

July 16, 2012



AxoGen, Inc. Makes First Commercial Shipment of Avance® Nerve Graft to Distributor in Italy

ALACHUA, Fla.-- AxoGen, Inc. (OTCBB:AXGN), a leading regenerative medicine company focused on the development and commercialization of products and technologies for peripheral nerve reconstruction and regeneration, today announced approval by the Rizzoli Orthopaedic Institute of its first commercial shipment of Avance® Nerve Graft to MD for Life, its new distribution partner in Italy. Avance® Nerve Graft is a processed nerve allograft for bridging nerve discontinuities (gaps created when nerves are severed). By eliminating a second surgery to harvest the patient's own nerve tissue for use in the repair, Avance® Nerve Graft offers an alternative to traditional autograft nerve repair procedures.

The Rizzoli Orthopaedic Institute is Italy's largest tissue bank and handles review and approval of all donors of AxoGen processed nerve allograft tissue to assure quality.

"Our ongoing partnership with the prestigious Rizzoli Orthopaedic Institute underscores the quality of AxoGen's tissue processing and confirms the growing demand for Avance® Nerve Graft in markets outside of the United States," said Karen Zaderej, AxoGen's Chief Executive Officer. "AxoGen is committed to providing innovative technologies of the highest standards to surgeons worldwide for the treatment and reconstruction of injured peripheral nerves."

To date, thousands of patients who have suffered traumatic injuries have been surgically implanted with AxoGen's products. In addition to Avance® Nerve Graft, the Company's portfolio of products and technologies include AxoGuard® Nerve Connector, a coaptation aid allowing for close approximation of severed nerves, and AxoGuard® Nerve Protector, a bioscaffold used to reinforce a coaptation site, wrap a partially severed nerve or isolate and protect nerve tissue.

About AxoGen, Inc.

AxoGen (OTCBB: AXGN) is a leading regenerative medicine company with a portfolio of proprietary products and technologies for peripheral nerve reconstruction and regeneration. Every day, people suffer traumatic injuries or undergo surgical procedures that impact the function of their peripheral nerves. Peripheral nerves provide the pathways for both motor and sensory signals throughout the body and their damage can result in the loss of function and feeling. In order to improve surgical reconstruction and regeneration of peripheral nerves, AxoGen has developed and licensed patented and patent-pending technologies, which are used in its portfolio of products. This portfolio includes Avance® Nerve Graft, a

commercially available allograft nerve for bridging nerve discontinuities (a gap created when the nerve is severed) of 5mm to 70mm in length. Avance® Nerve Graft is sterilized and processed using a patented cleaning process that preserves the inherent and relevant structural characteristics of the tissue, allowing regenerating axons to grow through the scaffold to the motor or sensory organ.

AxoGen's portfolio also includes AxoGuard® Nerve Connector, a coaptation aid allowing for close approximation of severed nerves, and AxoGuard® Nerve Protector, a bioscaffold used to reinforce a coaptation site, wrap a partially severed nerve or isolate and protect nerve tissue.

AxoGen is bringing the science of nerve repair to life with thousands of surgical implants of AxoGen products performed in hospitals and surgery centers across the United States, including military hospitals serving U.S. service men and women.

AxoGen is the parent of its wholly owned operating subsidiary, AxoGen Corporation. AxoGen's principal executive office and operations are located in Alachua, FL.

To receive email alerts directly from AxoGen, please click here www.axogeninc.com/emailalerts.html.

Cautionary Statements 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", "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 product development, product potential or financial performance. 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 AxoGen assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Source: AxoGen, Inc.