UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act 1934

Date of Report (date of earliest event reported): October 25, 2011

MIMEDX GROUP, INC.

(Exact name of registrant as specified in charter)

Florida	**000-52491**	**26-2792552**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

60 Chastain Center Blvd., Suite 60 **Kennesaw, GA**	**30144**
(Address of principal executive offices)	(Zip Code)

(678) 384-6720
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On October 25, 2011, MiMedx Group, Inc. (the " Company") received a commitment from its Chairman and CEO to provide the Company a line of credit of up to $1,500,000 to fund the Company's general working capital needs. The Commitment Letter is filed herewith as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers.

On October 25, 2011, the Company's Board of Directors adopted a resolution to increase the number of members of the Company's Board of Directors from nine to ten and to increase the number of Class I directors from three to four. Following such action, to fill the vacancy created by the increase, the Board elected William C. Taylor, the Company's President and Chief Operating Officer, as a Class I director effective immediately, to serve until the 2011 Annual Meeting of Stockholders or until his successor is elected and qualified or until such earlier time as he shall cease to serve as an officer of the Company.

Item 2.02 Results of Operations and Financial Conditions.

On October 26, 2011, the Company issued a press release announcing its financial results for the third quarter of 2011. The release also announced that executives of the Company would discuss these results with investors on a conference call broadcast over the World Wide Web and provided access information, date and time for the conference call. A copy of the press release is furnished herewith as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit 99.1	Commitment Letter dated October 25, 2011
Exhibit 99.2	Press release issued by MiMedx Group, Inc. dated October 26, 2011

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MIMEDX GROUP, INC.

Dated: October 27, 2011

By: /s/: Michael J. Senken

Michael J. Senken, Chief Financial Officer

Exhibit 99.1

October 25, 2011

MiMedx Group, Inc.
60 Chastain Center Blvd., Suite 60
Kennesaw, GA 30144
Attention: Michael J. Senken, CFO

Re: Working Capital Funding Commitment

Dear Mr. Senken:

I, Parker H. Petit (the "*Lender*"), by my signature below, hereby personally commit to loan to MiMedx Group, Inc. (the "*Company*") for the Company's general working capital purposes, up to One Million, Five Hundred Thousand Dollars ($1,500,000) less any amounts subscribed for by any other lenders (the "*Loan Commitment*"). This Loan Commitment is being given on the terms approved by the Company's Board of Directors ("the Board") and set forth on Exhibit A hereto, as the same may be changed modified or amended by the officers of the Company in accordance with the authorization of the Board , and subject to execution and delivery by the Company of a Revolving Line of Credit Agreement, Convertible Secured Promissory Note, Security and Intercreditor Agreement and such other documents and agreements reasonably satisfactory to me to implement this Loan Commitment (the "Closing").

This Loan Commitment will remain open until and will expire at 5:00 pm DST on March 31, 2012, if Closing does not occur by that time. This Loan Commitment will be governed by the laws of the State of Georgia without regard to conflicts of laws principles.

Yours sincerely,

/s/Parker H. Petit

Parker H. Petit

Accepted:

MiMedx Group, Inc.

/s/ Michael J. Senken

Michael J. Senken, CFO

Date: October 25, 2011

EXHIBIT A

MiMedx Group, Inc.

60 Chastain Center Blvd.
Kennesaw, GA 30144
Phone: (678)-384-6720

5% Convertible Senior Secured Revolving Promissory Notes
Confidential Term Sheet

October 12, 2011

An investment in the Convertible Promissory Notes offered hereby is highly speculative. Prospective investors must be "accredited investors" and should retain their own professional advisors to review and evaluate the economic, tax, and other consequences of investment. Prospective investors are not to construe the contents of this Confidential Term Sheet, or any information furnished by MiMedx Group, Inc., as legal or tax advice.

