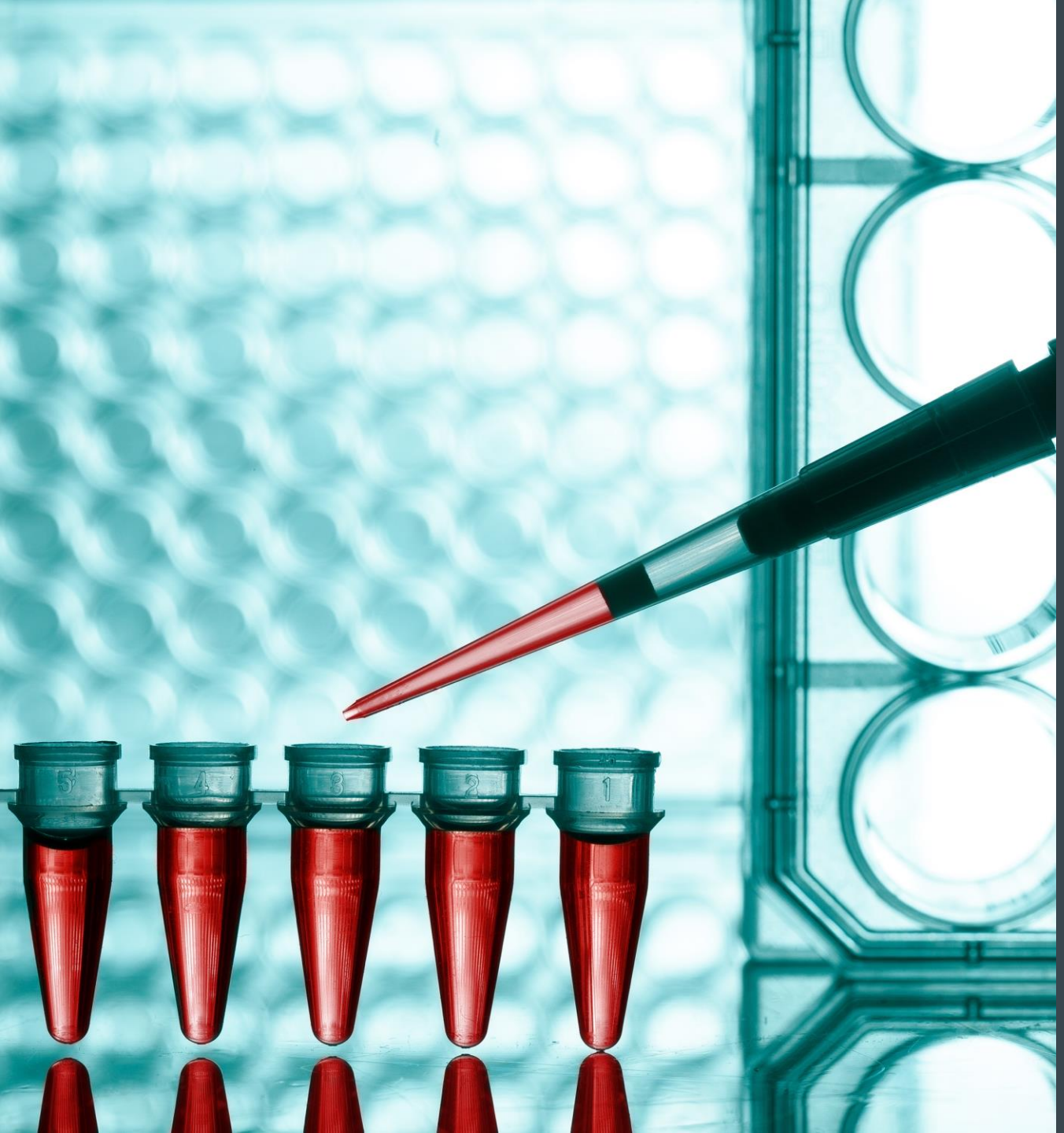
ortho·cell
advancing tissue repair & regeneration

Investor update

October 2018



Orthocell overview

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Corporate overview

Orthocell is a regenerative medicine company delivering breakthrough products that restore mobility and function

Share price performance

Trading information

Share price (26-Oct-18)	A$0.220
Shares on issue[1]	110.2m
Market capitalisation	**A$24.2m**
Cash (as at 30-Jun-18)[2]	A$2.9m
Debt (as at 30-Jun-18)	-
Enterprise value	**A$21.3m**

