

ASX Announcement

Osteoarthritis cell therapy, HiQCell®, shows continuing significant patient improvements at 2 years post-treatment

Sydney, Australia – 19 August 2014

Regenerative medicine company, Regeneus (ASX: RGS) announced further results from the clinical research study that is tracking the safety and effectiveness of its innovative cell therapy, HiQCell®, in the treatment of osteoarthritis.

The interim report of 386 patients as at 21 July 2014 has found that:

- Pain has continued to reduce at 2 years post treatment
- At 1 year post-treatment, 63 of 86 patients reported more than a 30% reduction in pain
- At 2 years post treatment 14 of 17 patients reported more than a 30% reduction in pain. These 14 patients experienced an average pain reduction of 84% at 2 years post-treatment (Figure 1).
- Patients also reported significant improvements from pre-treatment in knee function, sleep quality and reduced pain medications
- HiQCell is a safe therapy and well tolerated by patients.

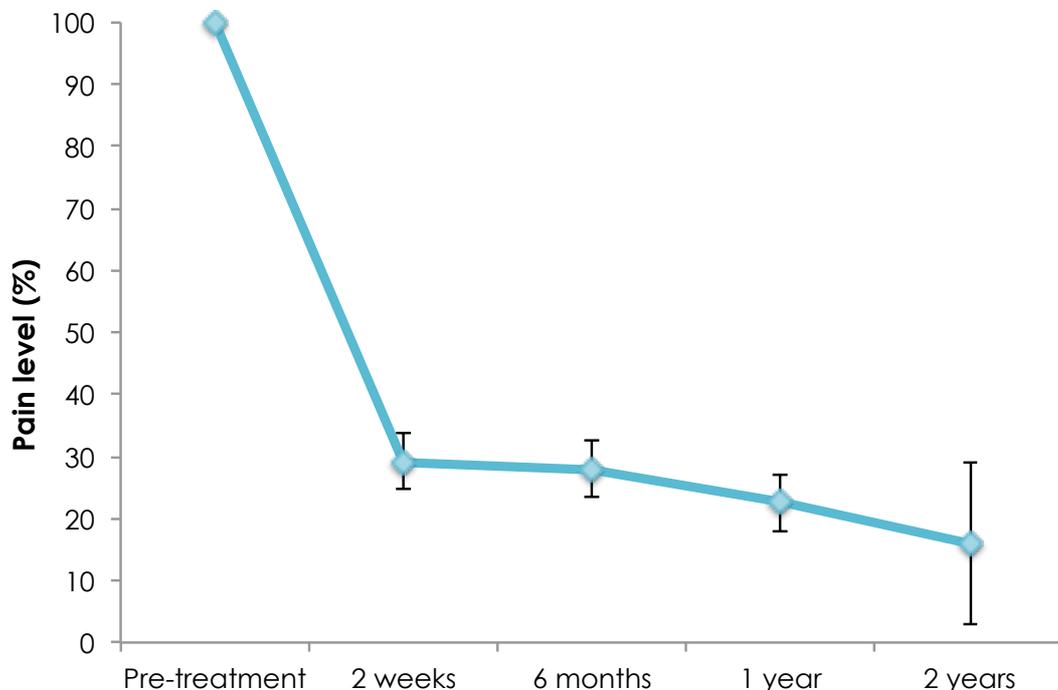


Figure 1: Pain reduction for responders (95% CI)
Responder: $\geq 30\%$ pain reduction from pre-treatment

The HiQCell Joint Registry is the first of its kind in the long-term follow-up of patients undergoing stem cell therapy using the patient's own fat-derived stem cells. The study has been approved by a human research ethics committee. As at 21 July 2014, a total of 386 patients are included in the Joint Registry. Patients in the Registry will continue to be followed for up to 5 years with analysis updated regularly.

Professor Graham Vesey, CEO of Regeneus, comments, "The registry data is demonstrating that HiQCell has a therapeutic benefit for longer than 2 years. We are now also beginning to see very encouraging data from patients that have had cells frozen for future injections. This combination of the long-term effect from HiQCell and the successful storage of cells for repeat injections in the future, means that HiQCell can be used to treat joint pain for many years. This is particularly important for patients that are too young for joint replacement or are simply looking to delay joint replacement".

The full report will be available to read on the HiQCell website www.hiqcell.com.au.

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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 marketed autologous (patient's cells) product using adipose (fat) derived stem cells to treat human osteoarthritis (OA), HiQCell, which has been used to treat over 1000 arthritic joints. The company plans to commence a clinical trial of allogeneic (donor cells) adipose stem cells to treat human OA in Q2 2015.

Regeneus' lead product for the veterinary health market is CryoShot, a clinical stage allogeneic adipose stem cell product for the treatment of canine and equine OA. CryoShot canine is scheduled for a US registration trial in Q4 2015. Regeneus has a clinical stage autologous therapeutic cancer vaccine, Kvax, which will commence marketing trials in the US and Australia in Q4 2014. The company has also acquired in July 2014 the exclusive rights to commercialise the vaccine technology for human applications and plans to commence a first-in-man study in Q1 2015.

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