

CODE OF CONDUCT AND ETHICS

In its efforts to prevent and detect wrongful conduct, Cytomedix has adopted and implemented a compliance and ethics program designed to encourage ethical conduct and a commitment to compliance with law. The Cytomedix Code of Conduct and Ethics ("Code of Conduct") is just one part of this program. The Code of Conduct is a set of guidelines, standards and procedures intended to (i) prevent and detect wrongful conduct, (ii) assist in making decisions on behalf of Cytomedix, (iii) aid in avoiding conflicts of interest. Nothing in the Code of Conduct is intended to create enforceable employee contract rights.

The Cytomedix Board of Directors acting through its Nominating and Corporate Governance Committee, is responsible for the oversight and implementation of Cytomedix's compliance and ethics program. The Chief Executive Officer has the day-to-day operational responsibility for the compliance and ethics program, including the Code of Conduct.

Do not hesitate to ask your supervisor or a more senior manager if you have questions concerning our Code of Conduct and Ethics or need assistance interpreting any of its provisions. The Chief Executive Officer (240-499-2680) should also be asked to help interpret or apply the Code of Conduct and Ethics in general, or in a specific situation. Also, feel free to contact the Chairman of the Nominating and Corporate Governance Committee with any questions or concerns concerning our Code of Conduct and Ethics. The Chairman of the Nominating and Corporate Governance Committee may be reached by letter addressed as follows:

Cytomedix, Inc.
Attn: Nominating and Corporate Governance Committee
c/o Cozen O'Connor
The Army & Navy Club Building
1627 I Street, NW, Suite 1100
Washington, DC 20006

Correspondence so addressed will be opened only by the Chairman of the Nominating and Corporate Governance Committee. A telephone number for the Chairman of the Nominating and Corporate Governance Committee may also be obtained on a confidential basis by contacting Cytomedix.

Enforcing The Code of Coduct

Failure to comply with the standards contained in the Code of Conduct will result in appropriate discipline of the offending person, up to and including termination, referral for criminal prosecution, and restitution for any losses or damages resulting from the violation.

Disciplinary action will be taken:

- If you authorize or participate directly in actions which are a violation of the Code of Conduct;
- If you deliberately fail to report a violation or deliberately withhold relevant and material information concerning a violation of the Code of Conduct;
- Against a supervisor, to the extent that the circumstances of the violation reflect inadequate supervision or a lack of diligence;
- Against any employee who retaliates, directly or indirectly, or encourages others to do so, against the person who reports a violation of the Code of Conduct.

Ethical Principles

No guidelines can be all-inclusive. However, the guidelines contained in this Code of Conduct have been identified by Cytomedix as especially important.

Ultimately, the responsibility for proper conduct rests on each of us. There is no substitute for personal

integrity and good judgment. When faced with a difficult situation, consider these three questions:

- Is my action or decision the right thing to do?
- Could my action or decision withstand public review?
- Will my action or decision protect Cytomedix's reputation as an ethical company?

If the answer to each question is "yes," the action or decision is probably the correct one.

All directors, officers and employees must advocate and adhere to the following ethical principles governing their professional and ethical conduct in the fulfillment of their respective responsibilities:

1. All directors, officers and employees shall act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships. A "conflict of interest" exists when an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of Cytomedix. Actual or apparent conflicts of interest shall promptly be called to the attention of your supervisor, the Chief Executive Officer, or the Chairman of the Nominating and Corporate Governance Committee.
2. All directors, officers and employees shall provide information that is full, fair, accurate, complete, objective, relevant, timely and understandable, including in and for reports and documents that Cytomedix files with, or submits to, the Securities and Exchange Commission ("SEC") and other public communications made by Cytomedix.
3. All directors, officers and employees shall comply with all applicable laws, rules and regulations of federal, state, and local governments, and other appropriate private and public regulatory bodies, including but not limited to, the laws pertaining to insider trading of Cytomedix securities.
4. All directors, officers and employees shall act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing their independent judgment to be subordinated or compromised.
5. All directors, officers and employees shall respect the confidentiality of information acquired in the course of business except with authorized or otherwise legally obligated to disclose the information. Directors, officers and employees shall not use confidential information acquired in the course of business for personal advantage.
6. All directors, officers and employees shall proactively promote ethical behavior among all associates at Cytomedix and as a responsible partner with industry peers and associates.
7. All directors, officers and employees shall maintain control over and responsibly manage all assets and resources employed or entrusted to them by Cytomedix.
8. All directors, officers and employees shall adhere to and promote this Code of Conduct and Ethics and promptly report any violations of this Code of Conduct and Ethics to the Chief Executive Officer or the Chairman of the Nominating and Corporate Governance Committee.