Borrower	MiMedx Group, Inc., a Florida corporation (the "***Company***").
Lenders	Only "accredited investors."
Notes	A revolving line of credit will be established pursuant to one or more Convertible Senior Secured Revolving Promissory Notes (the "***Notes***"). Each Note shall be in the minimum amount of $250,000, unless the Company expressly approves a smaller amount in a specific circumstance.
Aggregate Principal Amount of Loan; Maturity Date	The maximum aggregate principal amount of the revolving line of credit available under all of the Notes shall be $1,500,000. The Company may borrow, repay and reborrow up to the maximum amount of each Note, from time to time until the Maturity Date. The amount of the offering may be decreased at the option of the Company. Interest on the Notes will be payable in quarterly installments, with all principal and accrued and unpaid interest due and payable on December 31, 2012, subject to extension by the Company to December 31, 2013 upon payment to the Lenders of an extension payment (which shall not apply to principal or interest) in the amount of 5% of the outstanding aggregate principal amount of the Notes (the "***Maturity Date***"), unless earlier converted into common stock of the Company ("***Common Stock***"), as provided below, or accelerated, as provided below. All principal and accrued and unpaid interest due under the Notes shall be automatically and immediately due and payable in full upon the consummation of the closing of the sale of all or substantially all of the assets or more than 50% of the equity securities of the Company by way of a merger transaction or otherwise ("***Change in Control Transaction***").

	The Notes may be prepaid at any time upon thirty (30) days prior written notice without premium or penalty.
Interest	5% per annum on the outstanding principal amount of the Notes, payable in cash on a quarterly basis, with all unpaid interest being due and payable on the Maturity Date or convertible into shares of Common Stock at any time prior to the Maturity Date, as provided below.
Use of Proceeds	The proceeds of the Note(s) will be used for general working capital purposes for the Company and its subsidiaries.
Conversion Events	The Notes may be converted into Common Stock at a conversion price of $1.00 per share, at any time upon the election of the Lender holding the Note. Upon the applicable conversion date, all principal and accrued and unpaid interest shall be converted into shares of Common Stock.
Collateral	The Notes shall be secured by a first priority lien in all of the patents and other intellectual property owned by the Company, now owned and hereafter developed or acquired, excluding only (i) the patents and other intellectual property owned by Surgical Biologics, LLC, and (ii) all accessions to, substitutions for and replacements, products and proceeds thereof. The lien will be *pari passu* in payment and lien priority with the notes outstanding under the Company's existing line of credit (the "Existing Notes"). The declaration of an event of default under the Notes, and the exercise of the security interest in the collateral shall be subject to the decision of the Lenders holding a majority in dollar amount of the Notes and the Existing Notes.

Contingent Warrants	The Company shall issue to each Lender a warrant (the "***First Contingent Warrant***") to purchase that number of shares of Common Stock equal to 25% of the shares of Common Stock that would be issuable upon conversion of such Lender's Note, at an exercise price of .01 per share, provided that such First Contingent Warrant shall only be exercisable if the Company's gross revenues, as reported in the Company's audited financial statements for the year ended December 31, 2011, do not equal or exceed $11,500,000, and further provided that such First Contingent Warrant shall be null and void in the event that, prior to the date of issuance of such audited financial statements (the "***First Measurement Date***"), the closing trading price of the Common Stock is at least $1.50 per share for ten (10) or more consecutive trading days. The Company shall issue to each Lender an additional warrant (the "***Second Contingent Warrant***") to purchase that number of shares of Common Stock equal to 25% of the shares of Common Stock that would be issuable upon conversion of such Lender's Note at an exercise price of .01 per share, provided that such Second Contingent Warrant shall only be exercisable if the Company's gross revenues, as reported in the Company's audited financial statements for the year ended December 31, 2012, do not equal or exceed $31,150,000, and further provided that such Second Contingent Warrant shall be null and void in the event that, between the First Measurement Date and the date of issuance of such audited financial statements for the year ended December 31, 2012, (the "***Second Measurement Date***"), the closing trading price of the Common Stock is at least $1.75 for ten (10) or more consecutive trading days. The First Contingent Warrant and the Second Contingent Warrant are hereinafter referred to, collectively, as the "***Contingent Warrants***". The Contingent Warrants shall have a term of five (5) years from the date of issuance. The shares of Common Stock issuable upon exercise of the Contingent Warrants do not carry registration rights. The Contingent Warrants may be exercised on a "cashless" basis. In the event (i) of a Change in Control Transaction prior to the First Measurement Date and (ii) the value of the per share consideration received by the holders of Common Stock in such Change in Control Transaction is at least equal to $1.50, the Contingent Warrants shall be null and void. If the value of the per share consideration received by the holders of Common Stock in such transaction is less than $1.50, then the Contingent Warrants shall be exercisable immediately prior to the closing of such Change in Control Transaction.

