

EXECUTIVE SUMMARY

Lattice Biologics Inc. (Lattice Biologics) is an emerging personalized/precision medicine leader in the field of cellular therapies and tissue engineering, with a focus on bone, skin, and cartilage regeneration. Lattice develops and manufactures biologic products to domestic and international markets.

Our products are used in a variety of applications, including:

- Enhancing fusion in spine surgery
- Enhancing breast reconstruction post mastectomy for breast cancer patients
- Sports medicine indications, including ACL repair
- Promotion of bone regeneration in foot and ankle surgery
- Promotion of skull healing following neurosurgery
- Enhancing wound repair in burn victims
- Subchondral bone defect repair in knee and other joint surgeries

Our customers are located worldwide, with approximately 95% of our fourth quarter 2014 sales being derived from customers located in the United States. The Company is at revenue and EBITDA neutral for 2014.

Lattice Biologics' headquarters, laboratory and manufacturing facilities are located in Scottsdale, Arizona. The Company maintains all necessary licensures to process and sell its tissue engineered products in the U.S., Canada, Mexico, and Korea.

FUNDING

The Company has recently raised \$8mm (U.S.) in financing, including \$3mm from Grenville Strategic Royalty Corp. (TSXV: GRC) of Toronto, Ontario. The Company is currently seeking additional debt and equity financing.

MANAGEMENT

Guy Cook - CEO

Prior to leading the asset purchase of International Biologics (renamed Lattice Biologics) in September of 2013, Mr. Cook led Bacterin International Inc. (AMEX:BONE) from start-up to a public company. Under his tenure, Bacterin revenues increased from \$7.8mm in 2009 to \$15.4 mm in 2010 and \$30.1 mm in 2012. Guy brings over 18 years of experience in the tissue engineering field. He began his career as a confocal microscopist utilizing novel biomarkers at Montana State University.

Gregory Davis - COO / Executive Director

Greg joined Lattice Biologics as its Executive Director in August of 2014. Greg is a dynamic, results-focused leader with over 25 years of experience in the tissue banking industry. Throughout his career, Greg has worked with several organ procurement organizations as well as leading eye and tissue banks. His focus has been on operations management, strategic planning, and development of highly effective work teams to maximize productivity, while maintaining continuous quality improvement and regulatory compliance. Greg also brings extensive experience in developing operational budgets and cost containment initiatives.

Cheryl Farmer, CPA - CFO / Director, Strategic Accounts

Cheryl joined Lattice Biologics in September of 2014. She offers 20 years of experience as a CFO and business development specialist. She started her career with Big 6 accounting firms and soon began generating valuable and far-reaching professional relationships across a diverse network of industries. Cheryl is known for her trademark entrepreneurial spirit as an investor and her personal passion for philanthropy. Her determination to help enhance advanced stem cell technology outcomes makes her a critical asset for the Company's future growth.

PRODUCTS

Lattice Biologics markets acellular human collagen scaffolds for the repair of tissue defects. Current products are regulated by the FDA as 361 *minimally processed tissues*.

The Company is also developing next generation technologies by infusing the scaffolds with growth media and is identifying and selecting patients' own stem cells with novel biomarkers to enhance tissue regeneration. **Next generation technologies are expected to move through the 5.10k regulatory pathway.**

We produce and distribute multiple allograft tissue products used by surgeons as a bone, skin and cartilage tissue void fillers. Our products include:

- **Acellular Demineralized Bone Scaffold** - 100% human cortical bone demineralized through a proprietary process to make the graft flexible while maintaining allograft integrity. (Various applications in orthopedic, neurological, trauma, oral/maxillofacial and reconstructive procedures.)
- **DBM Putty** - an osteoinductive product used by surgeons as a bone void filler in the extremities and pelvis.
- **ADM Dermal Scaffold** - an extension of Lattice Biologics 's core biologics technology and our second human acellular biological scaffold. ADM is an acellular matrix made from donated human dermal tissue that is used to replace a patient's damaged tissue. ADM provides a natural collagen tissue scaffold that promotes cellular ingrowth, tissue vascularization and regeneration. The ADM scaffold tissue reabsorbs into the patient's dermal tissue for a biocompatible, natural repair. We launched the ADM product line in March 2014.

Lattice Biologics also produces and markets:

- **Sports allografts** - processed specifically for anterior and posterior cruciate ligament repairs, anterior cruciate ligament reconstruction and meniscal repair.
- **Milled allografts** - comprised of cortical bone milled to desired shapes and dimensions, also called milled spinal allografts,.
- **Traditional allografts** - for multi-disciplinary applications including: orthopedics, neurology, podiatry, oral/maxillofacial, genitourinary, and plastic/reconstructive.

FUTURE PRODUCTS

We are seeking to expand our claims for certain Lattice Biologics products to include cartilage regeneration.

DISTRIBUTION

The Company currently markets its products through private label distributors as well as its own direct marketing efforts to surgeons and hospitals.

Lattice Biologics has numerous products in the allograft arena. The Company is licensing existing biomarker and growth media technology as well as funding development of its own intellectual property.

The Company is considering multiple exit strategies

EXIT STRATEGY

including sale to strategic partner, partial sale of existing products, and IPO.

FINANCIALS

Financials (mm)	2014	2015	2016	2017	2018	2019
Revenue	6.5	6.5	12	22.0	30.0	36.0
Cost of Goods Sold	3.0	3.0	5	7.7	10.5	12.6
Net Revenue	3.5	3.5	7	14.3	19.5	23.4
% Revenue	46%	46%	58%	65%	65%	65%
SG&A Expenses	3.5	3.5	4.7	6.6	9.0	10.8
% Revenue	54%	54%	39%	30%	30%	30%
EBITDA	0	0	2.3	7.7	10.5	12.6
% Revenue	0%	0%	19%	35%	35%	35%



LatticeBiologics

Natural & Regenerative Tissue Solutions