Conducting Cytomedix Business

Conducting the business of Cytomedix means that we deal with a variety of people and organizations including customers, suppliers, competitors, community and government representatives, and other employees. These relationships will be based on honesty and fairness. We will be truthful in representing Cytomedix.

Working with Customers

The company that fails its customers, fails! We will stay close to our customers, tell them the truth and earn their business every day. There will be no bribes, illegal payments or pricing practices. We will only promise

what we can deliver. Our services, products and systems will be truthfully represented and ethically sold.

Working with Suppliers, Agents and Consultants

We will obtain materials, supplies, equipment, consulting and other services at the lowest total cost from suppliers who are able to meet Cytomedix quality and service requirements. Source selection, negotiation, determination of contract awards and the administration of all purchasing activities will be ethically conducted. Mutually beneficial relationships with reliable suppliers and consultants will be sought.

Competition will be encouraged and maintained. Compliance with applicable government regulations and Cytomedix policies and procedures is required.

Payments to agents, consultants, brokers, professionals or other parties representing Cytomedix must be limited to reasonable compensation for services rendered plus reimbursement for legitimate expenses incurred. Contracts entered into with these parties will fully disclose the fees to be paid and the services to be rendered, and will require compliance with the Code of Conduct. No one may be hired by Cytomedix to make payments or take any action which would be in conflict with any provisions of the Code of Conduct.

Contact with Competitors

General

The basic policy is for Cytomedix employees to have no inappropriate contacts with our competitors. That way, we comply with the law and also maintain full independence and freedom to act. Any business activity which involves repeated or unusual contact with competitors—whether at meetings, in telephone calls or by correspondence—must be approved by your supervisor and the Chief Executive Officer.

Also avoid unfair acts against competitors. Prohibited activities include:

- Threats and harassment, physical abuse, and equipment tampering directed against a competitor;
- Unlawfully interfering with an existing contractual relationship between a competitor and its customer; and
- Raiding key employees with the intent to drive a competitor out of business.

Comparisons with Competition

Cytomedix sells its services and systems on merit—not by making false or misleading comparisons with the competition. Specifically, in comparing Cytomedix to the competition, we will not intentionally:

- Misappropriate or misuse the trade names or trademarks of a competitor;
- Make false or misleading statements about a competitor or its products, business practices, financial status or reliability; or
- Engage in false or misleading advertising.

Gathering Competitor Information

Cytomedix keeps up with competitive developments and reviews all pertinent public information concerning competitors. Information about competitors is collected from a variety of legitimate sources to help evaluate our products, services and marketing methods. Proper sources include information from customers or which is published or in the public domain, or information or product samples lawfully received from the owner or from an authorized third party.

Cytomedix respects the trade secrets of others. There are limits to the ways that information can be ethically acquired and used. Espionage, burglary, wire tapping and stealing are wrong. But so is hiring a competitor's employees solely to get confidential information. So is gaining unauthorized access to electronic mail or other confidential competitor communications.

If possession is gained of competitor information that is marked confidential, or which is believed to be confidential, consult with the Chief Executive Officer or the Chairman of the Nominating and Corporate Governance Committee immediately.

Legal Compliance

A number of laws apply to dealings with competitors and the use of competitive information. Some impose harsh criminal penalties on employees and all impose substantial financial fines on both employees and their employers.

Whether specific conduct is lawful or violates the rights of a competitor or violates Cytomedix's Code of Conduct, will depend upon an analysis of each situation. Before acting, especially before hiring former or current employees of Cytomedix competitors, consult the Chief Executive Officer. Also see Antitrust.

Working with Government Officials

Outside the United States

Cytomedix is prohibited by United States law from directly or indirectly offering, promising to pay or authorizing the payment of money or anything of value to a government official, employee or politician ("official") outside the United States for the purpose of:

- Influencing the acts or decisions of that official;
- Inducing that official to act or fail to act in violation of his or her lawful duties; or
- Inducing the official to use his or her influence to assist in obtaining or retaining business, or for directing business to any person.

