UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended February 29, 2016

or

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _________ to _________

Commission file number: 000-54329

ORGENESIS INC.

(Exact name of registrant as specified in its charter)

Nevada	**98-0583166**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

20271 Goldenrod Lane
Germantown, MD 20876
(Address of principal executive offices) (zip code)

(480) 659-6404
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ] (Do not check if a smaller reporting company)	Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [X].

As of April 14, 2016, there were 108,739,806 shares of registrant's common stock outstanding.

ORGENESIS INC.
FORM 10-Q
FOR THE THREE MONTHS ENDED FEBRUARY 29, 2016

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PART I – UNAUDITED FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ORGENESIS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(U.S. Dollars in thousands)
(Unaudited)

	February 29, 2016	November 30, 2015
Assets		
CURRENT ASSETS:		
Cash and cash equivalents	$ 933	$ 4,168
Accounts receivable	1,694	1,173
Prepaid expenses and other receivables	973	1,118
Grants receivable	1,037	1,446
Inventory	418	301
Total current assets	5,055	8,206
NON CURRENT ASSETS:		
Property and equipment, net	4,564	4,296
Restricted cash	5	5
Intangible assets, net	16,707	16,653
Goodwill	9,812	9,535
Other assets	57	53
Total non current assets	31,145	30,542
TOTAL ASSETS	36,200	38,748
Liabilities and equity (net of capital deficiency)		
CURRENT LIABILITIES:		
Accounts payable	2,865	3,475
Accrued expenses	992	816
Employee and related payables	1,643	1,348
Related parties	42	42
Advance payments on account of grant	247	307
Short-term loans and current maturities of long term loans	1,211	2,829
Deferred income	1,415	1,216
Convertible loans	2,013	3,022
Convertible bonds	1,787	1,888
Price protection derivative	197	1,533
TOTAL CURRENT LIABILITIES	12,412	16,476
LONG-TERM LIABILITIES:		
Loans payable	2,534	2,540
Warrants	1,450	1,382
Retirement benefits obligation	5	5
Deferred taxes	3,117	3,327
TOTAL LONG-TERM LIABILITIES	7,106	7,254
TOTAL LIABILITIES	19,518	23,730
COMMITMENTS		
REDEEMABLE COMMON STOCK		21,458
EQUITY (CAPITAL DEFICIENCY):		
Common stock	11	6
Additional paid-in capital	37,801	14,229
Receipts on account of shares to be allotted	67	1,251
Accumulated other comprehensive loss	(782)	(1,286)
Accumulated deficit	(20,415)	(20,640)
TOTAL EQUITY (CAPITAL DEFICIENCY)	16,682	(6,440)
TOTAL LIABILITIES AND EQUITY (NET OF CAPITAL DEFICIENCY)	$ 36,200	$ 38,748

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(U.S. Dollars in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended	
	February 29, 2016	February 28, 2015
REVENUES	$ 1,520	$
COST OF REVENUES	1,480	
GROSS PROFIT	40	
RESEARCH AND DEVELOPMENT EXPENSES, net	401	175
AMORTIZATION OF INTANGIBLE ASSETS	328	
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,166	659
OPERATING LOSS	(1,855)	(834)
FINANCIAL INCOME, net	1,772	44
LOSS BEFORE INCOME TAXES	(83)	(790)
INCOME TAX BENEFIT	308	
NET INCOME (LOSS)	$ 225	$ (790)
EARNING (LOSS) PER SHARE:		
Basic	$ 0.002	$ (0.01)
Diluted	$ 0.001	$ (0.02)
WEIGHTED AVERAGE NUMBER OF SHARES USED IN COMPUTATION OF BASIC AND DILUTED EARNING (LOSS) PER SHARE:		
Basic	103,127,025	55,735,394
Diluted	103,127,025	56,288,938
OTHER COMPREHENSIVE INCOME (LOSS):		
Net income (loss)	$ 225	$ (790)
Translation adjustments	504	(102)
TOTAL COMPREHENSIVE INCOME (LOSS)	$ 729	$ (892)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
(U.S. Dollars in thousands, except share amounts)
(Unaudited)

	Common Stock						
	Number	Par Value	Additional Paid-in Capital	Receipts on Account of Share to be Allotted	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at December 1, 2014	55,970,565	$ 6	$ 13,152	$ 60	$ (18)	$ (16,179)	$ (2,979)
Changes during the three months ended February 28, 2015:							
Stock-based compensation to employees and directors			159				159
Stock-based compensation to service providers			90				90
Comprehensive loss for the period					(102)	(790)	(892)
Balance at February 28, 2015	55,970,565	$ 6	$ 13,401	$ 60	$ (120)	$ (16,969)	$ (3,622)
Balance at December 1, 2015	55,835,950	$ 6	$ 14,229	$ 1,251	$ (1,286)	$ (20,640)	$ (6,440)
Changes during the three months ended February 29, 2016:							
Stock-based compensation to employees and directors			120				120
Stock-based compensation to service providers			50				50
Issuances of shares from investments and conversion of convertible loans	10,502,132	1	1,948	(1,251)			698
Reclassification of redeemable common stock	42,401,724	4	21,454				21,458
Receipts on account of shares to be allotted				67			67
Comprehensive income for the period					504	225	729
Balance at February 29, 2016	108,739,806	$ 11	$ 37,801	$ 67	$ (782)	$ (20,415)	$ 16,682

The accompanying notes are an integral part of these condensed consolidated financial statements.

ORGENESIS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(U.S. Dollars in thousands)
(Unaudited)

	Three months ended	
	February 29, 2016	February 28, 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 225	$ (790)
Adjustments required to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	170	249
Depreciation and amortization expenses	641	1
Change in fair value of warrants and embedded derivatives	(1,803)	(183)
Change in fair value of convertible bonds	(157)	
Interest expense accrued on loans and convertible loans	8	116
Changes in operating assets and liabilities:		
Increase in accounts receivable	(489)	
Increase in inventory	(109)	
Increase in other assets	(2)	
Decrease (increase) in prepaid expenses and other accounts receivable	164	(610)
Decrease in accounts payable	(692)	(515)
Increase (decrease) in accrued expenses	172	(128)
Increase (decrease) in employee and related payables	286	(77)
Increase in deferred income	165	
Decrease in advance payments and receivables on account of grant	388	1,296
Decrease in deferred taxes	(308)	
Net cash used in operating activities	(1,341)	(641)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(354)	(6)
Restricted cash		(5)
Net cash used in investing activities	(354)	(11)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term line of credit		(14)
Proceeds from issuance of warrants into shares and warrants	225	
Repayment of short and long-term debt	(1,733)	
Net cash used in financing activities	(1,508)	(14)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,203)	(666)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(32)	(128)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	4,168	1,314
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 933	$ 520
SUPPLEMENTAL NON-CASH FINANCING ACTIVITY		
Conversion of loans (including accrued interest) to common stock and warrants	$ 973	
Reclassification of redeemable common stock to equity	$ 21,458	
SUPPLEMENTAL INFORMATION ON INTEREST PAID IN CASH	$ 136	

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTE 1 - GENERAL AND BASIS OF PRESENTATION

Orgenesis Inc. ("the Company") was incorporated in the state of Nevada on June 5, 2008. The Company is developing a technology that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and differentiating (converting) them into "pancreatic beta cell-like" insulin producing cells for patients with Type 1 Diabetes.

As discussed in Note 3, on March 2, 2015, the Company completed the acquisition of MaSTherCell SA and Cell Therapy Holding SA (collectively "MaSTherCell"). MaSTherCell is a Contract Development and Manufacturing Organization ("CDMO") specializing in cell therapy development for advanced medicinal products. Cell therapy is the prevention or treatment of human disease by the administration of cells that have been selected, multiplied and pharmacologically treated or altered outside the body (ex vivo). MaSTherCell's CDMO activity is operated as a separate reporting segment (See Note 4).

As used in this report and unless otherwise indicated, the term "Company" refers to Orgenesis Inc. and its wholly-owned subsidiaries ("Subsidiaries"). Unless otherwise specified, all amounts are expressed in United States dollars.