	In the event (i) of a Change in Control Transaction between the First Measurement Date and the Second Measurement Date and (ii) the per share value of the consideration received by the holders of Common Stock in such Change in Control Transaction is at least $1.75, the Second Contingent Warrant shall be null and void. If the value of the per share consideration received by the holders of Common Stock in such transaction is less than $1.75, the Second Contingent Warrant shall be exercisable immediately prior to the closing of such Change in Control Transaction.
Registration Rights	The Company will make its best efforts to include the shares Common Stock issued to a Lender upon conversion of such Lender's Note, at the request of such Lender, in any registration statement (other than form S-4 and S-8) proposed to be filed by the Company with the Securities and Exchange Commission for its own account or for the account of other security holders of the Company.
Nature of Term Sheet	This Term Sheet does not create or impose any obligation, express or implied, on the part of the Lenders or the Company and is not intended to be, nor is it, a legally binding document; there is no legally binding or enforceable contract between the parties pertaining to the subject matter of this Term Sheet; and statements of intent or understandings contained in this Term Sheet shall not be deemed to constitute an offer, acceptance, or legally binding agreement. The creation of a binding obligation is specifically conditioned upon the negotiation, finalization and execution by the Lenders and the Company of the Notes, Subscription Agreement, Security and Intercreditor Agreement, and other documents and agreements setting forth the terms expressed above, other usual and customary provisions for transactions of this type not inconsistent with the foregoing, as well as such other terms and conditions as are mutually agreeable to the Lenders and the Company.
Governing Law	This Term Sheet, the Notes, the Subscription Agreement, the Security and Intercreditor Agreement and the Contingent Warrants shall be governed by the laws of the State of Georgia without giving effect to its principles of conflicts of law.
Expenses	Each of the parties shall pay its own expenses in connection with the transactions contemplated herein, the Notes to be entered into pursuant hereto and the transactions contemplated hereby.
Closing	The Company may issue the Notes in one or a series of transactions in the aggregate amount of up to $1,500,000, with a target completion date of not later than November 30, 2011. The Company may extend the target completion date of this offering without notice to the Lenders or prospective Lenders.

Subscription Agreement	An investment in the Notes and the Contingent Warrants will be made pursuant to a Subscription Agreement. In the Subscription Agreement, each prospective Lender will be required, among other things: (a) to represent that he, she, or it has had access to all publicly available information concerning the Company, has had the opportunity to review all such information, and to ask questions of management of the Company, and is familiar with and understands the terms, risks, and merits of an investment in the Company; (b) to represent that he, she, or it has such knowledge and experience in financial and business matters generally and that he, she, or it is capable of evaluation the merits and risks of an investment in the Company; and (c) to stipulate that he, she, or it has not relied upon the Company for tax or legal advice, and that he, she, or it has relied only on its own adviser with respect to the tax and other legal aspects of an investment in the Notes and the Contingent Warrants.
Subscription Procedure	To subscribe for the Notes and the Contingent Warrants, each prospective Lender must: (a) complete, sign, and return the Subscription Agreement (including the "***Accredited Investor Certification***") attached as Exhibit A hereto; (b) execute and return the counterpart signature page to the Note attached as Exhibit B hereto; (c) execute and return the counterpart signature page to the Security and Intercreditor Agreement attached as Exhibit C hereto; and (d) send the Company an amount equal to the principal amount of the Note to be purchased by such Lender either by check (made payable to "MiMedx Group, Inc.") or by wire transfer of immediately available funds in accordance with the following wire instructions:

	ABA/Routing No.: 0260-0959-3 Financial Institution: Bank of America Credit to Account No.: 334025804410 Swift Address: BOFAAUS3N Bank Acct Title: MiMedx Group, Inc. The Company will make available to each prospective Lender, prior to his, her, or its purchase of the Notes and the Contingent Warrants, the opportunity to ask questions and receive answers concerning the terms and conditions of this private placement and to obtain any additional pertinent information (including information necessary to verify the accuracy of any information contained in this Term Sheet) in the Company's possession or which the Company can acquire without unreasonable effort or expense. Copies of other documents or materials relevant to this offering are available upon request. Prospective Lenders may be required to execute nondisclosure agreements as a prerequisite to reviewing documents determined by the Company to contain proprietary, confidential, or otherwise sensitive information. Prospective Lenders are urged to consult their own tax advisers regarding the U.S. federal, state, and local tax consequences of an investment in the Company.
Circular 230 Disclosure	TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, THE COMPANY INFORMS YOU THAT (A) ANY UNITED STATES FEDERAL TAX ADVICE CONTAINED HEREIN (INDLUING ANY ATTACHMENTS OR ENCLOSURES) WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES, (B) ANY SUCH ADVICE WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION OR MATTER ADDRESSED HEREIN AND (C) ANY TAXPAYER TO WHOM THE TRANSACTIONS OR MATTERS ARE BEING PROMOTED, MARKETED OR RECOMMENDED SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER. [End of Confidential Term Sheet]

EXHIBIT 99.2

PRESS RELEASE CONTACT: MICHAEL SENKEN
PHONE: (678) 384-6720

MiMedx Group Announces

Third Quarter 2011 Results

Revenue Increases nearly twenty-fold over third Quarter of 2010

KENNESAW, Georgia, October 26, 2011 (PR Newswire) -- MiMedx Group, Inc. (OTCBB: MDXG), an integrated developer, manufacturer and marketer of patent protected regenerative biomaterials and bioimplants processed from human amniotic membrane, announced today its results for the third quarter and nine months ended September 30, 2011.

The Company recorded record revenue for the quarter of $2,152,000, a 12% percent increase over second quarter of 2011 revenue of $1,929,000 and nearly a twenty-fold increase over third quarter of 2010 revenue of $108,000. The Company recorded a net loss of $1,766,000, or $.02 per diluted common share, for the third quarter, a $738,000 improvement over the second quarter net loss of $2,504,000, or $.03 per diluted common share, and a $1,088,000 improvement as compared to a net loss of $2,854,000, or $.05 per diluted common share, in the third quarter of 2010. Earnings before interest, taxes, depreciation, amortization and share based compensation (Adjusted EBITDA*) for the third quarter of 2011 were a loss of $934,000, a $489,000 improvement as compared to the second quarter loss of $1,423,000 and a $1,306,000 improvement compared to a loss of $2,240,000 in the third quarter of 2010.

Revenue for the nine months ended September 30, 2011, was $5,125,000, as compared to revenue of $545,000 recorded for the nine months ended September 30, 2010. The Company reported a net loss of $7,617,000, or $0.11 per diluted common share, for the nine months ended September 30, 2011, as compared to a net loss of $8,693,000, or $0.15 per diluted common share, for the same nine month period in 2010. Adjusted EBITDA* for the nine months ended September 30, 2011, were a loss of $4,675,000, as compared to a loss of $6,425,000 in the same nine month period of 2010. The Company ended the quarter with $637,000 in cash and has a commitment for a $1.5 million line of credit to fund working capital growth due to the planned revenue ramp.

Management Commentary

Parker H. "Pete" Petit, Chairman and CEO stated, "We are pleased with the revenue growth for the quarter, especially in the areas of wound care and spine. However, one of our most significant accomplishments was the reduction in our Adjusted EBITDA loss in the third quarter by almost $500,000 as compared to the prior quarter and our achievement of breakeven Adjusted EBITDA in the month of September. With a combination of revenue growth and expense management, we are making significant strides towards achieving positive Adjusted EBITDA in the near term. We expect that the recent addition of key resources in our sales organization, our agreement with Affirmative Solutions for our VA initiatives, and several potential OEM agreements that are currently in various stages of negotiation will provide further support of our fourth quarter growth goals. These initiatives, along with our continued diligence in expense control, will expedite our Adjusted EBITDA/positive cash flow objectives."