Intermediaries, such as affiliates, agents, consultants or distributors, also may not be used to channel payments to officials outside the United States.

A payment of a nominal amount to a low-ranking government employee outside the United States, made to expedite or secure the performance of a routine government action, might not violate United States law if Cytomedix can prove that such a payment is made for the purpose of expediting (rather than influencing) that particular decision. A "routine government action" is a non-discretionary function or service which the low—ranking government employee is obliged to perform as part of his or her responsibilities. Examples of such services would be the issuing of visas or customs documents. However, such a "facilitating" payment could well violate other laws or damage Cytomedix's reputation. Therefore, such a payment is discouraged.

If absolutely necessary, such payment should be made only after consultation with the Chief Executive Officer. Any such payment must be properly accounted for in the corporate books and records.

Doing Business with the United States Government

Special Nature of Government Business: To ensure receiving the best goods and services for the taxpayer's money, the United States government has imposed stringent requirements on contractors with which it does business. We will maintain strict compliance in transacting business with the United States government. Once a contract is awarded, all contract terms will be met. No deviations or substitutions will be made without the appropriate notice to or approval of the authorized official.

Contract Negotiation and Pricing: Doing business with the United States government usually requires Cytomedix to submit complete, current and accurate pricing and other factual information as part of contract negotiations. Discrepancies can lead to financial penalties and possible criminal charges against Cytomedix and the individuals involved.

During the negotiation process, we will explain the significance of all important facts concerning a contract proposal and be prepared to certify the accuracy of the information provided. Extra care will be taken in

preparing submissions to the government. Any changes affecting pricing data will be reported immediately to the Chief Executive Officer.

Product Specifications and Testing: All materials and processes will conform to the specifications called for in the contract. Any change from the contract's requirements must have the approval of an authorized government official.

Hiring of United States Officials: The government has enacted specific rules to eliminate even the appearance of a conflict of interest by officials who leave government employment and go to work for government contractors. Clearance from the Chief Executive Officer is required prior to employing, or hiring as a consultant, any official currently or recently employed by the government, whether military or civilian.

No Gifts Meals or Gratuities: Normal business courtesies in the commercial marketplace can be construed as an attempt to improperly influence someone in the government marketplace in the United States. Therefore, no Cytomedix employee shall provide anything of value to a federal government customer, contractor or employee of such customer or contractor:

- For the purpose of influencing the award, renewal or modification of a contract;
- In exchange for some official act; or
- To secure or reward favorable treatment in connection with procurement activities.

Any type of gratuity for employees of federal government customers, including but not limited to meals, refreshments, travel or lodging expenses, is prohibited. Whenever you and government personnel participate in a joint endeavor, government personnel must pay their fair share.

Rules may also be in effect by state, local and other national governments governing the acceptance of business courtesies such as meals and refreshments. These rules must be observed.

Employees involved with government contracts must be familiar with the Federal Government Contracts Policies and Procedures Manual.

Lobbying Government Officials

All lobbying activities, offering testimony or making similar, major contacts with government personnel in the United States on behalf of Cytomedix must be coordinated in advance by the Chief Executive Officer. Outside the United States, all activities that might constitute lobbying or attempts to influence government officials should first be reviewed with management and legal counsel.

Working with Each Other

The intrinsic worth and dignity of each employee must be respected. Conduct which subtracts from that worth and dignity is contrary to Cytomedix's culture.

Equal Employment Opportunity

Employees and applicants for employment will be evaluated on a non-discriminatory basis. Cytomedix hires, compensates and promotes associates on the basis of their qualifications and performance. Only those criteria which are relevant to the job will be considered.

Cytomedix has in place a proactive set of programs in order to ensure that we meet our objective to provide equal employment opportunity.

Workplace Respect

Respect for each other is basic to Cytomedix's culture. Regardless of where it occurs, behavior that disrupts the productive work environment of our associates threatens the teamwork vital to Cytomedix's success. Each of us must help ensure that our work environment is respectful and free from abusive behavior and

harassment. Behavior that violates this policy must be reported and addressed.

As part of this policy, we will maintain a work environment free of sexual harassment. Generally, sexual harassment, regardless of intent, is direct or indirect, unwelcome, physical or verbal conduct of a sexual nature. Such harassment by any manager, employee, supervisor, customer or supplier of Cytomedix will not be tolerated.