Basis of Presentation

These unaudited condensed consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with U.S. GAAP, pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC") for interim financial statements. Accordingly, they do not contain all information and notes required by U.S. GAAP for annual financial statements. In the opinion of management, the unaudited condensed consolidated interim financial statements reflect all adjustments, which include normal recurring adjustments, necessary for a fair statement of the Company's consolidated financial position as of February 29, 2016, and the consolidated statements of comprehensive income (loss) for the three months ended February 29, 2016 and February 28, 2015, and the changes in equity (capital deficiency) and cash flows for the three-months periods ended February 29, 2016 and February 28, 2015. The results for the three months ended February 29, 2016 are not necessarily indicative of the results to be expected for the year ending November 30, 2016. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended November 30, 2015.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has net losses for the period from inception (June 5, 2008) through February 29, 2016 of $20.4 million, as well as negative cash flows from operating activities. Presently, the Company does not have sufficient cash resources to meet its plans in the twelve months following February 29, 2016. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is in the process of evaluating various financing alternatives for operations, as the Company will need to finance future research and development activities and general and administrative expenses through fund raising in the public or private equity markets.

The consolidated financial statements do not include any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to obtain additional financing as may be required and ultimately to attain profitability. If the Company raises additional funds through the issuance of equity, the percentage ownership of current shareholders could be reduced, and such securities might have rights, preferences or privileges senior to its common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict its future plans for developing its business and achieving commercial revenues. If the Company is unable to obtain the necessary capital, the Company may have to cease operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Newly Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-09 (ASU 2014-09) "Revenue from Contracts with Customers." ASU 2014-09 will supersede most current revenue recognition guidance, including industry-specific guidance. The underlying principle is that an entity will recognize revenue upon the transfer of goods or services to customers in an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of the time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The guidance is effective for the interim and annual periods beginning on or after December 15, 2016 (early adoption is not permitted). The guidance permits the use of either a retrospective or cumulative effect transition method. On July 9, 2015, the FASB decided to delay the effective date of the new revenue standard by one year. The FASB also agreed to allow entities to choose to adopt the standard as of the original effective date. The Company is currently evaluating the impact of this standard.

In August 2014, the FASB issued ASU No. 2014-15, "Presentation of Financial Statements - Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern." Continuation of a reporting entity as a going concern is presumed as the basis for preparing financial statements unless and until the entity's liquidation becomes imminent. Preparation of financial statements under this presumption is commonly referred to as the going concern basis of accounting. Prior to this, there was no guidance under U.S. GAAP about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern or to provide related footnote disclosures. The amendments in this update provide that guidance. In doing so, the amendments reduce diversity in the timing and content of footnote disclosures. The amendments require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term "substantial doubt", (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). For the period ended November 30, 2015, management evaluated the Company's ability to continue as a going concern and concluded that substantial doubt has not been alleviated about the Company's ability to continue as a going concern. While the Company continues to explore further significant sources of financing, management's assessment was based on the uncertainty related to the availability, amount and nature of such financing over the next twelve months.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*. The pronouncement requires equity investments (except those accounted for under the equity method of accounting, or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income. ASU 2016-01 requires public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes, requires separate presentation of financial assets and financial liabilities by measurement category and form of financial asset, and eliminates the requirement for public business entities to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost. These changes become effective for the Company's fiscal year beginning January 1, 2018. The expected adoption method of ASU 2016-01 is being evaluated by the Company and the adoption is not expected to have a significant impact on the Company's consolidated financial position or results of operations.

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which supersedes the existing guidance for lease accounting, Leases (Topic 840). ASU 2016-02 requires lessees to recognize leases on their balance sheets, and leaves lessor accounting largely unchanged. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early application is permitted for all entities. ASU 2016-02 requires a modified retrospective approach for all leases existing at, or entered into after, the date of initial application, with an option to elect to use certain transition relief. The Company is currently evaluating the impact of this new standard on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-06, Contingent Put and Call Options in Debt Instruments (Topic 815), which requires that embedded derivatives be separated from the host contract and accounted for separately as derivatives if certain criteria are met. One of those criteria is that the economic characteristics and risks of the embedded derivatives are not clearly and closely related to the economic characteristics and risks of the host contract (the "clearly and closely related" criterion). The amendments in this Update clarify what steps are required when assessing whether the economic characteristics and risks of call (put) options are clearly and closely related to the economic characteristics and risks of their debt hosts, which is one of the criteria for bifurcating an embedded derivative. Consequently, when a call (put) option is contingently exercisable, an entity does not have to assess whether the event that triggers the ability to exercise a call (put) option is related to interest rates or credit risks. The amendments are an improvement to GAAP because they eliminate diversity in practice in assessing embedded contingent call (put) options in debt instruments. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted for all entities. The Company is currently evaluating the impact of this new standard on its consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, Improvements to Employee Share-Based Payment Accounting, as part of its Simplification Initiative. The areas for simplification in this Update involve several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. Some of the areas for simplification apply only to nonpublic entities. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early application is permitted for all entities. The Company is currently evaluating the impact of this new standard on its consolidated financial statements.

NOTE 3 – ACQUISITION OF MASTHERCELL

Description of the Transaction

The Company entered into a share exchange agreement (the "Share Exchange Agreement") dated March 2, 2015 with MaSTherCell SA, Cell Therapy Holding SA (collectively "MaSTherCell"). According to the Share Exchange Agreement, in exchange for all of the issued and outstanding shares of MaSTherCell, the Company issued to the shareholders of MaSTherCell an aggregate of 42,401,724 shares (the "Consideration Shares") of common stock at a price of $0.58 per share for an aggregate price of $24,593 thousand). Out of the Consideration Shares, 8,173,483 shares will be allocated to the bondholders of MaSTherCell in case of conversion.

As part of the agreement the parties agreed on certain post closing conditions. In the event that the Company did not achieve those conditions within eight (8) months of the closing date, MaSTherCell had an option to unwind the transaction. (the "Unwind Option") by delivering to the Company all of the Consideration Shares plus any amount that the Company has advanced or invested in MaSTherCell.

On November 12, 2015, the Company and MaSTherCell and each of the shareholders of MaSTherCell (the "MaSTherCell Shareholders"), entered into an amendment ("Amendment No. 2") to the Share Exchange Agreement. Under Amendment No. 2, the MaSTherCell Shareholders option to unwind the transaction was extended to November 30, 2015, furthermore the Company agreed to remit to MaSTherCell, by way of an equity investment, the sum of EUR 3.8 million by November 30, 2015 (the "Initial Investment"), to be followed by a subsequent equity investment by December 31, 2015 in MaSTherCell of EUR 1.2 million. The extended right of the MaSTherCell Shareholders to unwind the transaction could have been exercised by them only if the Company had not achieved the Post Closing Financing and/or completed the Initial Investment (as defined) by November 30, 2015.

On December 10, 2015, the Company entered into definitive agreements with accredited investors relating to a private placement for aggregate proceeds to the Company of $4,278 thousand. From the proceeds of the Private Placement, on December 10, 2015 the Company remitted to MaSTherCell the Initial Investment of € 3.8 million or $4,103 thousand (out of the original obligation for investment of €5 million), in compliance with its obligations as required under the Share Exchange Agreement. As a result, the Unwind Option was canceled and all the shares that were issued, have been reclassed from redeemable common stock into equity.

NOTE 4 - SEGMENT INFORMATION

The Chief Executive Officer ("CEO") is the Company's chief operating decision-maker ("CODM"). Following the acquisition of MaSTherCell, management has determined that there are two operating segments, based on the Company's organizational structure, its business activities and information reviewed by the CODM for the purposes of allocating resources and assessing performance.

CDMO

The CDMO activity is operated by MaSTherCell, which specializes in cell therapy development for advanced medicinal products. MaSTherCell is providing two types of services to its customers: (i) process and assay development services and (ii) GMP contract manufacturing services. The CDMO segment includes only the results of MaSTherCell.