Top shareholders (as at Jul-18)

Stone Ridge Ventures – *Associated with non-executive director*	9.3%
Ming Hao Zheng – *CSO and founder*	6.7%
Paul Anderson – *Managing director*	6.4%
Qi Xiao Zhou – *Non-executive director*	5.4%
Mr Jia Xun Xu – *Former director*	5.0%

1. Excludes 12.1m unquoted warrants with exercise price $0.58, expiry 19-Nov-2020 and 16.0m unquoted options with exercise prices ranging from $0.51-$0.65 and expiry dates between Feb-2019 and Jun-2020
2. Excludes R&D tax incentive refund of A$2.5m received in October 2018

Board of directors

Experienced Board with prior success commercialising regenerative medicine

Dr Stewart James Washer
Chairman

- 20+ years' CEO and board experience
- Commercialisation, capital markets and corporate advisory

Paul Anderson
Managing Director

- 20+ years' regenerative medicine experience
- Former MD of Verigen Australia
- Extensive experience in commercialising emerging technologies

Matthew Callahan
Board Member

- Developed 3 FDA approved products
- Previous investment director of 2 VC firms (life science focus)
- Extensive corporate and IP experience

Professor Lars Lidgren
Board Member

- World leading innovator in the orthopaedic space
- Entrepreneur and founder of multiple biotech companies (Scandimed, Bone Support, AMeC and GWS)

Mr Qi Xiao Zhou
Board Member

- 15+ years' in China as a senior business manager and executive
- Experience within public markets of Hong Kong, China and Taiwan

Regenerative medicine

What is regenerative medicine?

A **new field of medicine** seeking to repair injured or diseased tissue using **the body's own regenerative capabilities**

Replacing, engineering or regenerating, **human cells**, tissues or organs to restore or establish normal function

Why is regenerative medicine a promising field?

Ageing population and rising musculoskeletal disorders

Demand for **safe**, **efficient** and **cost effective** treatments

International regulatory bodies (e.g. FDA), **accelerating development** and access to safe and effective regenerative medicine therapies

What is Orthocell's position in this space?

Orthocell is a **world leading** regenerative medicine company with novel, **first in class**, most advanced portfolio of products

Innovative products

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Orthocell is a regenerative medicine company delivering breakthrough products that restore mobility and function

CelGro®

Soft tissue reconstruction platform medical device

- **Approved for sale** in Europe (CE Mark)[1]
- **26% superior** clinical performance[1]
- **Platform technology** – multiple indications
- **Optimised manufacturing** capabilities
- Static market that **lacks of innovation**
- **Global partnering** opportunities