Entertainment/Gifts and Monetary Payments Customers

Sales of Cytomedix products and services, whether sold directly or through distributing customers, must always be free from inappropriately seeking, receiving, giving or furnishing gifts, favors or entertainment. Therefore, gifts, favors, entertainment or other forms of personal benefit may only be provided by, or on behalf of, Cytomedix to a customer, or may only be accepted from a customer, if all of the following criteria are met:

- The item is consistent with the normal and accepted business ethics of the country in which it is provided;
- It does not violate the laws of the United States or the country in which it is provided, or Cytomedix policy;
- If a gift, it has only nominal value; and if a favor or entertainment, it is reasonable in cost, amount, quantity and frequency, and not excessive;
- It cannot, under the surrounding circumstances, be reasonably construed as a bribe, payoff or kickback;
- It involves no element of concealment;
- Public disclosure of it would not embarrass Cytomedix or damage Cytomedix's reputation;
- It does not violate standards of conduct of the recipient's organization; and
- The expense is documented and the business purpose is clearly stated.

Under no circumstances may a personal benefit take the form of cash or cash equivalents such as securities of Cytomedix or any other corporation, nor may personal loans be advanced.

Suppliers

No employee may accept from a supplier, or from a business that wishes to become a supplier, any kind of business courtesy or gratuity such as meals, cocktails, discounts, hospitality, entertainment, recreation, transportation or other personal benefit unless all of the following criteria are met:

- The item is consistent with the normal and accepted business ethics of the country in which it is provided;
- It does not violate the laws of the United States or the country in which it is provided, or Cytomedix policy;
- If a gift, it has only nominal value; and if a favor or entertainment, it is reasonable in cost, amount, quantity and frequency, and not excessive;
- It cannot, under the surrounding circumstances, be reasonably construed as a bribe, payoff or kickback;
- It involves no element of concealment; and
- Public disclosure of it would not embarrass Cytomedix or damage Cytomedix's reputation.

Solicitation of any favor or gratuity, regardless of value, or the suggestion that Cytomedix will purchase from a supplier if the supplier purchases from Cytomedix is expressly prohibited. Under no circumstances may a personal benefit take the form of cash or cash equivalents, nor may personal loans be accepted.

Payments for Goods or Services Outside the United States

Payments by Cytomedix for goods and services provided to Cytomedix outside the United States must be paid with an Cytomedix check or other approved instrument payable to the person or company legally entitled to receive payment. Payments will only be made to a party in the country where the party resides, maintains a place of business, or has delivered the goods or provided the services. An exception may be made where it is clear that payment made in another country will not violate local laws, such as income tax or currency control laws, of all of the countries involved. Consult the Chief Executive Officer for advice concerning these matters.

Payments to Employees Working Outside the United States

We will comply with all applicable tax and currency control laws of the countries where our employees have their principal employment. Any portion of the salary or benefits of an employee who resides outside the United States is to be paid in either the home country or in the country in which the employee is residing. (This includes United States employees who reside outside the United States.) Exceptions must be reviewed by the Chief Executive Officer.

Accounting/Financial and Corporate Information

Cytomedix's accounting records are relied upon to produce reports to management, shareholders, investors, creditors, governmental entities, and others. All accounting records, and reports produced from these records, must be kept and presented in accordance with applicable laws. They must accurately and fairly reflect, in reasonable detail, Cytomedix's income, cash flow, assets and liabilities and financial condition. "Reasonable detail" means the level of information and degree of assurance that would satisfy a prudent person in the conduct of his or her own affairs.

Accordingly:

- No false or misleading entries will be made in the accounting records. Transactions will be properly classified as to account and accounting period and will be adequately documented;
- Compliance with generally accepted accounting principles, Cytomedix accounting policies and procedures is required;
- Payments and other dispositions of assets will be described accurately, fairly, and in reasonable detail in Cytomedix's accounting records, and will be made only for the purpose described in the relevant entries or documentation;
- No undisclosed or unrecorded fund or asset will be established or maintained;
- Sales will be properly recorded in the accounting records and in the appropriate accounting period, and only billed by written invoice. Exceptions must conform to Cytomedix's asset disposition policy. Billing in excess of actual selling price is prohibited and rebates will be made only in accordance with approved Cytomedix procedures;
- Accounting estimates, including accruals, will be based on good faith judgment and on any applicable Cytomedix policy; and
- Complete and accurate information will be given to inquiries from Cytomedix's internal and external auditors and Cytomedix's legal counsel.