CTB

The Cellular Therapy Business ("CTB") activity is based on the Company's technology that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and differentiating (converting) them into "pancreatic beta cell-like" insulin producing cells for patients with Type 1 Diabetes. This segment is comprised of all entities aside from MaSTherCell.

The Company assesses the performance based on a measure of "Adjusted EBIT" (earnings before financial expenses and tax, and excluding share-based compensation expenses and non-recurring income or expenses). The measure of assets has not been disclosed for each segment.

Prior to the acquisition of MaSTherCell, the Company operated as one reporting segment. For this reason, the Company does not disclose comparative data for the three months ended February 28, 2015.

Segment data for the three months ended February 29, 2016 is as follows:

	CDMO	CTB	Corporate and Eliminations	Consolidated
		(in thousands)		
Net revenues from external customers	$ 1,571	$	$ (51)	$ 1,520
Cost of revenues	(1,288)		119	(1,169)
Research and development expenses, net		(298)	(68)	(366)
Operating expenses	(607)	(422)		(1,029)
Depreciation and amortization expense	(640)	(1)		(641)
Segment Performance	$ (964)	$ (721)		(1,685)
Share-based compensation			(170)	(170)
Financial income, net			1,772	1,772
Loss before income taxes				(83)

Geographic, Product and Customer Information

Substantially all of the Company's revenues and long lived assets are located in Belgium.

Net revenues from single customers from the CDMO segment that exceed 10% of total net revenues are:

	Three months ended February 29, 2016
	(in thousands)
Customer A	$ 764
Customer B	$ 562

NOTE 5 – CONVERTIBLE LOAN AGREEMENTS

During the year ended November 30, 2015, the Company entered into five convertible loan agreements with new investors for a total amount of $950 thousand (the "2015 Convertible Loans"), interest is calculated at 6% annually and was payable, along with the principal on or before the maturity date.

On December 23, 2015, the holders of all the 2015 Convertible Loans and the Company agreed to convert the 2015 Convertible Loans and accrued interest into units of the Company's common stock, each unit comprising one share of the Company's common stock and one three-year warrant to purchase an additional share of the Company's common stock at an exercise price of $0.52. Upon conversion of the 2015 Convertible Loans, the Company issued an aggregate of 1,870,638 shares of Common stock and three year warrants to purchase up to an additional 1,870,638 shares. Furthermore, in the event the Company issues any common shares or securities convertible into common shares in a private placement for cash at a price less than $0.52 (the "New Issuance Price") before December 23, 2016, the Company will issue, for no additional consideration, additional common shares to subscribers, according to the mechanism defined in the agreements. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration.

The Company allocated the principal amount of the convertible loans and the accrued interest thereon based on their fair value.

The table below presents the fair value of the instruments issued as of the conversion date and the allocation of the proceeds (for the fair value as of February 29, 2016, see Note 9):

	Total Fair Value
	(in thousands)
Warrants component	$ 323
Price protection derivative component	34
Shares component	616
Total	$ 973

NOTE 6 – COMMITMENTS

Collaboration Agreements

On March 14, 2016, the Israel subsidiary, entered into a collaboration agreement with CureCell Co., Ltd. ("CureCell"), initially for the purpose of applying for a grant from the Korea Israel Industrial R&D Foundation ("Koril-RDF") for pre-clinical and clinical activities related to the commercialization of Orgenesis Ltd.'s AIP cell therapy product in Korea ("Koril Grant"). Subject to receiving the Koril Grant, the Parties shall carry out at their own expense their respective commitments under the work plan approved by Koril-RDF and any additional work plan to be agreed between the Israeli Subsidiary and CureCell. The Israeli Subsidiary will own sole rights to any intellectual property developed from the collaboration which is derived under the Israeli Subsidiary's AIP cell therapy product, information licensed from THM. Subject to obtaining the requisite approval needed to commence commercialization in Korea, the Israel subsidiary has agreed to grant to CureCell, or a fully owned subsidiary thereof, under a separate sub-license agreement an exclusive sub-license to the intellectual property underlying the Company's API product solely for commercialization of the Israel subsidiary products in Korea. As part of any such license CureCell has agreed to pay annual license fees, ongoing royalties based on net sales generated by CureCell and its sublicensees, milestone payments and sublicense fees. Under the agreement, CureCell is entitled to share in the net profits derived by the Israeli Subsidiary from world-wide sales (except for sales in Korea) of any product developed as a result of the collaboration with CureCell. Additionally, CureCell was given the first right to obtain exclusive commercialization rights in Japan of the AIP product, subject to CureCell procuring all of the regulatory approvals required for commercialization in Japan.

On March 14, 2016, the Company and CureCell Co., Ltd. ("CureCell") of Korea entered into a Joint Venture Agreement (the "JVA") pursuant to which the parties will collaborate in the contract development and manufacturing of cell therapy products in Korea. The parties intend to pursue the joint venture through a newly established Korean company (the "JV Company") which the Company by itself, or together with a designee, will hold a 50% participating interest therein, with the remaining 50% participating interest being held by CureCell.

Under the JVA, CureCell is to procure, at its sole expense, a GMP facility and appropriate staff in Korea for the manufacture of the cell therapy products. The Company will share with CureCell the Company's know-how in the field of cell therapy manufactuing, which know-how will not include the intellectual property included in the license from the Tel Hashomer Hospital in Israel to the Israeli subsidiary. In addition, each party shall be required to perform its respective obligations according to a detailed work plan to be agreed upon by CureCell and Company within no later than 30 days following the execution of the JVA. Under the JVA, the Company and CureCell each undertook to remit, within two years of the execution of the JVA, $2 million to the JV Company, of which $1 million is to be in cash and the balance in an in-kind investment, the scope and valuation of which shall be preapproved in writing by CureCell and the Company. The Company's funding will be made by way of a convertible loan to the JV Company or the joint venture (if the JV Company is not established). The JVA provides that, under certain specified conditions, the Company can require CureCell to sell to the Company its participating (including equity) interest in the JV Company in consideration for the issuance of the Company's common stock based on the then valuation of the JV Company.

NOTE 7 – EQUITY

a. *Share Capital*

The Company's common shares are traded on the OTC Market Group's OTCQB tier under the symbol "ORGS".

b. *Financings*

During the first quarter of 2016, the Company entered into definitive agreements with accredited investors relating to a private placement (the "Private Placement") of (i) 432,693 shares of the Company's common stock and (ii) three year warrants to purchase up to an additional 432,693 shares of the Company's Common Stock at a per share exercise price of $0.52. The purchased securities were issued pursuant to subscription agreements between the Company and the purchasers for aggregate proceeds to the Company of $225 thousand. Furthermore, in the event the Company issues any common shares or securities convertible into common shares in a private placement for cash at a price less than $0.52 (the "New Issuance Price") within a year from the issuance date, the Company will issue, for no additional consideration, additional common shares to subscribers in the $0.52 per share which total each subscriber's subscription proceeds divided by the New Issuance Price, minus the number of shares already issued to such subscriber. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration (See also Note 9).

The Company allocated the proceeds from the private placement based on the fair value of the warrants and the price protection derivative components. The residual amount was allocated to the shares.

The table below presents the fair value of the instruments issued as of the closing dates and the allocation of the proceeds (for the fair value as of February 29, 2016, see Note 9):

	Total Fair Value
	(in thousands)
Warrants component	$ 67
Price protection derivative component	9
Shares component	149
Total	$ 225

NOTE 8 – EARNING (LOSS) PER SHARE

The following table sets forth the calculation of basic and diluted earning (loss) per share for the periods indicated:

	Three Months Ended	
	February 29, 2016	February 28, 2015
	(in thousands, except per share data)	
Basic:		
Income (loss) for the period	$ 225	$ (790)
Weighted average number of common shares outstanding	103,127,025	55,735,394
Earning (loss) per common share	$ 0.002	$ (0.01)
Diluted:		
Income (loss) for the period	$ 225	(790)
Changes in fair value of embedded derivative and interest expense on convertible bonds	(104)	
Change in fair value of warrants		153
Income (loss) for the period	$ 121	(943)
Weighted average number of shares used in the computation of basic loss per share	103,127,025	55,735,394
Number of dilutive shares related to warrants		553,543
Weighted average number of common shares outstanding	103,127,025	56,288,937
Earning (loss) per common share	$ 0.001	$ (0.02)

Diluted earning per share does not include 12,899,314 shares underlying outstanding options, 17,933,512 shares issuable upon exercise of warrants and 1,100,000 shares upon conversion of convertible notes for the three months ended February 29, 2016, because the effect of their inclusion in the computation would be anti-dilutive.