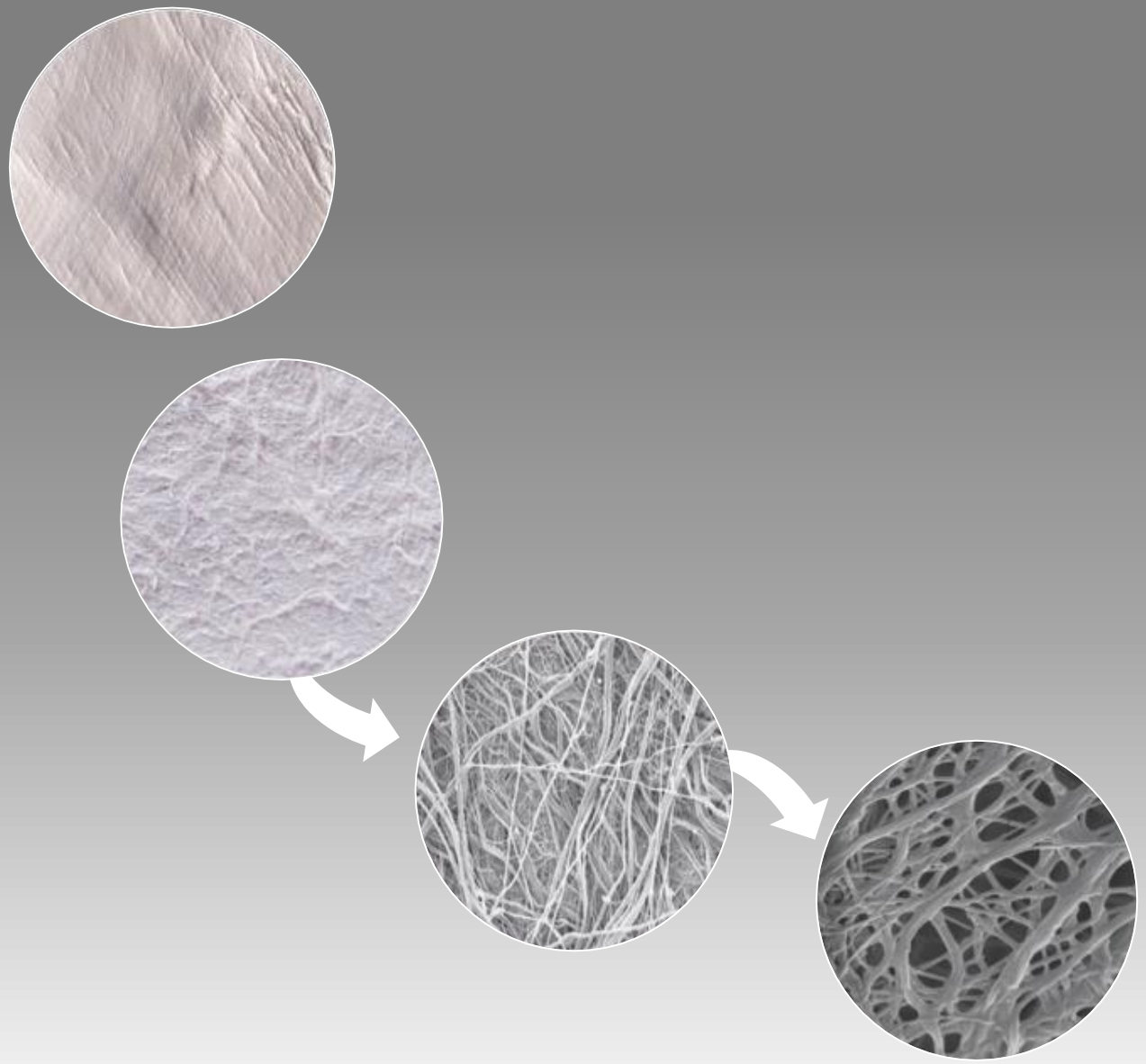
Ortho-ATI®

Cell therapy to regenerate damaged tendon tissue

- **First in class cell therapy** for tendon repair
- Significant **unmet clinical need**
- Global partnering - **major US collaboration partner**
- **De-risked** with +500 patients treated to date
- **Licence to manufacture and treat** patients in Australia, Singapore and Hong Kong (TGA)
- **US regulatory focus** - process underway

Total addressable market is estimated to be in excess of US$10bn p.a.[2]

1. CelGro® for dental bone and soft tissue repair
2. Addressable markets include US, Japanese, European and Australian markets, Ortho-ATI® addressable market includes the following indications: tennis elbow, rotator cuff, gluteal, patellar, hamstring and Achilles. CelGro® addressable market includes the following indications: dental, rotator cuff and nerve



CelGro®

A unique collagen medical device that augments tissue repair and regeneration

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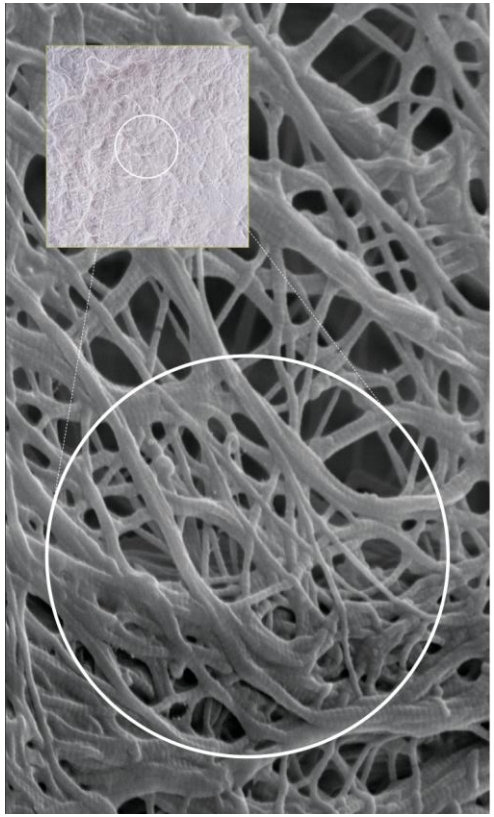
CelGro®: initial focus in bone regeneration

