the SPP will be dispatched to eligible shareholders in the next week.

The Orthocell Board reserves the right to scale back applications and / or close the offer early. The timetable is indicative only and Orthocell may, at its discretion, vary any of the below dates by lodging a revised timetable with the ASX. The commencement of trading of new shares is subject to confirmation from the ASX.

Use of funds

The combined proceeds and cash reserves to be used to accelerate CelGro® commercialisation and progress US regulatory approvals and key studies, advance the development of Ortho-ATI® and other R&D pipeline products.

Proposed timetable

The proposed timetable for the Placement and SPP is as follows:

Event	Date
SPP Record Date	5pm AEDT, Tuesday, 12 Dec 2017
Announcement of Placement and SPP and Company resumes trading	Wednesday, 13 Dec 2017
Release of SPP Offer Booklet	Thursday, 14 Dec 2017
SPP Opening Date	Monday, 18 Dec 2017
Settlement of Placement New shares	Tuesday, 19 Dec 2017
Allotment of Placement New Shares	Wednesday, 20 Dec 2017
SPP Closing Date and announcement of SPP results	Friday, 29 December, 2017
Allotment of SPP New Shares	Friday, 5 January, 2018

As a result of this annoucement, Orthocell will resume trading from the commencement of trading today. Shaw and Partners acted as sole Lead Manager to the equity raising.

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For more information, please contact:

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About Orthocell Limited

Orthocell is a regenerative medicine company focused on regenerating mobility for patients by developing products for the repair of a variety of tendon, cartilage and soft tissue injuries. Orthocell's portfolio of products include TGA-licensed cell therapies Autologous Tenocyte Implantation (Ortho-ATI®) and Autologous Chondrocyte Implantation (Ortho-ACI®), which aim to regenerate damaged tendon and cartilage tissue. The Company's other major product is CelGro®, a collagen medical device which facilitates tissue repair and healing in a variety of orthopaedic, reconstructive and surgical applications and is being readied for first regulatory approvals.

For more information on Orthocell, please visit www.orthocell.com.au or follow us on Twitter **@Orthocellltd** and Linkedin www.linkedin.com/company/orthocell-ltd