The Audit Committee of the Board of Directors has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. Should you have any such concern, you must submit your concern to the Audit Committee in accordance with such procedures. Concerns may be submitted to the Audit Committee by contacting the Chairman of the Audit Committee at the following address:

Cytomedix, Inc.
Attn: Audit Committee
c/o Cozen O'Connor
The Army & Navy Club Building
1627 I Street, NW, Suite 1100
Washington, DC 20006

Correspondence so addressed will be opened only by the Chairman of the Audit Committee. A telephone number for the Chairman of the Audit Committee may also be obtained on a confidential basis by contacting Cytomedix.

Securities

Cytomedix is governed by United States securities law statutes administered by the SEC and by the rules of the American Stock Exchange ("AMEX"). We will comply with these laws and rules.

If statements made by Cytomedix in public statements and communications or in filings with the SEC or AMEX are false or misleading as to a material matter, the responsible person and Cytomedix can be exposed to civil and criminal penalties. A matter or information is "material" if it is important enough to influence an employee or others in the decision to purchase or sell the stock of Cytomedix or any other company with whom Cytomedix does business.

Accordingly, disclosures to the investing public, including periodic reports, press releases and analyst and stockholder communications will be accurate and timely. No willful or knowingly false or misleading statement or omission will be made in any disclosure, report or registration statement filed with the SEC or AMEX or any other stock exchange on which Cytomedix's securities is listed. Also see Insider Trading.

Antitrust

General

We will fully comply with the antitrust laws of the United States and all other applicable jurisdictions. These laws are intended to preserve our free enterprise system by ensuring that competition is the prime regulator of the economy.

The antitrust laws are complex, wide ranging and subject to changing interpretations. Advice of the Chief Executive Officer should be obtained whenever a question arises over a contemplated course of action.

Compliance

Antitrust law compliance is of critical importance. Employees must be familiar with Cytomedix's Antitrust policy. Violation of these laws can subject Cytomedix or individual employees to criminal sanctions, substantial fines and/or imprisonment.

Managers and supervisors are responsible for ensuring that employees under their supervision are aware of and comply with this policy. Knowing violation of, or authorizing or permitting a subordinate to violate, the antitrust laws will subject you to discipline, including termination, if appropriate.

Implementation

Familiarity with the antitrust laws is not only important for Cytomedix salespeople. Many other Cytomedix associates are frequently in situations where antitrust considerations come into play. For example, some of us may have close friends who work for competitors, customers or suppliers. No one is asked to give up those relationships. However, a mutual understanding should be reached that there will never be any improper discussion of business matters. Finally, it is important to avoid conduct that could appear to constitute a violation of the law. No matter how innocent a particular act may be, legal difficulties can result if it leads others to believe that a violation has occurred.

International Operations

United States antitrust laws and/or the laws of other jurisdictions may govern Cytomedix's conduct or transactions outside the United States. Consult with the Chief Executive Officer before engaging in any conduct or transaction outside the United States.

Transacting Business Globally

Each of us, as an employee anywhere in the global operations of Cytomedix, will comply with:

- Cytomedix policies;
- The ethical standards of each country in which business is conducted;
- All legal requirements of each country in which business is conducted; and
- United States laws that apply in other countries.

Compliance with United States Antiboycott Laws

United States antiboycott laws and regulations prohibit Cytomedix and its subsidiaries and controlled affiliates from refusing to do business with a boycotted country or with any person who has dealt with a boycotted person or country, and require Cytomedix to report to the United States government certain boycott requests.

Cytomedix subsidiaries and controlled affiliates must comply with United States antiboycott laws in the conduct of Cytomedix business. Neither you nor any agent has the authority to act contrary to this policy or to authorize or condone violations of this policy. No one will provide information, statements, certificates or any other communication that violates United States antiboycott laws and regulations. Because the boycott laws are very complex, all boycott requests are to be reported immediately to the Chief Executive Officer.

Compliance with Export Control Laws

We will comply with all United States Export Control Laws. These laws restrict sales of many types of technologies, materials or products, originating in the United States, that could have significant military or police end uses. For example, these laws restrict sales to certain countries of technologies, materials and products that could be used in the design, development or production of chemical, biological or nuclear weapons or missile systems. Also, there are, controls that impose trade sanctions and prohibit sales to certain named individuals and companies.