Orthocell's initial focus is on driving sales of CelGro® in the lucrative EU market

CelGro®: a true regenerative medicine scaffold



- ✓ **Superior tissue repair** unique regenerative medicine qualities
- ✓ **Superior handling characteristics** over existing products
- ✓ Proprietary **SMRT™ manufacturing** process
- ✓ **CE Mark** dental bone and soft tissue repair approved for use in the EU

Illustrative example

Defect Site *- insufficient bone volume available*

Bone Graft *- defect site filled*

Apply CelGro® *- placed over defect site*

Implant Crown *- tissue stitched over CelGro® and crown secured*

1. US, Japanese, European and Australian markets based on ~1.5m procedures per year

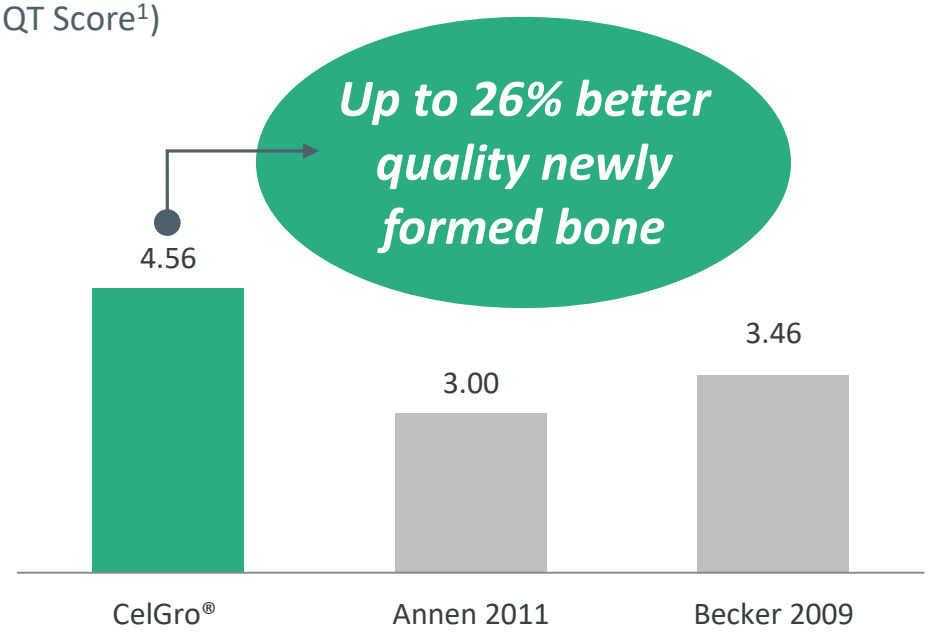
CelGro®: bone regeneration market opportunity

Very favourable market dynamics

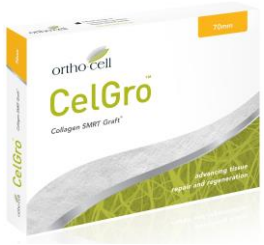
- **No product innovation** to the dental market globally
- Existing products have **inferior functionality** and **handling characteristics**
- **Strong demand** from dentists / surgeons
- Market leader generates **€50m p.a. in EU alone**

Superior clinical performance

(QT Score[1])



Comparison of CelGro® and BioGide®



Significant addressable market[2]

>US$0.6bn p.a.

1. The QT Score is based on a six (6) point (0 to 5) Likert scale. Therefore, an improvement of one (1) point on the QT Scale equates to a 16.67% percentage improvement
2. US, Japanese, European and Australian markets based on ~1.5m procedures per year

CelGro®: accelerating sales in dental bone

With optimised and scalable manufacturing in place, regulatory approval achieved and KOL's appointed, Orthocell is well place to execute on its marketing and sales strategy

Educating clinicians

Roll out KOL-lead clinician training program. Support distributors develop customer base.

Marketing data

Generate supplementary marketing data through *Centres of Excellence* supporting product performance.

Access new markets

Entry to new, high value EU markets (Spain and Germany). Access domestic market through the *Special Access Scheme.*

Drive awareness

Sponsorship of key dental bone repair congresses. Commence targeted advertising campaign.

