June 23, 2015

AxoGen, Inc. Announces Enrollment of First Subject in Multicenter Comparative Study for Avance® Nerve Graft

Active recruitment underway for study to compare AxoGen's proprietary processed human nerve allograft to nerve tubes for bridging gaps in peripheral nerve tissue.

ALACHUA, FL - June 23, 2015 – AxoGen, Inc. (NASDAQ: AXGN), a leading medical technology company focused on restoring quality of life through nerve repair, announced today that the first subject has been enrolled in the "RECON Study" to support an Investigational New Drug Application for Avance® Nerve Graft. The RECON Study is a multicenter, prospective, randomized study to evaluate recovery outcomes of surgical repairs of peripheral nerve discontinuities. This Phase 3 clinical trial will compare AxoGen's Avance® Nerve Graft, an off-the-shelf processed human nerve allograft, to nerve tubes for bridging gaps in peripheral nerve tissue and will support the FDA biologic license application ("BLA") being pursued by the Company.

The first patient was enrolled at Virginia Commonwealth University Medical Center by Principal Investigator, Jonathan Isaacs, MD. A second clinical study location, Hospital of the University of Pennsylvania with Principal Investigator, L. Scott Levin MD, FACS, has also started recruiting for potential subjects.

Avance® Nerve Graft is currently commercially available in the United States and several other countries. The RECON Study has been initiated under an Investigational New Drug Application for Avance® Nerve Graft, supporting the regulatory transition of the product to a licensed biologic. In May, the Company announced that the FDA had provided clearance for AxoGen to proceed with the RECON Study after conducting a review of the Study protocols and characterization of Avance® Nerve Graft.

"The commencement of the RECON Study is an important milestone in moving Avance® Nerve Graft to be the first FDA licensed biologic implant for peripheral nerve repair," said Karen Zaderej, President and CEO of AxoGen. "The rigor of the BLA transition process offers an opportunity for AxoGen to develop a significant amount of data on a biological implant for nerve repair while simultaneously allowing us to continue to advance the commercial adoption of Avance® Nerve Graft."

About the RECON Study

A Multicenter, Prospective, Randomized, Subject and Evaluator Blinded Comparative Study

of Nerve Cuffs and Avance® Nerve Graft Evaluating Recovery Outcomes for the Repair of Nerve Discontinuities (RECON), is a Phase 3 clinical trial developed under a Special Protocol Assessment to support the transition to a licensed biologic. Enrollment of 150 subjects is expected to take 2 years with subjects being followed for 12 months after surgery.

For more information about the RECON Study, visit ClinicalTrials.Gov at https://clinicaltrials.gov/ct2/show/NCT01809002?term=avance+nerve+graft&rank=3

About AxoGen, Inc.

AxoGen (NASDAQ: AXGN) is a leading medical technology company dedicated to peripheral nerve repair. AxoGen's portfolio of regenerative medicine products is available in the United States, Canada and several other countries and includes Avance® Nerve Graft, an off-the-shelf processed human nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a porcine submucosa extracellular matrix ("ECM") coaptation aid for tensionless repair of severed nerves, and AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments.

Avance® Nerve Graft is processed in the United States by AxoGen. AxoGuard® Nerve Connector and AxoGuard® Nerve Protector are manufactured in the United States by Cook Biotech Incorporated, and are distributed worldwide exclusively by AxoGen. AxoGen maintains its corporate offices in Alachua, Florida and is the parent of its wholly owned operating subsidiary, AxoGen Corporation.

For more information about AxoGen or to sign up for our news alerts, please visit www.AxoGenInc.com.

Cautionary Statement Concerning Forward-Looking Statements

This Press Release contains "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or predictions of future conditions, events or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "projects", "forecasts", "continue", "may", "should", variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding our growth, market size, product development, product potential, or regulatory activity. The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements in this release should be evaluated together with the many uncertainties that affect AxoGen's business and its market, particularly those discussed in the risk factors and cautionary statements in AxoGen's filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made, and, except as required by law, AxoGen

assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Company Contact:
AxoGen, Inc.
Lee Robert “Bob” Johnston
Chief Financial Officer
386.462.6856
InvestorRelations@AxoGenInc.com
www.axogeninc.com