These control laws apply to indirect as well as direct export sales. Conversations of a technical nature with a citizen of another country may be considered an export, even when that citizen is in the United States. What international visitors see when they tour United States facilities can be considered an export. If there is any doubt about a pending situation, consult the Chief Executive Officer.

In addition to complying with United States Export Control Laws, we will comply with applicable export control laws of all countries where business is conducted. For further information, consult the Chief Executive Officer.

Compliance with Customs Laws and Regulations

We will comply with all customs laws and regulations in all Cytomedix business operations. International movement of Cytomedix products and materials requires appropriate customs documentation, country-of-origin markings and proper valuation declarations.

Political Contributions

No corporate funds or other assets will be paid or furnished, directly or indirectly, to a political party or political candidate or incumbent, unless legally permissible and if approved in writing in advance by the Chief Executive Officer. No political contribution may be made by you, individually, in the name of

Cytomedix or any affiliate. Also, you may not be directly or indirectly reimbursed by Cytomedix or any affiliate for any political contribution.

Dealing Honestly

We will be honest in performing our employment duties. Committing or contributing to acts of dishonesty against Cytomedix, such as fraud, theft, embezzlement or misappropriation of corporate assets, will result in appropriate discipline. In addition, a criminal complaint will be filed against the offending employee when warranted by the evidence, circumstances and Cytomedix's interests.

Safeguarding Assets

Each of us is responsible for protecting the assets of Cytomedix. Assets include Cytomedix's investment in trade secrets, technology and other proprietary information, as well as physical property. Managers are responsible for maintaining good controls to protect assets from loss or unauthorized use, or disposition not in accordance with Cytomedix's asset disposition policy. Each of us is responsible for assisting in preventing waste and theft and assuring the integrity of the controls.

Protecting Proprietary Information

Confidentiality is required for corporate information regarding Cytomedix, its subsidiaries and affiliates. Most of the information to which each of us has access or develops on the job is proprietary. It is Cytomedix property and a valuable business asset. Proprietary information of Cytomedix may never be used for personal gain during or after employment with Cytomedix.

Proper precautions must be taken to protect our proprietary information. Unauthorized disclosure could destroy its value to the Company and give unfair advantage to others. We are all responsible for protecting this information. Disclosure should be limited to those who have a need to know.

Responsibility to keep information confidential continues after separation from employment with Cytomedix.

Proprietary information requiring protection includes, without limitation, any information not generally known about Cytomedix's business, such as customer and supplier lists, financial data, sales reports, materials developed for in-house use, administrative and manufacturing processes, business plans, pricing strategies and lists, formulae, devices and compilations of information which give Cytomedix a competitive advantage.

Any situation in which Cytomedix's proprietary information has or may have been compromised must be reported immediately to the Chief Executive Officer.

Avoiding Conflict of Interest

A conflict of interest exists where one or both parties in a relationship receive or give unfair advantage or preferential treatment because of the relationship. If not sure if your relationship with another organization or person conflicts with your job performance or Cytomedix's interests, discuss the circumstances with your supervisor or the Chief Executive Officer. Most potential conflict situations are readily resolved. It is always best to raise your concern.

Gifts and Entertainment

In order to personally accept a gift, favor or entertainment from a customer, supplier, agent, consultant or other person or organization in connection with Cytomedix business, all of the following criteria must first be met:

- The item is consistent with the normal and accepted business ethics of the country in which it is provided;
- It does not violate the laws of the United States or the country in which it is provided, or Cytomedix policy;

- If a gift, it has only nominal value; and if a favor or entertainment, it is reasonable in cost, amount, quantity and frequency, and not excessive;
- It cannot, under the surrounding circumstances, be reasonably construed as a bribe, payoff or kickback;
- It involves no element of concealment; and
- Public disclosure of it would not embarrass Cytomedix or damage Cytomedix's reputation.

Under no circumstances may an employee accept cash or cash equivalents or personal loans. Also see Entertainment/Gifts and Monetary Payments.

Insider Trading

You may not buy or sell Cytomedix stock or other Cytomedix securities for your own account or for members of your family while possessing material information about Cytomedix which has not been publicly released. You may not buy or sell securities of another company while possessing non- public, material information about that company which is related to an intended action by Cytomedix of which you are aware. For example, you may not trade in the stock of a company based on the knowledge that Cytomedix will shortly acquire the shares or assets of that company.

