December 29, 2015

Orgenesis Note Holders Elect to Convert $950,000 of Outstanding Notes

GERMANTOWN, MD -- (Marketwired) -- 12/29/15 -- Orgenesis Inc. (OTCQB: ORGS) (the "Company"), a cell therapy and regenerative medicine company with a novel therapeutic technology dedicated to converting a patient's own cells into functioning insulin-producing cells as a treatment for diabetes, today announced that holders of $950,000 principal amount of the Company's convertible notes have agreed to convert the outstanding principal and accrued interest on the notes into units of Orgenesis securities comprised of shares of the Company's common stock at a per share conversion rate of $0.52 and three year warrants for an equal number of shares of common stock at a per share exercise price of $0.52. The conversion rate at which the note holders converted the notes is equivalent to the terms received by the equity investors in the Company's recently completed private placement, which was disclosed in the Company's Current report on Form 8-K filed with the Securities and Exchange Commission on December 16, 2015.

"We appreciate the support and confidence of our note holders who were not required to convert, but agreed to participate in this private placement, thus enabling us to complete this financing," said Vered Caplan, CEO of Orgenesis. "Thanks to all of our investors, we are able bring our cellular trans-differentiation technology closer to human clinical trials as a potential curative therapy for Type 1 Diabetes."

For further details on this transaction, please refer to the Company's Form 8-K as filed with the SEC on December 29, 2015.

About Orgenesis Inc.
Orgenesis is a cell therapy and regenerative medicine company that is committed to developing a cure for Type 1 Diabetes. In pursuit of this goal, the company has developed and patented a novel technology called "cellular trans-differentiation" that turns an insulin-dependent patient's own liver cells into functional insulin producing cells. Orgenesis has proven that, when exposed ex-vivo to certain pancreatic transcription factors and in specific sequence, human adult liver cells can be transformed into fully functional, beta cell-like insulin producing cells (IPCs). After ex-vivo expansion, the IPCs are re-infused via the portal vein of the diabetic patient. In pre-clinical models of Type 1 Diabetes (Non-Obese Diabetic mice), the re-introduced IPCs remain in the liver, effectively respond to glucose challenge and successfully maintain glycemic homeostasis. In the same NOD model, the implanted IPCs were not subject to auto-immune attack or cellular ablation. Orgenesis plans to initiate P1/2 trials in the next 12-18 months. Orgenesis believes that converting the diabetic patient's own tissue into insulin-producing cells has the potential to overcome the significant issues of donor shortage, cost and exposure to chronic immunosuppressive therapy associated with islet cell transplantation. For more information, visit www.orgenesis.com.

Notice Regarding Forward-Looking Statements
This news release contains "forward-looking statements" which are not purely historical. Such forward-looking statements include, among other things, the expectations of

management that our regeneration technology can be developed as therapeutic treatment for diabetes which could, if successful, be a cure for Type 1 Diabetes; that we can develop the technology to turn a small number of cells into a large number of cells; that we are in a secure position to attain the requirements for human clinical trials; and that we will initiate Phase I and Phase II clinical trials in the near-term. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits Orgenesis will obtain from them. Actual results could differ from those projected in any forward-looking statements due to numerous factors, including, among others, the potential failure of development candidates to advance through preclinical studies or demonstrate safety and efficacy in clinical testing; the ability to pass clinical trials so as to move on to the next phase; our technology may not as well as expected, our ability to retain key employees; our ability to finance development and operations; the adequacy of cash resources; our ability to satisfy the rigorous regulatory requirements for new medical procedures; and competitors may develop better or cheaper alternatives to our products. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Investors should refer to the risk factors disclosure outlined in our periodic reports filed from time-to-time with the Securities and Exchange Commission.

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Source: Orgenesis