Diluted loss per share does not include 15,267,559 shares underlying outstanding options, 350,000 shares due to stock-based compensation to service providers, 2,682,256 shares issuable upon exercise of warrants and 701,796 shares upon conversion of loans for the three months ended February 28, 2015, because the effect of their inclusion in the computation would be anti-dilutive.

NOTE 9 - FAIR VALUE PRESENTATION

The Company measures fair value and discloses fair value measurements for financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standard establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs that are based on inputs not quoted on active markets, but corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs, to the extent possible, and considers credit risk in its assessment of fair value.

As of February 29, 2016 and November 30, 2015 the Company's liabilities that are measured at fair value and classified as level 3 fair value are as follows (in thousands):

	February 29, 2016	November 30, 2015
	Level 3	Level 3
Warrants (1)	$ 1,450	$ 1,382
Price protection derivative (1)	197	1,533
Embedded derivatives*(1)	177	289
Convertible bonds (2)	$ 1,787	$ 1,888

* The embedded derivative is presented in the Company's balance sheets on a combined basis with the related host contract (the convertible loans).

(1) The fair value of the warrants, price protection derivatives and embedded derivatives is determined by using a Monte Carlo Simulation Model. This model, in contrast to the closed form model, such as the Black-Scholes Model, enables the Company to take into consideration the conversion price changes over the conversion period of the loan, and therefore is more appropriate in this case.

(2) The fair value of the convertible bonds described in Note 7 of the Annual Report and is determined by using a binomial model for the valuation of the embedded derivative and the fair value of the bond was calculated based on the effective rate on the valuation date (6%). The binomial model used the forecast of the Company share price during the convertible bond's contractual term. Since the convertible bond is in Euro and the model is in USD, the Company has used the Euro/USD forward rates for each period. In order to solve for the embedded derivative fair value, the calculation was performed as follows:

- Stage A - The model calculates a number of potential future share prices of the Company based on the volatility and risk-free interest rate assumptions.
- Stage B - the embedded derivative value is calculated "backwards" in a way that takes into account the maximum value between holding the bonds until maturity or converting the bonds.

The following table presents the assumptions that were used for the models as of February 29, 2016:

	Price Protection Derivative and Warrants	Embedded Derivative
Fair value of shares of common stock	$ 0.33	$ 0.33
Expected volatility	84%-89%	84%
Discount on lack of marketability	13%	-
Risk free interest rate	0.38%-0.9%	0.38%
Expected term (years)	0.7-2.9	0.33
Expected dividend yield	0%	0%
Expected capital raise dates	Q2 2016,Q3 2016, Q1 2018	

* The fair value of the convertible bonds is equal to their principal amount and the aggregate accrued interest.

The following table presents the assumptions that were used for the models as of November 30, 2015:

	Price Protection Derivative and Warrants	Embedded Derivative	Convertible Bonds
Fair value of shares of common stock	$ 0.33	$ 0.33	$ 0.33
Expected volatility	87%-98%	87%	88%
Discount on lack of marketability	14%	-	18%
Risk free interest rate	0.44%-1.24%	0.11%-0.49%	0.42%
Expected term (years)	0.9-3	0.08-0.87	0.8
Expected dividend yield	0%	0%	0%
Expected capital raise dates	Q2 2016-Q4 2016, Q4 2017		

The table below sets forth a summary of the changes in the fair value of the Company's financial liabilities classified as Level 3 for the three months ended February 29, 2016:

	Warrants	Embedded Derivatives	Convertible Bonds	Price Protection Derivative
	(in thousands)			
Balance at beginning of the period	$ 1,382	$ 289	$ 1,888	$ 1,533
Additions	390			43
Conversion		(10)		
Changes in fair value during the period	(322)	(102)	(157)	(1,379)
Translation adjustments			56	
Balance at end of the period	$ 1,450	$ 177	$ 1,787	$ 197

(*) There were no transfers to Level 3 during the three months ended February 29, 2016.

The Company has performed a sensitivity analysis of the results for the warrants fair value to changes in the assumptions for expected volatility with the following parameters:

	Base -10%	Base	Base+10%
		(in thousands)	
As of February 29, 2016	$ 1,268	$ **1,450**	$ 1,618

The Company has performed a sensitivity analysis of the results for the price protection derivative fair value to changes in the assumptions expected volatility with the following parameters:

	Base -10%	Base	Base+10%
		(in thousands)	
As of February 29, 2016	$ 192	$ **196**	$ 199

The Company has performed a sensitivity analysis of the results for the Embedded Derivative fair value to changes in the assumptions expected volatility with the following parameters:

	Base -10%	Base	Base+10%
		(in thousands)	
As of February 29, 2016	$ 168.1	$ **177**	$ 185.8

The table below sets forth a summary of the changes in the fair value of the Company's financial liabilities classified as Level 3 for the year ended November 30, 2015:

	Warrants	Embedded Derivatives	Convertible Bonds	Price Protection Derivative
		(in thousands)		
Balance at beginning of the year	$ 560	$ 992	$ -	$ -
Additions	1,390	112	3,234	1,526
Changes in fair value related to warrants expired*	(525)			7
Changes in fair value during the period	(43)	(814)	(1,221)	
Translation adjustments			(125)	
Balance at end of the year	$ 1,382	$ 289	$ 1,888	$ 1,533

(*) During the twelve months ended November 30, 2015, 1,826,718 warrants have expired. There were no transfers to Level 3 during the twelve months ended November 30, 2015.

NOTE 10 - SUBSEQUENT EVENTS

a. On March 11, 2016, the Company entered into definitive agreement with an investor relating to a private placement of (i) 769,232 shares of the Company's common stock and (ii) three year warrants to purchase up to an additional 769,232 shares of the Company's common stock at a per share exercise price of $0.52. The purchased securities will be issued pursuant to subscription agreements between the Company and the purchaser for aggregate proceeds to the Company of $400 thousand. Furthermore, in the event the Company issues any common shares or securities convertible into common shares in a private placement for cash at a price less than $0.52 (the "New Issuance Price") through the first anniversary of the issuance date, the Company will issue, for no additional consideration, additional common shares to subscribers in the $0.52 per share which total each subscriber's subscription proceeds divided by the New Issuance Price, minus the number of shares already issued to such subscriber. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration.

b. In April 2016, the Belgian Subsidiary received the formal approval from the Walloon Region, Belgium (Service Public of Wallonia, DGO6) for a budgeted EUR 1,304 thousand support program for the development of a potential cure for Type 1 Diabetes. The financial support is awarded to the Belgium subsidiary as a recoverable advance payment at 55% of budgeted costs, or for a total of EUR 717 thousand. The grant will be paid to Orgenesis over a period of 1 year.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This report contains forward-looking statements. The following discussion should be read in conjunction with the financial statements and related notes contained in our Annual Report on Form 10-K, as amended and filed with the Securities & Exchange Commission on March 30, 2016. Certain statements made in this discussion are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Forward-looking statements are projections in respect of future events or financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. Forward-looking statements made in a quarterly report on Form 10-Q may include statements about our:

- ability to obtain sufficient capital or strategic business arrangements to fund our operations and realize our business plan;
- ability to grow the business of MaSTherCell, which we recently acquired, our Contract Development and Manufacturing Organization ("CDMO") business;
- belief as to whether a meaningful and profitable global market can be established for our CDMO business for cell therapy;
- intention to develop to the clinical stage a new technology to transdifferentiate liver cells into functional insulin-producing cells, thus enabling normal glucose regulated insulin secretion, via cell therapy;
- belief that our treatment seems to be safer than other options;
- belief that one of our principal competitive advantages is our cell trans-differentiation technology being developed by our Israeli Subsidiary;
- expectations regarding our Israeli Subsidiary's ability to obtain and maintain intellectual property protection for our technology and therapies;
- ability to commercialize products in light of the intellectual property rights of others;
- ability to obtain funding for operations, including funding necessary to prepare for clinical trials and to complete such clinical trials;
- future agreements with third parties in connection with the commercialization of our technologies;
- size and growth potential of the markets for our product candidates, and our ability to serve those markets;
- regulatory developments in the United States and foreign countries;
- ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;
- plans to integrate and support our manufacturing facilities in Belgium;
- success as it is compared to competing therapies that are or may become available;
- ability to attract and retain key scientific or management personnel and to expand our management team;
- accuracy of estimates regarding expenses, future revenue, capital requirements, profitability, and needs for additional financing;
- belief that Diabetes Mellitus will be one of the most challenging health problems in the 21st century and will have staggering health, societal and economic impact;
- need to raise additional funds on an immediate basis which may not be available on acceptable terms or at all;
- research facility in Israel and the surrounding Middle East political situation which may materially adversely affect our Israeli Subsidiary's operations and personnel;
- relationship with Tel Hashomer - Medical Research, Infrastructure and Services Ltd. ("THM") and the risk that THM may cancel the License Agreement;
- expenditures not resulting in commercially successful products; and
- extensive industry regulation, and how that will continue to have a significant impact on our business, especially our product development, manufacturing and distribution capabilities.

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" set forth in our Annual Report on Form 10-K, as amended and filed with the Securities & Exchange Commission on March 30, 2016, any of which may cause our company's or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks may cause the Company's or its industry's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity or performance. Moreover, neither the company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The company is under no duty to update any forward-looking statements after the date of this report to conform these statements to actual results.

As used in this quarterly report and unless otherwise indicated, the terms “we,” “us”, "our", “Orgenesis” or the “Company” refer to Orgenesis Inc. and its wholly-owned Subsidiaries, Orgenesis Ltd. (the “Israeli Subsidiary”), Orgenesis SPRL (the “Belgian Subsidiary”), Orgenesis Maryland, Inc. (the “U.S. Subsidiary”) and MaSTherCell SA (“MaSTherCell”), our Belgian-based subsidiary. Unless otherwise specified, all dollar amounts are expressed in United States dollars.

Corporate Overview

We are among the first of a new breed of regenerative therapy companies with expertise and unique experience in cell therapy development and manufacturing. We are building a fully-integrated biopharmaceutical company focused not only on developing our trans-differentiation technologies for diabetes and vertically integrating manufacturing that can optimize our abilities to scale-up our technologies for clinical trials and eventual commercialization, but also do the same for the technologies of other cell therapy markets in such areas as cell-based cancer immunotherapies and neurodegenerative diseases. This integrated approach supports our business philosophy of bringing to market significant life-improving medical treatments.

Our cell therapy technology derives from published work of Prof. Sarah Ferber, our Chief Science Officer and a researcher at THM, a leading medical hospital and research center in Israel, who established a proof of concept that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and transdifferentiating (converting) them into “pancreatic beta cell-like” insulin-producing cells. Furthermore, those cells were found to be resistant to autoimmune attack and to produce insulin in a glucose-sensitive manner in relevant animal models. Our development activities with respect to cell-derived and related therapies, which are conducted through the Israeli Subsidiary, have, to date, been limited to laboratory and preclinical testing. Our development plan calls for conducting additional preclinical safety and efficacy studies with respect to diabetes and other potential indications.

Our Belgian-based subsidiary, MaSTherCell, is a contract development manufacturing organization, or CDMO, specialized in cell therapy development for advanced medicinal products. In the last decade, cell therapy medicinal products have gained significant importance, particularly in the fields of ex-vivo gene therapy, immunotherapy and regenerative medicine. While academic and industrial research has led scientific development in the sector, industrialization and manufacturing expertise remains insufficient. MaSTherCell plans to fill this need by providing two types of services to its customers: (i) process and assay development services and (ii) Good Manufacturing Practices (GMP) contract manufacturing services. These services offer a double advantage to MaSTherCell's customers. First, customers can continue focusing their financial and human resources on their product/therapy, while relying on a trusted source for their process development/production. Second, it allows customers to profit from MaSTherCell's expertise in cell therapy manufacturing and all related aspects.

We intend to leverage the expertise and experience of MaSTherCell, our subsidiary, in cell process development and manufacturing capability, to build a fully integrated bio-pharmaceutical company in the cell therapy development and manufacturing area.

We were incorporated in the state of Nevada on June 5, 2008, under the name Business Outsourcing Services, Inc. Effective August 31, 2011, we completed a merger with our subsidiary, Orgenesis Inc., a Nevada corporation which was incorporated solely to effect a change in our name. As a result, we changed our name from “Business Outsourcing Services, Inc.” to “Orgenesis Inc.” Our common stock is currently listed on the OTC Market, QB tier, under the symbol “ORGS”.

Cell Therapy and Regenerative Medicine Field

Regenerative medicine is generally the process of replacing or regenerating human cells, tissues or organs to restore normal function. Our business model is focused on two of these areas. First, through our wholly-owned CDMO subsidiary, MaSTherCell, we are afforded a unique and fundamental base platform of experience and expertise with a multitude of cell types in development. MaSTherCell is strategically positioning us in a way that allows us to participate in the cell therapy field on multiple levels as the cell therapy industry evolves. Our goal is to nurture our reputation as a premier service provider in the regenerative medicine industry by continuing to leverage the experience and expertise of MaSTherCell as a recognized leader of cell therapy manufacturing and development. Second, on our clinical development side, through our Israeli Subsidiary, our goal is to advance a unique product that combines cell-based therapy and regenerative medicine, Autologous Insulin Producing ("AIP") cells, into clinical development. AIP cells utilize the technology of 'cellular trans-differentiation' to transform an autologous adult liver cell into an adult, fully functional and physiologically glucose-responsive pancreatic-like insulin producing cell. Treatment with AIP cells is expected to provide Type 1 Diabetes patients with long-term insulin independence. Because the AIP cells are autologous, this benefit should be achieved and maintained without the need for concomitant immunosuppressive therapy.

All living complex organisms start as a single cell that replicates, differentiates (matures) and perpetuates in an adult organism throughout its lifetime. Cell therapy is the prevention or treatment of human disease by the administration of cells that have been selected, multiplied and pharmacologically treated or altered outside the body (ex vivo). To date, the most common type of cell therapy has been the replacement of mature, functioning cells through blood and platelet transfusions. Since the 1970s, first bone marrow and then blood and umbilical cord-derived stem cells have been used to restore bone marrow, as well as blood and immune system cells damaged by the chemotherapy and radiation that are used to treat many cancers. These types of cell therapies are standard practice world-wide and are typically reimbursed by insurance.

Within the field of cell therapy, research and development using stem cells to treat a host of diseases and conditions has greatly expanded. Stem cells (in either embryonic or adult forms) are primitive and undifferentiated cells that have the unique ability to transform into or otherwise affect many different cells, such as white blood cells, nerve cells or heart muscle cells. Our cell therapy development efforts do not use stem cells, but rather are focused on the use of fully mature, adult cells; for our purposes in the treatment of diabetes, our cells are derived from the liver or other adult tissue and are transdifferentiated to become adult AIP cells.