Furthermore, such non-public, material information must not be passed along to another person (including other employees, relatives or friends) who has no work-related need to know. A matter or information is "material" if it is important enough to influence an employee or others in the decision to purchase or sell the stock of Cytomedix or any other company with whom Cytomedix does business. Failure to observe this prohibition can expose you and Cytomedix to civil and criminal penalties.

Outside Employment

You may not engage in employment outside Cytomedix if such employment competes with Cytomedix, provides services or assistance to an Cytomedix competitor, or interferes with your assigned duties at Cytomedix. Examples of such interference would be the requiring of Cytomedix time or facilities to perform the outside employment, or if the outside employment impairs the ability to give full attention to your position with Cytomedix during normal working hours.

Outside Directorships and Investments

If you serve or seek to serve as a director of, or have a business or financial interest in, a firm having current or prospective dealings with Cytomedix, you must disclose that fact to the Chief Executive Officer so that it may be determined whether the situation presents a conflict of interest. This would include, without limitation, a supplier, customer, landlord, tenant or merger/acquisition candidate, or competitor of Cytomedix. The business or financial interests of members of your immediate family living with you will also be considered to be your financial interests. Any subsequent approval to continue or engage in such outside directorship or investment must be made in writing by your supervisor. The ownership of not more than one percent (1%) of a publicly-traded company's securities will be presumed not to be a conflict of interest and need not be disclosed.

Speculation or Competition With Cytomedix

You may never take personal advantage of, or make available to others, any business opportunity in which it is known, or could reasonably be known, that Cytomedix would be interested in, without advance written approval from the Chief Executive Officer. The obvious examples are a purchase of real estate or other property, or any interest in a firm, in which Cytomedix is known to have an interest in acquiring. In no event may you deal for your own account in products sold or services performed by Cytomedix.

Purchases from Employees or Family Members

Purchases by Cytomedix from employees, family members, or others with close personal relationships can give rise to conflicts of interest. Except for individuals who will be paid through the Cytomedix payroll

system, Cytomedix will not purchase any goods or services from any employee or close relative of an employee without the prior consent of the Chief Executive Officer. While not intending to prohibit personal relationships, management is responsible for taking appropriate action, including disciplinary action, to protect Cytomedix when a personal relationship is contrary to the company's interest.

Government Service

Your service in government positions may present a conflict of interest. If election or appointment to such a position is anticipated, you must request the written approval of the Chief Executive Officer. If you hold a government office, it is expected that you will abstain from any vote or decision which materially involves the interests of Cytomedix.

Complying with the Code of Conduct

You are responsible for understanding and complying with the Code of Conduct. It is the responsibility of your supervisor, the Chief Executive Officer and the Chairman of the Nominating and Corporate Governance Committee to assist you in applying the Code of Conduct and to be aware of the ethical quality of your business behavior. Managers are also responsible for enforcing the Code of Conduct within their areas of responsibility.

Written certification concerning Code of Conduct compliance will be periodically required from those employees designated by the Chairman of the Nominating and Corporate Governance Committee of the Board or the Chief Executive Officer of Cytomedix.

Any actual or contemplated conduct which you reasonably believe may constitute a violation of the Code of Conduct must be promptly reported to your supervisor, the Chief Executive Officer of Cytomedix, or the Chairman of the Nominating and Corporate Governance Committee. A VERBAL OR WRITTEN REPORT TO YOUR SUPERVISOR OR THE CHIEF EXECUTIVE OFFICER IS THE PREFERRED METHOD OF REPORTING VIOLATIONS OR OBTAINING GUIDANCE IN COMPLYING WITH THE CODE OF CONDUCT.

Cytomedix will investigate possible violations. In doing so, it will respect the rights of all parties concerned. Employees will be expected to cooperate with any investigation. The identity of persons reporting possible violations will be kept confidential unless Cytomedix is required to reveal it in order to enforce the Code of Conduct, or by applicable law or judicial process.

Cytomedix will not retaliate against a director, officer or employee who provides information to the federal government, a supervisor, the Chief Executive Officer, or the Chairman of the Nominating and Corporate Governance Committee, or who testifies about any matter that the director, officer, or employee reasonably believes constitutes a violation of federal securities laws or relating to fraud against shareholders.