CelGro® strategic focus

Orthocell is driving market entry for bone repair, leveraging EU approval to accelerate introduction of the tendon and soft tissue indications

Near to medium term

Bone regeneration

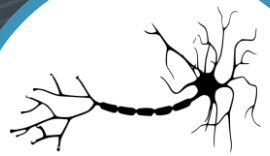
US$0.6bn Addressable market[1]

Medium term

Tendon & soft tissue

US$0.9bn Addressable market[1]

Medium to long term



Nerve & other indications

US$1.1bn Addressable market[1,2]

Commercialisation in key EU and affiliated markets

- ✓ *Positive study results*
- ✓ *Key opinion leaders appointed*
- ✓ *Distributors appointed*
- ✓ *First product use and sales*

Accelerate development Strategic partnering Leverage CE Mark

- ✓ *Positive study results*
- ✓ *Key opinion leader appointed*

Develop pipeline products Strategic partnering

Performance study 75% complete

1. US, Japanese, European and Australian markets. 2. Analysis of addressable markets excludes the following CelGro® pipeline products including articular cartilage repair, ACL ligament replacement & general surgery.

Ortho-ATI®

Advanced cellular therapy that directly addresses the root cause of degenerate tendons

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Impressive patient testimonial – 9News

"I was still undergoing physiotherapy and I blew the physio's mind as to how quickly I was recovering. I introduced skipping, then running, then more heavy weights and now, I've ended up getting my dream job …"

Ortho-ATI®: research collaboration

Key factors in attracting Ortho-ATI®research collaboration

✓ **Significant clinical validation -** *published clinical data in American Journal of Sports Medicine and 500+ patient implants to date*

✓ **Large unmet clinical need -** *1.5m+ addressable procedures per year in the shoulder and elbow alone*

✓ **Optimised manufacturing capabilities** *- GMP-certified and TGA-licensed facility[1] and PPI release criteria in place[2]*

✓ **Significant addressable market for Ortho-ATI®** *- >US$7.7bn p.a.[3]*

Johnson & Johnson

The objective of this study is to assess the effectiveness of Autologous Tenocyte Injection (Ortho-ATI®) compared to corticosteroid injection in the treatment of rotator cuff tendinopathy and tear. The trial is being undertaken in collaboration with DePuy Synthes Products, Inc., part of the Johnson & Johnson Medical Device Companies

1. GMP: good manufacturing practices; TGA: Therapeutic Goods Administration
2. PPI: purity, potency and identity
3. Market made up of: Tennis elbow (>US$4.3bn), Rotator cuff (>US$2.4bn), other indications (>US$1.0bn)