There are two general classes of cell therapies: Patient Specific Cell Therapies (PSCTs) and Off-the-Shelf Cell Therapies (OSCTs). In PSCTs, cells collected from a person (donor) are transplanted into, or used to develop a treatment for a patient (recipient) with or without modification. In cases where the donor and the recipient are the same individual, these procedures are referred to as "autologous". In cases in which the donor and the recipient are not the same individual, these procedures are referred to as "allogeneic." A notable form of autologous PSCT involves the use of autologous cells to create vaccines directed against tumor cells in the body which has been demonstrated to be effective and safe in clinical trials. Our treatment for diabetes focuses on PSCTs using autologous cells. Autologous cells offer a low likelihood of rejection by the patient and we believe the long-term benefits of these PSCTs can best be achieved with an autologous product.

Various cell therapies are in clinical development for an array of human diseases, including autoimmune, oncologic, neurologic and orthopedic diseases, among other indications. Orgenesis, as well as other companies, are developing cell therapies that are designed to address cancers, ischemic repair and immune modulation. While no assurances can be given regarding future medical developments, we believe that the field of cell therapy holds the promise to better the human experience and minimize or ameliorate the pain and suffering from many common diseases and/or from the process of aging.

Diabetes Mellitus (DM), or simply diabetes, is a metabolic disorder usually caused by a combination of hereditary and environmental factors, and results in abnormally high blood sugar levels (hyperglycemia). Diabetes occurs as a result of impaired insulin production by the pancreatic islet cells. The most common types of the disease are Type-1 Diabetes (T1D) and Type-2 Diabetes (T2D). In T1D, the onset of the disease follows an autoimmune attack of β-cells that severely reduces β-cell mass. T1D usually has an early onset and is sometimes also called juvenile diabetes. In T2D, the pathogenesis involves insulin resistance, insulin deficiency and enhanced gluconeogenesis, while late progression stages eventually leads to β-cell failure and a significant reduction in β-cell function and mass. T2D often occurs later in life and is sometimes called adult onset diabetes. Both T1D and late-stage T2D result in marked hypoinsulinemia, reduction in β-cell function and mass and lead to severe secondary complications, such as myocardial infarcts, limb amputations, neuropathies and nephropathies and even death. In both cases, patients become insulin-dependent, requiring either multiple insulin injections per day or reliance on an insulin pump.

We believe that diabetes will be one of the most challenging health problems in the 21st century, and will have a staggering health, societal, and economic impact. Diabetes is currently the fourth or fifth leading cause of death in most developed countries. There also is substantial evidence that it is an epidemic in many developing and newly industrialized nations.

Threats from Pancreas Islet Transplantation and Cell Therapies

For some patients with severe and difficult to control diabetes (hypoglycemic unawareness), islet transplants are considered. Pancreatic islets are the cells in the pancreas that produce insulin. Physicians use enzymes to isolate the islets from the pancreas of a deceased donor. Because the islets are fragile, transplantation must occur soon after they are removed. Typically, a patient receives at least 10,000 islet "equivalents" per kilogram of body weight, extracted from pancreases obtained from different donors. Patients often require two separate transplants to achieve insulin independence.

Transplants are often performed by an interventional radiologist, who uses x-rays and ultrasound to guide placement of a catheter - a small plastic tube - through the upper abdomen and into the portal vein of the liver. The islets are then infused slowly through the catheter into the liver. The patient receives a local anesthetic and a sedative. In some cases, a surgeon may perform the transplant through a small incision, using general anesthesia.

Because the islets are obtained from cadavers that are unrelated to the patient, the patient needs to be treated with drugs that inhibit the immune response so that the patient doesn't reject the transplant. In the early days of islet transplantation, the drugs were so powerful that they actually were toxic to the islets; improvements in the procedure are widely used and are now referred to as the Edmonton Protocol.

Studies and Reports

Since reporting their findings in the June 2000 issue of the New England Journal of Medicine, researchers at the University of Alberta in Edmonton, Canada, have continued to use and refine Edmonton Protocol to transplant pancreatic islets into selected patients with T1D that is difficult to control.

In 2005, the researchers published 5-year follow-up results for 65 patients who received transplants at their center and reported that about 10 percent of the patients remained free of the need for insulin injections at 5-year follow-up. Most recipients returned to using insulin because the transplanted islets lost their ability to function over time, potentially due to the immune suppression protocol, which prevents the immune rejection of the implanted cells. The researchers noted, however, that many transplant recipients were able to reduce their need for insulin, achieve better glucose stability, and reduce problems with hypoglycemia, also called low blood sugar level.

In its 2006 annual report, the Collaborative Islet Transplant Registry, which is funded by the National Institute of Diabetes and Digestive and Kidney Diseases, presented data from 23 islet transplant programs on 225 patients who received islet transplants between 1999 and 2005. According to the report, nearly two-thirds of recipients achieved "insulin independence" - defined as being able to stop insulin injections for at least 14 days - during the year following transplantation. However, other data from the report showed that insulin independence is difficult to maintain over time. Six months after their last infusion of islets, more than half of recipients were free of the need for insulin injections, but at 2-year follow-up, the proportion dropped to about one-third of recipients. The report described other benefits of islet transplantation, including reduced need for insulin among recipients who still needed insulin, improved blood glucose control, and greatly reduced risk of episodes of severe hypoglycemia.

In a 2006 report of the Immune Tolerance Network's international islet transplantation study, researchers emphasized the value of transplantation in reversing a condition known as hypoglycemia unawareness. People with hypoglycemia unawareness are vulnerable to dangerous episodes of severe hypoglycemia because they are not able to recognize that their blood glucose levels are too low. The study showed that even partial islet function after transplant can eliminate hypoglycemia unawareness.

Pancreatic islet transplantation (cadaver donors) is an allogeneic transplant, and, as in all allogeneic transplantations, there is a risk for graft rejection and patients must receive lifelong immune suppressants. Though this technology has shown good results clinically, there are several setbacks, such as patients being sensitive to recurrent T1D autoimmune attacks and a shortage in tissues available for islet cells transplantation.

Our Cell Therapy Business

We are developing and bringing to the clinical stage a technology that is based on the published work of Prof. Sarah Ferber, our Chief Science Officer and a researcher at THM, who established a proof of concept that demonstrates the capacity to induce a shift in the developmental fate of cells from the liver and differentiating (converting) them into "pancreatic beta cell-like" insulin-producing cells. Furthermore, those cells were found to be resistant to the autoimmune attack and to produce insulin in a glucose-sensitive manner.

We intend to grow our cell therapy business by furthering this technology to the clinical stage. We intend to devote significant resources to process development and manufacturing in order to optimize the safety and efficacy of our future product candidates, as well as our cost of goods and time to market. Our goal is to carefully manage our fixed cost structure, maximize optionality, and drive long-term cost of goods as low as possible. We believe that operating our own manufacturing facility will provide the Company with enhanced control of material supply for both clinical trials and the commercial market, will enable the more rapid implementation of process changes, and will allow for better long-term margins.

Contract Development and Manufacturing Business

Acquisition of MaSTherCell

We acquired MaSTherCell in November 2014 pursuant to a share purchase agreement with MaSTherCell's shareholders dated as of November 12, 2014, as subsequently amended (the "SEA"). Under the SEA, as amended in November 2015, we agreed to remit to MaSTherCell, by way of an equity investment, EUR 3.8 million by November 30, 2015 (the "Initial Investment"), to be followed by a subsequent equity investment by December 31, 2015 in MaSTherCell of EUR 1.2 million. By agreement with the MaSTherCell shareholders, we remitted in December 2015, the sum of EUR 3.8 million or $4,103,288, in compliance with our obligations as required under the SEA. The right of the former MaSTherCell shareholders to unwind the merger with our Company terminated upon the such investment. Additionally, in connection with the equity investment, on December 10, 2015 we agreed to invest an additional EUR 2.2 million in MaSTherCell equity in addition to the Initial Investment, which additional amount becomes due upon the request of the MaSTherCell board of directors, of whom Company directors/officers currently represent a majority.