The Company reported that it continues to see an increasing level of enthusiasm from practicing physicians within numerous medical disciplines regarding the potential clinical effectiveness of its AmnioFix® and EpiFix® offerings. During the third quarter, MiMedx launched its amniotic membrane injectable tissue, the Company's newest offering, and commenced shipments into distribution. The AmnioFix® Injectable is a novel configuration as it consists of micronized tissue in a dry powder form and is stored at room temperature. The physician adds sterile saline to the vial, mixes, and then injects the solution. Bill Taylor, President and COO of MiMedx said, "We have initiated a limited launch of the AmnioFix® Injectable to a group of physicians who, for quite some time, have expressed an interest in this configuration. The physicians using it in the limited launch are focusing their efforts on tendonitis applications. AmnioFix® Injectable may have numerous additional uses as well, and at this time, we are conducting additional evaluations to study such applications."

"We initiated numerous clinical studies and evaluations during the quarter on our AmnioFix® and EpiFix® allografts," continued Taylor. "We are engaged with physician leaders across the country in performing evaluations of these grafts in numerous clinical applications. These clinical evaluations are designed not only to provide additional clinical data for physicians, but also to support our reimbursement efforts with CMS and health plans. Based on the data and evidence we have collected so far, it appears that our AmnioFix® and EpiFix® products will have strong clinical results and be quite cost effective in their uses for numerous medical procedures."

Commenting on the current state of the market for new products, Petit said, "As with all new medical products or tissues, we are going through a several-month phase where health plans must be properly educated on the clinical and cost effectiveness of these tissues. While this is a laborious and detailed process that has to be carefully navigated, we are very fortunate that MiMedx executives have successful track records in accomplishing this type of activity numerous times with their previous companies. We are doing everything possible to expedite and optimize this process."

MiMedx continues to have ongoing discussions with a number of other industry organizations related to a private label or OEM relationship. "We have engaged in numerous discussions related to our amniotic membrane allografts and collagen fiber. During the quarter, we signed an OEM agreement for amniotic tissue with a company that manufactures spinal device implants. At present, we are having discussions with several companies, some of which are in the United States and others with international presence. We hope to be able to consummate additional OEM transactions during the fourth quarter," added Petit.

During the quarter, MiMedx submitted its initial request for Medicare reimbursement for EpiFix®. The Company reported that its data and information are currently undergoing a review, and MiMedx hopes to have some positive answers in the months ahead. "If we can obtain Medicare coding in certain facilities for our AmnioFix® and EpiFix®, it should quickly open up new sites that would be interested in our innovative allografts," commented Taylor.

The Company completed the final phase of the relocation of its headquarters and manufacturing facilities during the quarter. The Company now has the majority of its employees in one facility in Kennesaw, Georgia. We expect that we will receive the European CE Mark for the Company's CollaFix™ surgical mesh product during the fourth quarter. With our manufacturing consolidation behind us, we are well prepared to ramp up our production to meet the anticipated demand for CollaFix™ in Europe," concluded Taylor.

Earnings Call

MiMedx management will host a live broadcast of its third quarter conference call today, Wednesday, October 26, 2011, beginning at 10:30 a.m. eastern time. A listen-only simulcast of the MiMedx Group conference call will be available online at the Company's website at www.mimedx.com or at www.earnings.com. A 30-day online replay will be available approximately one hour following the conclusion of the live broadcast. The replay can also be found on the Company's website at www.mimedx.com or at www.earnings.com.

About the Company

MiMedx® is an integrated developer, manufacturer and marketer of patent protected regenerative biomaterial products and bioimplants processed from human amniotic membrane. "***Innovations in Regenerative Biomaterials"*** is the framework behind our mission to give physicians products and tissues to help the body heal itself. Our biomaterial platform technologies include the device technologies HydroFix™ and CollaFix™, and our tissue technologies, AmnioFix® and EpiFix®. Our tissue technologies, processed from the human amniotic membrane, utilize our proprietary Purion® process that was developed by our wholly-owned subsidiary, Surgical Biologics, to produce a safe, effective and minimally manipulated implant. Surgical Biologics is the leading supplier of amniotic tissue, having supplied over 35,000 implants to date to distributors and OEMs for application in the Ophthalmic, Orthopedics, Spine, Wound Care and Dental sectors of healthcare.

