

## ASX RELEASE

### Regeneus to raise capital through share Placement and SPP to accelerate new product developments

Sydney, Australia – 8 August 2014

Regeneus Ltd (ASX: RGS) today announces that it proposes to raise up to A\$6.0m through a share Placement to institutional and sophisticated investors and Share Purchase Plan for existing shareholders (SPP).

John Martin, Executive Chairman of Regeneus said, "these funds will enable us to accelerate important new product developments particularly for our personalised human and canine cancer vaccines and our off-the-shelf stem cell therapy for human osteoarthritis. We are pleased with the interest and support from institutional and sophisticated investors for Regeneus' product development pipeline in the fast growing field of cell-based regenerative medicine".

#### Private Placement

The share Placement of new ordinary shares will be at an issue price of \$0.26 to institutional and sophisticated investors with one free attaching option for every three new shares issued to raise a total of \$3 million. The unlisted options will have an expiry date 12 months from issue date and each option carries an entitlement to one new ordinary share on payment of exercise price of \$0.40 per option.

Settlement of the Placement is expected on 13 August 2014.

On allotment, shares issued under the Placement will rank pari passu with existing ordinary shares and are fully tradable on ASX.

The Placement is being lead managed by Peloton Capital.

#### Share Purchase Plan

Regeneus also announces that it will offer existing shareholders the ability to subscribe for up to \$15,000 worth of Regeneus fully paid ordinary shares at a subscription price of \$0.26 per share under a SPP to raise up to A\$3m. The SPP offer will **not** include any attaching options.

On allotment, shares issued under the SPP will rank pari passu with existing ordinary shares and are fully tradable on ASX.

Further details, will be advised to shareholders shortly. Set out below is the expected timetable for completion of the Placement and SPP.

### Expected Transaction Timetable

Record Date	Thursday, 7 August
Announcement of SPP with Placement and lifting of trading halt	Friday, 8 August (before market open)
Settlement of Placement and issue of placement shares and despatch of holding statements	Wednesday, 13 August
Lodge SPP Offer documents with ASX Despatch follows	Friday, 15 August
SPP Opens	Monday, 18 August
SPP Closes	Monday, 1 September
Expected date for allotment and despatch of holding statements to shareholders	Monday, 8 September

### Use of Funds

The funds will be used to accelerate our product developments, indicatively allocated as follows:

ACTIVITY	A\$m
Human Health	
<ul style="list-style-type: none"> <li>HiQCell – market development including Singapore</li> </ul>	0.9
<ul style="list-style-type: none"> <li>Progenza – pre-clinical and first-in-man trial</li> </ul>	1.8
<ul style="list-style-type: none"> <li>Human Cancer Vaccine – pre-clinical and first-in-man trial</li> </ul>	1.6
Veterinary Health	
<ul style="list-style-type: none"> <li>Canine Cancer Vaccine – marketing trials and early commercialisation activities in US/AUS</li> </ul>	0.8
R&D	0.65
Transaction costs	0.25
<b>Total</b>	<b>6.0</b>

**Cash resources**

These funds together with cash reserves at 30 June 2014 (A\$2.5m), R&D tax rebate of approximately A\$3.3m (expected in late September 2014) and future sales revenues provides Regeneus with a sound funding platform to progress its business and product development activities.

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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 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.