



MiMedx Comments on Magistrate Recommendation in the Company's Lawsuit Against Short Sellers

January 18, 2018

MARIETTA, Ga., Jan. 18, 2018 /PRNewswire/ -- MiMedx Group, Inc. (NASDAQ: MDXG), the leading biopharmaceutical company developing and marketing regenerative and therapeutic biologics utilizing human placental tissue allografts with patent-protected processes for multiple sectors of healthcare, today commented on the recommendation from the Magistrate in New York that the claims be dismissed against some of the parties in the Company's lawsuit against various short sellers.

In October 2017, MiMedx Group, Inc. and Sean McCormack brought a lawsuit in a New York federal court against various short sellers for defaming MiMedx and improperly trying to drive down its stock price. On January 16, 2018, the Magistrate in New York issued a recommendation that the claims against some, but not all, of the parties be dismissed. As the term "recommendation" suggests, this is not a final or binding order, but is merely a recommendation on how the District Court Judge should rule. Such recommendations are part of the litigation process, and the procedures allow either side to object to this recommendation to the District Court Judge and point out the errors of the Magistrate before any final ruling.

The Company believes that the Magistrate's recommendations are in error, and therefore MiMedx will be filing objections with the District Court Judge. MiMedx believes that the District Court will reject the recommendations of the Magistrate and allow the litigation to proceed with the claims against all of the parties remaining intact. It is worth noting, however, that in the recommendation, the Magistrate's report did not find any of the statements made by the Defendants to be true. Further, the Magistrate specifically stated that the litigation and discovery should proceed to determine the identity of Viceroy Research, who had been hiding behind the veil of anonymity while defaming MiMedx and slandering its employees on virtually a daily basis. After this recommendation from the Magistrate, Viceroy in fact revealed its identity, indicating that it consisted of Fraser Perring, Gabriel Bernarde, and Aidan Lau.

Parker H. "Pete" Pett, Chairman and CEO, said, "Viceroy's announcement confirms the investigative work that we have done over the last several months to determine their identity. We continue to work on additional associations with this group. On behalf of our shareholders, our employees, and the thousands of physicians and their patients benefiting from our clinically effective products, we are committed to continuing to fight against these short attacks on all fronts. This certainly includes providing our assistance to the appropriate law enforcement and regulatory authorities to bring any illegal activities to a prompt close."

The entirety of this lawsuit filed in the United States District Court for the Southern District of New York can be found on the MiMedx website, www.mimedx.com, by clicking on the tab "Short Selling Commentary" found on the homepage.

About MiMedx

MiMedx® is the leading biopharmaceutical company developing and marketing regenerative and therapeutic biologics utilizing human placental tissue allografts with patent-protected processes for multiple sectors of healthcare. **"Innovations in Regenerative Medicine"** is the framework behind our mission to give physicians products and tissues to help the body heal itself. We process the human placental tissue utilizing our proprietary PURION® Process among other processes, to produce safe and effective allografts. MiMedx proprietary processing methodology employs aseptic processing techniques in addition to terminal sterilization. MiMedx is the leading supplier of placental tissue, having supplied over 1 million allografts to date for application in the Wound Care, Burn, Surgical, Orthopedic, Spine, Sports Medicine, Ophthalmic and Dental sectors of healthcare. For additional information, please visit www.mimedx.com.

Safe Harbor Statement

This press release includes forward-looking statements, including statements regarding litigation and significance of legal proceedings, and MiMedx's actions relative to its belief that illegal stock manipulation activities are occurring. These statements also may be identified by words such as "believe," "expect," "may," "plan," "potential," "will" and similar expressions, and are based on our current beliefs and expectations. Forward-looking statements are subject to significant risks and uncertainties, and we caution investors against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include that different or additional facts may be discovered that change conclusions, and the normal risks of litigation. For more detailed information on the risks and uncertainties, please review the Risk Factors section of our most recent annual report or quarterly report filed with the Securities and Exchange Commission. Any forward-looking statements speak only as of the date of this press release and we assume no obligation to update any forward-looking statement.

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Investor Contact: COCKRELL GROUP, Rich Cockrell, 877-889-1972, investorrelations@thecockrellgroup.com, cockrellgroup.com; Press Release Contact: Michael Senken, Phone: (770) 651-9100