Next steps

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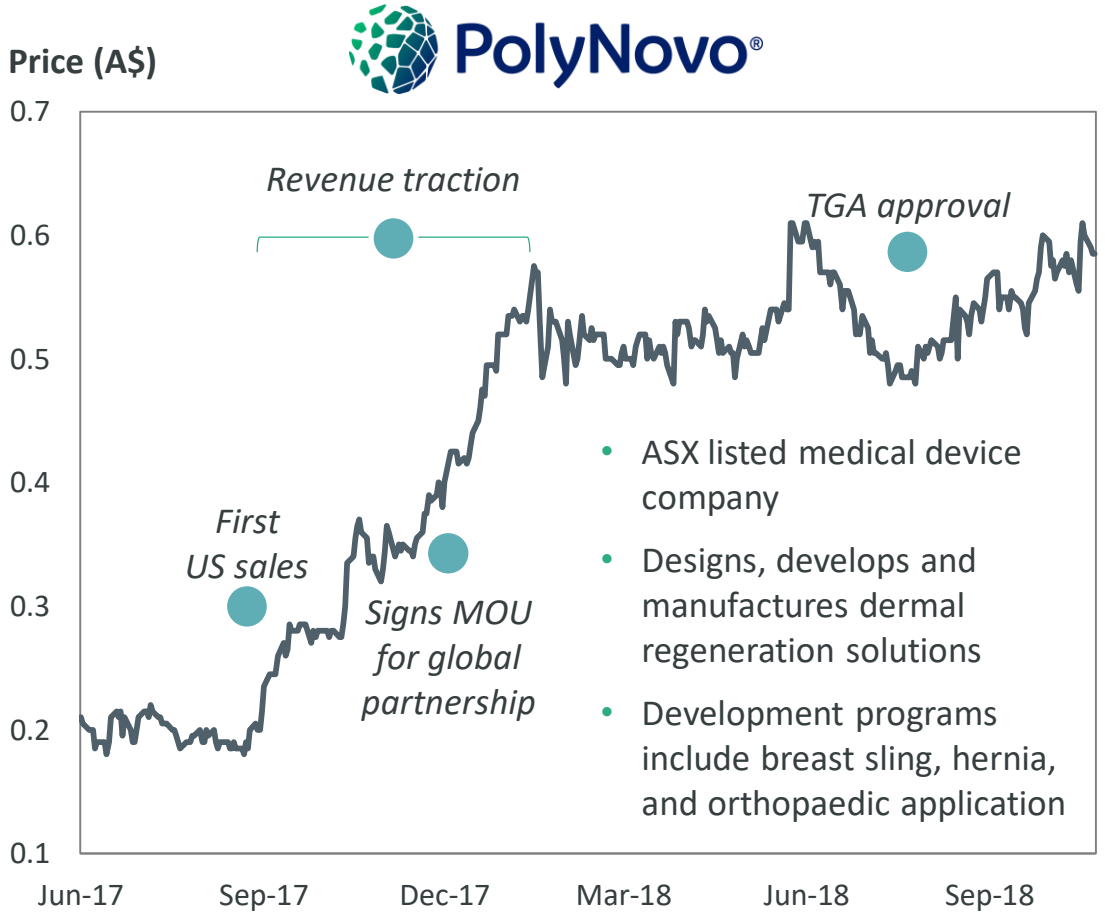
Regenerative medicine case study: PolyNovo

Orthocell is well positioned to deliver significant shareholder value upside in the near term

Significant rerating potential exists based on:

- CelGro® gaining traction in key markets
- Achieving US approval for CelGro®
- Potential to address multiple indications, in significant markets with multiple products
- Ortho-ATI® commercialisation (research collaboration with a major US partner)
- Global partnering opportunities

Strong share price movement in the months following first sales in a large, attractive international market



Upcoming catalysts

CelGro® - Dental

Roll out European education program	Ongoing
Commence European advertising campaign	1Q CY2019
Italy and UK sales growth	2Q CY2019
Spain and Germany market entry	2Q CY2019
Australian market authorisation	3Q CY2019
US market authorisation	4Q CY2019

CelGro® - Orthopaedic

CE Mark (EU) submission	2Q CY2019
TGA (AUS) submission	2Q CY2019

Ortho-ATI®

Pre-Investigation New Drug meeting with FDA	4Q CY2018
Complete J&J study recruitment	2Q CY2019

Strategic partnership discussions ongoing for all products

Key investment highlights

Significant upside

Significant market interest

Addressable markets worth >US$10bn p.a.

