

Medgenics, Inc.
('Medgenics' or the 'Company')

Issue of Equity

7 October 2009

The Company announces that on 6 October 2009 it completed a private placing to raise £265,200 and a Board resolution was passed to issue and allot 4,420,000 common US \$0.0001 shares in the Company ("Common Shares") conditional upon admission to trading on AIM. The new Common Shares were issued at a price of 6 pence per Common Share. Application has now been made to the London Stock Exchange for the New Common Shares to be admitted to trading on AIM. Dealings are expected to commence at 8.00 a.m. on 12 October 2009.

Following the admission to trading of the New Common Shares, the Company's total issued share capital will be 122,174,028* Common Shares of US \$0.0001 each, the percentage of AIM Securities not in public hands will be 29.4%*.

Note

* Excluding any Common Shares issued pursuant to the block admission between 4 June 2009 and the date of this announcement.

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