In connection with the above agreements, we granted to certain former MaSTherCell shareholders, who currently hold approximately 12% of the Company's outstanding common stock, the first right to negotiate the terms of the sale of MaSTherCell, should the Company decide at a future date to sell its shares in MaSTherCell or otherwise sell equity interests in MaSTherCell (the "Sale Event"), on an exclusive basis, for the first thirty days following our delivery to such shareholders of notice of such intention. We agreed to accept the offer of such shareholders resulting from the Sale Event negotiations, unless our board of directors determines that a materially superior offer may be available to us if the Sale Event were open to other parties, in which case we are entitled to negotiate the Sale Event with unrelated third parties.

Our Plans for MaSTherCell

We are conducting our CDMO business through MaSTherCell. Subject to raising additional working capital, we intend to devote significant resources to process development and manufacturing in order to optimize the safety and efficacy of our future product candidates for our customers, as well as our cost of goods and time to market. Our goal is to carefully manage our fixed cost structure, maximize optionality, and drive long-term cost of goods as low as possible. We believe that operating our own manufacturing facility provides us with enhanced control of material supply for both clinical trials and the commercial market, will enable the more rapid implementation of process changes, and will allow for better long-term margins.

MaSTherCell's target customers are primarily cell therapy companies that are in pre- or early-stage clinical trials. This stems from the finding that these companies' processes have to be set up right from start in order for them to obtain approved products that have the simplest possible process and with the lowest possible cost of goods sold (COGS). Therefore, MaSTherCell's strategy is to build long term relationships with its customers in order to help them bring highly potent cell therapy products faster to the market and in cost-effective ways.

To provide these services MaSTherCell relies on a team of dedicated experts both from academic and industry backgrounds. It operates through state-of-the-art facilities located just 40 minutes from Brussels, which have received the final cGMP manufacturing authorization from the Belgian Drug Agency (AFMPS) in September 2013.

Recent Corporate Developments

Since the commencement of the year through February 29, 2016, we have experienced the following corporate developments:

Collaboration Agreement with Grand China Energy Group Limited

On February 18, 2016, the Company, through its Israeli Subsidiary, entered into a Collaboration Agreement (the "Collaboration Agreement) with Grand China Energy Group Limited with headquarters in Beijing, China ("Grand China") to collaborate in carrying out clinical trials and marketing the Company's autologous insulin producing cell therapy product ("API") in the Peoples Republic of China, Hong Kong and Macau (the "Territory"), based on achieving certain pre-market development milestones that include Grand China obtaining the requisite regulatory approvals for commercialization of the API, including performing all clinical and other testing required for market authorization in each jurisdiction in the Territory. Upon achieving the pre-market development milestones by Grand China, the parties will collaborate on marketing the products in the Territory. Grand China will bear all costs associated with the pre-marketing development efforts in the Territory, which is expected to last for approximately four years.

Subject to the completion of the pre-marketing development milestones, the Israeli Subsidiary has agreed to grant to Grand China, or a fully owned subsidiary thereof, under a separate sub-license agreement (the "Sub-License Agreement"), an exclusive sub-license to the intellectual property underlying the API solely for commercialization of the Company's products in each such jurisdiction in the Territory where all of the pre-marketing development required to commercialize the API product have been successfully completed by Grand China. Grand China has agreed to pay annual license fees, ongoing royalties based on net sales generated by Grand China and its sublicensees, milestone payments and sublicense fees. It is anticipated that the Sub-License Agreement will also contain, among other things, minimum sales requirements as well as other provisions common in licensing agreements for international biotech licensing agreements.

The Collaboration Agreement is terminable by our Israeli Subsidiary upon certain conditions, including, but not limited to, if the clinical trials necessary to obtain the pre-marketing approval are not commenced with 12 months of the date of the execution of the agreement or if all approvals necessary for the commencement of marketing in the Territory are not obtained within four years. The Collaboration Agreement is also terminable under certain limited conditions relating to a party's insolvency or bankruptcy related event or breach of a material term of the agreement and force majeure events.

Joint Venture Agreement with CureCell Co., Ltd.

On March 14, 2016, the Company and CureCell Co., Ltd. ("CureCell") of Korea entered into a Joint Venture Agreement (the "JVA") pursuant to which the parties will collaborate in the contract development and manufacturing of cell therapy products in Korea. The parties intend to pursue the joint venture through a newly established Korean company (hereinafter the "JV Company") which the Company by itself, or together with a designee, will hold a 50% participating interest therein, with the remaining 50% participating interest being held by CureCell.

Under the JVA, CureCell is to procure, at its sole expense, a GMP facility and appropriate staff in Korea for the manufacture of the cell therapy products. The Company will share with CureCell the Company's know-how in the field of cell therapy manufacturing, which know-how will not include the intellectual property included in the license from the Tel Hashomer Hospital in Israel to our Israeli Subsidiary. In addition, each party shall be required to exert best commercial efforts to carry out, in a timely and professional manner, its respective obligations according to a detailed work plan to be agreed upon by CureCell and Company within no later than 30 days following the execution of the JVA. Under the JVA, the Company and CureCell each undertook to remit, within two years of the execution of the JVA, $2 million to the JV Company, of which $1 million is to be in cash and the balance in an in-kind investment, the scope and valuation of which shall be preapproved in writing by CureCell and the Company. The Company's funding will be made by way of a convertible loan to the JV Company or the joint venture (if the JV Company is not established). Additionally, the parties agreed to establish a steering committee for the management of the JV Company comprised of five members, two of which are to designated by each of the Company and CureCell and the fifth to be an independent third party industry expert acceptable to each of the Company and CureCell.

The JVA provides that, under certain specified conditions, the Company can require CureCell to sell to the Company its participating (including equity) interest in the JV Company in consideration for the issuance of the Company's common stock based on the then valuation of the JV Company.

On March 14, 2016, the Israel subsidiary, entered into a collaboration agreement with CureCell Co., Ltd. (“CureCell”), initially for the purpose of applying for a grant from the Korea Israel Industrial R&D Foundation ("Koril-RDF") for pre-clinical and clinical activities related to the commercialization of Orgenesis Ltd.’s AIP cell therapy product in Korea ("Koril Grant"). Subject to receiving the Koril Grant, the Parties shall carry out at their own expense their respective commitments under the work plan approved by Koril-RDF and any additional work plan to be agreed between the Israeli Subsidiary and CureCell. The Israeli Subsidiary will own sole rights to any intellectual property developed from the collaboration which is derived under the Israeli Subsidiary’s AIP cell therapy product, information licensed from THM. Subject to obtaining the requisite approval needed to commence commercialization in Korea, the Israel subsidiary has agreed to grant to CureCell, or a fully owned subsidiary thereof, under a separate sub-license agreement an exclusive sub-license to the intellectual property underlying the Company’s API product solely for commercialization of the Israel subsidiary products in Korea. As part of any such license CureCell has agreed to pay annual license fees, ongoing royalties based on net sales generated by CureCell and its sublicensees, milestone payments and sublicense fees. Under the agreement, CureCell is entitled to share in the net profits derived by the Israeli Subsidiary from world-wide sales (except for sales in Korea) of any product developed as a result of the collaboration with CureCell. Additionally, CureCell was given the first right to obtain exclusive commercialization rights in Japan of the AIP product, subject to CureCell procuring all of the regulatory approvals required for commercialization in Japan.

Results of Operations

Comparison of the Three Months Ended February 29, 2016 to the Three Months Ended February 28, 2015

Revenue and Cost of Sales

For the three months ended February 29, 2016, our total revenues and cost of sales were approximately $1.52 and $1.48 million, respectively, as opposed to none for the corresponding period in 2015. The increase in revenue is attributable to our acquisition of MaSTherCell and the revenues they recognize from services and sales of consumables.