De-risked product portfolio

Substantial clinical data

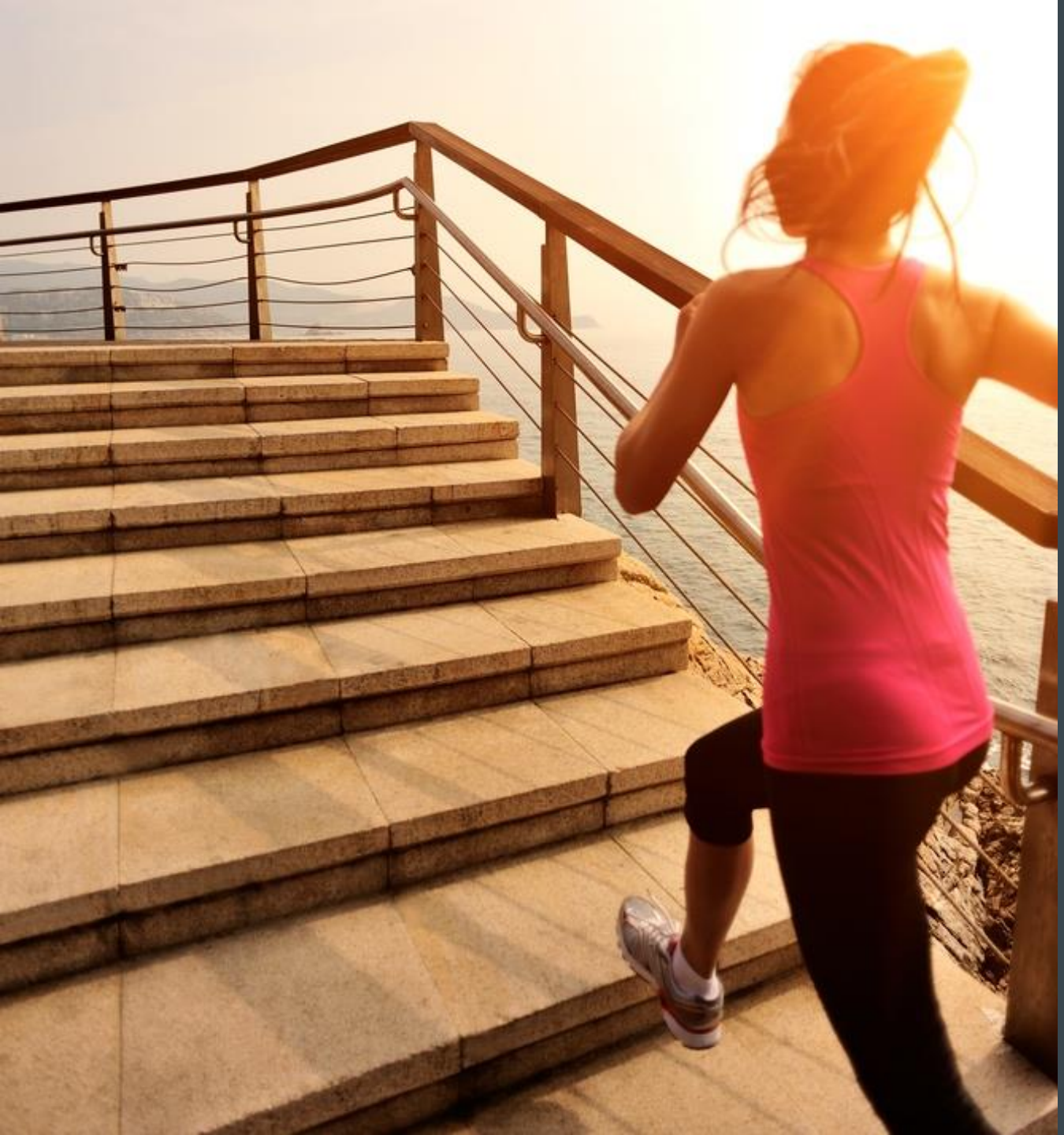
CE Mark (EU) achieved for CelGro[1]

Validated manufacturing process

GMP-certified and TGA-licensed manufacturing capabilities

Credentialed and highly aligned leadership

Proven track record in commercialising cell therapy products



Appendix

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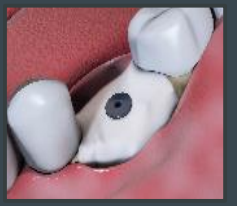
CelGro® - platform technology

Bone
e.g. Dental Surgery

1. Defect Site - *Insufficient bone volume available*

2. Bone Graft - *Defect site filled*

3. Apply CelGro®

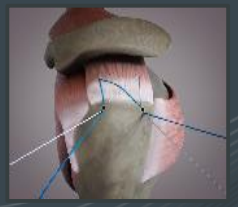


4. Implant Crown

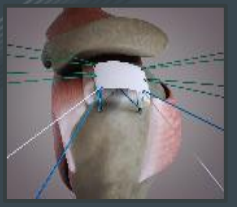
Tendon
e.g. Orthopaedic surgery

1. Tendon Tear - *detached from bone*

2. Preparation of Repair Site



3. Apply CelGro®

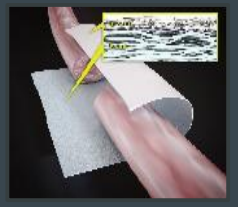


4. Reattachment - *Tendon and CelGro® secured*

Neurological
e.g. Peripheral nerve repair

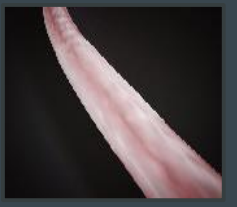
1. Peripheral Nerve Injury

2. Preparation of Repair Site



3. Microsurgical Repair – *CelGro® secured around nerve ends*

4. Nerve Healing



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