**Earnings before interest, taxes, depreciation, amortization and share based compensation is a non-GAAP financial measure and should not be considered a replacement for GAAP results. For a reconciliation of this non-GAAP financial measure to the most directly comparable financial measure, see accompanying table to this release.*

Safe Harbor Statement

This press release includes statements that look forward in time or that express management's beliefs, expectations or hopes. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to the effect on fourth quarter revenue growth of the recent addition of key resources in the Company's sales organization, the Company's agreement with Affirmative Solutions, and potential OEM agreements, the Company's ability to achieve positive Adjusted EBITDA through revenue growth and expense controls, the increasing enthusiasm for the Company's AmnioFix® and EpiFix® products, potential uses for the Company's amniotic membrane injectable tissue beyond tendonitis applications, the effect of in-process clinical evaluations on the Company's reimbursement efforts and the outcome of these evaluations, the effectiveness of the Company's management team in educating health plans on the clinical and cost effectiveness of the Company's tissues, the Company's OEM business opportunities and its ability to bring OEM relationships online during the fourth quarter, the attainment of a Medicare reimbursement code for use by certain facilities using the Company's products and the resultant effect on demand for the Company's products, the prospect of receiving the CE Mark regulatory clearance for the Company's first CollaFix™ product during the fourth quarter, the demand for the product once cleared and the Company's preparedness for ramping up production to meet anticipated demand. These statements are based on current information and belief, and are not guarantees of future performance. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include that the Company may not achieve expected revenue growth or realize anticipated cost savings and may not achieve and/or be able to sustain positive Adjusted EBITDA in the near term or at all; that potential new uses for the Company's amniotic membrane injectable tissue may not materialize, that results of the in-process clinical evaluations will not be as anticipated or will not have the anticipated impact on the Company's reimbursement efforts, that the OEM business opportunities may not materialize as expected and the Company may be unable to bring additional OEM relationships online during the fourth quarter, that the Company many not receive a Medicare reimbursement code for its products or that the receipt of a Medicare reimbursement code does not increase demand for the Company's products, that the Company may not receive anticipated regulatory clearance for its first CollaFix™ product or that such clearance may be delayed,that, once clearance is received, the anticipated demand for the product may not materialize, that the Company may not be successful in ramping up its production capabilities to meet the demand for its initial CollaFix™ product, and the risk factors detailed from time to time in the Company's periodic Securities and Exchange Commission filings, including, without limitation, its 10-K filing for the fiscal year ended December 31, 2010, and its most recent Form 10-Q. By making these forward-looking statements, the Company does not undertake to update them in any manner except as may be required by the Company's disclosure obligations in filings it makes with the Securities and Exchange Commission under the federal securities laws.

MIMEDX GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
REVENUES:				
Net sales	$ 2,152,094	$ 108,027	$ 5,124,980	$ 544,956
OPERATING COSTS AND EXPENSES:				
Cost of products sold	843,366	539,697	2,291,647	1,355,210
Research and development expenses	485,236	842,929	1,995,626	2,168,043
Selling, general and administrative expenses	2,475,849	1,579,259	8,162,847	5,121,933
LOSS FROM OPERATIONS	(1,652,357)	(2,853,858)	(7,325,140)	(8,100,230)
OTHER INCOME (EXPENSE), net				
Interest (expense) income, net	(113,366)	(584)	(291,651)	(592,866)
LOSS BEFORE INCOME TAXES	(1,765,723)	(2,854,442)	(7,616,791)	(8,693,096)
Income taxes	-	-	-	-
NET LOSS	$ (1,765,723)	$ (2,854,442)	$ (7,616,791)	$ (8,693,096)
Net loss per common share				
Basic and diluted	$ (0.02)	$ (0.05)	$ (0.11)	$ (0.15)
Shares used in computing net loss per common share				
Basic and diluted	73,767,674	61,049,942	72,082,605	57,874,093

See notes to condensed consolidated financial statements

MIMEDX GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	September 30, 2011 (unaudited)	December 31, 2010
Current assets:		
Cash and cash equivalents	$ 637,192	$ 1,340,922
Accounts receivable, net	1,501,565	162,376
Inventory	609,139	111,554
Prepaid expenses and other current assets	254,694	90,946
Total current assets	3,002,590	1,705,798
Property and equipment,net of accumulated depreciation of $1,775,925and $1,392,704, respectively	916,871	756,956
Goodwill	4,040,443	857,597
Intangible assets, net of accumulated amortization of $3,134,538 and $2,132,606, respectively	15,424,462	3,929,394
Deposits and other long term assets	167,257	102,500
Total assets	$ 23,551,623	$ 7,352,245

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2011 (unaudited)	December 31, 2010
Current liabilities:		
Accounts payable and accrued expenses	$ 1,877,402	$ 848,285
Convertible notes, plus accrued interest of $3,432	-	403,432
Notes payable, plus accrued interest of $268	37,398	-
Deferred rent current	6,620	-
Customer deposits	14,725	-
Current portion of convertible debt, net of unamortized discount of $245,296plus accrued interest of $36,712	1,041,416	-
Current portion of earn-out liability payable in MiMedx common stock	3,850,000	-
Total current liabilities	6,827,561	1,251,717
Earn-out liability payable in MiMedx common stock, net of current portion	3,554,700	-
Convertible line of credit with related party, net of unamortized discount of $52,698 plus accrued interest of $21,042	1,268,344	-
Other liabilities	48,862	-
Total liabilities	11,699,467	1,251,717
Commitments and contingency (Note 11)	-	-
Stockholders' equity:		
Preferred stock; $.001 par value; 5,000,000shares authorized and 0 shares issued and outstanding	-	-
Common stock; $.001 par value; 100,000,000 shares authorized;74,306,895 issued and 74,256,895 outstanding for 2011 and 64,381,910 issued and 64,331,910 outstanding for 2010	74,307	64,382
Additional paid-in capital	71,247,000	57,888,506
Treasury stock (50,000 shares at cost)	(25,000)	(25,000)
Accumulated deficit	(59,444,151)	(51,827,360)
Total stockholders' equity	11,852,156	6,100,528
Total liabilities and stockholders' equity	$ 23,551,623	$ 7,352,245

See notes to condensed consolidated financial statements

MiMedx Group, Inc. and Subsidiaries
Non-GAAP Financial Measures and Reconciliation

As used herein, "GAAP", refers to generally accepted accounting principles in the United States. We use various numerical measures in conference calls, investor meetings and other forums which are or may be considered "Non-GAAP financial measures" under Regulation G. We have provided below for your reference, supplemental financial disclosure for these measures, including the most directly comparable GAAP measure and an associated reconciliation.

Reconciliation of Net Loss to "Adjusted EBITDA" defined as Earnings before Interest, Taxes, Depreciation, Amortization and Share Based Compensation:

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2011	2010	2011	2010	2011
Net Loss (Per GAAP)	$ (1,765,723)	$ (2,854,442)	$ (7,616,791)	$ (8,693,096)	$ (2,503,505)
Add back:					
Income Taxes	-	-	-	-	-
Financing (expense) associated with warrants issued in connection with convertible promissory note	-	-	-	(595,679)	-
Financing (expense) associated with beneficial conversion of note payable issued in conjunction with acquisition	(85,989)	-	(219,506)	-	(60,599)
Other interest (exp)/inc., net	(27,377)	(584)	(72,145)	2,813	(26,471)
Depreciation Expense	98,989	114,332	330,851	337,592	115,682
Amortization Expense	333,977	166,983	1,001,931	500,949	333,977
Employee Share Based Compensation	222,792	269,477	1,032,261	731,216	429,096
Other Share Based Compensation	62,946	63,490	285,154	105,062	114,648
Loss Before Interest, Taxes, Depreciation, Amortization and Share Based Compensation	$ (933,653)	$ (2,239,576)	$ (4,674,943)	$ (6,425,411)	$ (1,423,032)