Expenses

The Company’s expenses for the three months ended February 29, 2016 are summarized as follows in comparison to its expenses for the three months ended February 28, 2015:

	Three Months Ended February 29, 2016	Three Months Ended February 28, 2015
	(in thousands)	
Revenues	$ (1,520)	$
Cost of sales	1,480	
Research and development expenses, net	401	175
Amortization of intangible assets	328	
Selling, general and administrative expenses	1,166	659
Financial income, net	(1,772)	(44)
Loss before income taxes	$ 83	$ 790

Research and Development Expenses, net

	Three Months Ended February 29, 2016	Three Months Ended February 28, 2015
	(in thousands)	
Salaries and related expenses	$ 251	118
Stock-based compensation	34	41
Professional fees and consulting services	91	123
Lab expenses	91	63
Other research and development expenses	45	36
Less – grant	(111)	(206)
Total	$ 401	$ 175

The decrease in professional fees and consulting services and the increase in salaries and related expenses in the three months ended February 29, 2016, compared to the three months ended February 28, 2015, is primarily due to the merger with MaSTherCell, which was one of our subcontractors for the DGO6 project before the acquisition. In addition, part of the increase in salaries and related expenses is due to an increase in the volume of work that was done by MaSTherCell as opposed to the corresponding period in 2015. The decrease in grant income is due to a $57 thousand decrease on the Tedco project, and $50 thousand decrease on the DGO6 project due to the reduction in the volume of work that was done by our Israeli subsidiary. This was offset by grant income of $18 thousand due to work performed under the grant approved from BIRD.

Selling, General and Administrative Expenses

	Three Months Ended February 29, 2016	Three Months Ended February 28, 2015
	(in thousands)	
Salaries and related expenses	$ 204	$ 114
Stock-based compensation	137	207
Accounting and legal fees	208	187
Professional fees	314	82
Rent and related expenses	151	
Business development	84	14
Other general and administrative expenses	68	55
Total	$ 1,166	$ 659

Selling, general and administrative expenses for the three months ended February 29, 2016 increased by 77%, or $508 thousand, compared to the three months ended February 28, 2015. The main increase in costs related to selling, general and administrative activities is due to MaSTherCell activities of $606 thousand and an increase in the amount of $22 thousand due to a new patent application. This increase was partially offset by a decrease of $70 thousand in stock-based compensation costs and a decrease of $50 thousand in professional fees due to reduced reliance on outside professionals as compared to the same period last year.

Financial Income, net

	Three Months Ended February 29, 2016	Three Months Ended February 28, 2015
	(in thousands)	
Decrease in fair value of warrants and financial liabilities measured at fair value	$ (1,960)	$ (183)
Interest expense on loans and convertible loans	185	116
Foreign exchange loss, net	3	19
Other expenses		4
Total	$ (1,772)	$ (44)

The increase in financial income for the three months ended February 29, 2016 compared to the same period of 2015 is mainly attributable to a decrease of $157 thousand in the convertible bonds and $1.6 million in the fair value of warrants, price protection derivative and embedded derivative. The main reason is the Company's updated assumptions related to the probabilities of activating the anti dilution mechanism.. This increase was partially offset by an increase of $121 thousand of interest expense of the MaSTherCell loans.

Liquidity and Financial Condition

Working Capital Deficiency

	February 29, 2016	November 30, 2015
	(in thousands)	
Current assets	$ 5,055	$ 8,206
Current liabilities	12,412	16,476
Working capital deficiency	$ (7,357)	$ (8,270)

The decrease in current assets is mainly due to a decrease of $3.2 million in cash and cash equivalents, which was partially offset by an increase in amount of $0.5 million in accounts receivable.

The decrease in current liabilities is mainly due to a decrease of $1.6 million in Short-term loans and current maturities of long term loans, $1 million in convertible loans following the conversion to equity and $1.4 million in price protection derivative.

Cash Flows

	Three months Ended February 29, 2016	Three months Ended February 28, 2015
	(in thousands)	
Net income (loss)	$ 255	$ (790)
Net cash used in operating activities	(1,341)	(641)
Net cash used in investing activities	(354)	(11)
Net cash used in financing activities	(1,508)	(14)
Increase (decrease) in cash and cash equivalents	$ (3,203)	$ (666)

The increases in net cash used in operating and investing activities for the three months ended February 29, 2016 compared to the three months ended February 28, 2015 was mainly due to the CDMO activities that commenced pursuant to the acquisition of MaSTherCell in March 2015.

The increases in cash used in financing activities for the three months ended February 29, 2016 compared to the three months ended February 28, 2015 was due to the repayment of short and long-term loans in amount of $1.7 million, which was offset by proceeds from issuance of shares, and warrants in the amount of $0.2 million.

We need to raise additional operating capital on an immediate basis. Management believes that our current cash resources will allow us to conduct operations as presently conducted through August 2016. Without additional sources of cash and/or the deferral, reduction, or elimination of significant planned expenditures, we will not have the cash resources to remain as a going concern thereafter.

The factors that can impact our ability to continue to fund our operating needs through August 2016 include, but are not limited to:

- Our ability to expand revenue volume at MaSTherCell, which is highly dependent on finite manufacturing facilities;
- Our ability to maintain manufacturing costs at MaSTherCell as expected; and
- Our continued need to reduce our cost structure while simultaneously expanding the breadth of our business, enhancing our technical capabilities, and pursing new business opportunities.

If we cannot effectively manage these factors, including closing new revenue opportunities from existing and new customers for our CDMO business, we will need to raise additional capital to support our business. Except for the credit facility discussed below, we have no commitments for any such funding, and there are no assurances that such additional sources of liquidity can be obtained on terms acceptable to the Company, or at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to the Company, the Company will not have the cash resources to continue as a going concern.

Going Concern

The unaudited interim condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has net losses for the period from inception (June 5, 2008) through February 29, 2016 of $20.4 million, as well as negative cash flows from operating activities. Company's management estimates that the cash and cash equivalents balance as of February 29, 2016 of $933 thousand, is not sufficient to fund the Company’s operational and clinical development activities for the twelve months following February 29, 2016. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is in the process of evaluating various financing alternatives for operations, as the Company will need to finance future research and development activities and general and administrative expenses through fund raising in the public or private equity markets.

Management is in ongoing financing discussions with third party investors and existing shareholders with a view to secure the needed financing. However, there is no assurance that the Company will be successful with those initiatives.

The interim condensed consolidated financial statements do not include any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company’s continuation as a going concern is dependent on its ability to obtain additional financing as may be required and ultimately to attain profitability. If the Company raises additional funds through the issuance of equity, the percentage ownership of current shareholders could be reduced, and such securities might have rights, preferences or privileges senior to its common stock.

Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict its future plans for developing its business and achieving commercial revenues. If the Company is unable to obtain the necessary capital, the Company may have to cease operations.

We expect that our operating expenses will increase over the next twelve months to continue our development activities. We expect to raise money through equity financing via the sale of our common stock. If we cannot raise the money that we need in order to continue to operate our business, we will be forced to delay, scale back or eliminate some or all of our proposed operations. If any of these were to occur, there is a substantial risk that our business would fail. If we are unsuccessful in raising additional financing, we may need to curtail, discontinue or cease operations.

On September 9, 2015, the Israeli Subsidiary entered into a Pharma Cooperation and Project Funding Agreement (CPFA) with BIRD and Pall Corporation, a U.S. company. BIRD will give a conditional grant of $400 thousand each (according to terms defined in the agreement), for a joint research and development project for the use of Autologous Insulin Producing (AIP) Cells for the Treatment of Diabetes (the "Project"). The Project started on March 1, 2015. Upon the conclusion of product development, the grant shall be repaid at the rate of 5% of gross sales. The grant will be used solely to finance the costs to conduct the research of the project during a period of 18 months starting on March 1, 2015. During the three months ended February 29, 2016, the Israeli Subsidiary received an additional $100 thousand under the grant.

On March 11, 2016, we entered into definitive agreement with an investor relating to a private placement of (i) 769,232 shares of the Company's common stock and (ii) three year warrants to purchase up to an additional 769,232 shares of the Company's common stock at a per share exercise price of $0.52. The purchased securities will be issued pursuant to subscription agreements between the Company and the purchaser for aggregate proceeds of $400 thousand. Furthermore, in the event we issues any common shares or securities convertible into common shares in a private placement for cash at a price less than $0.52 (the "New Issuance Price") through the first anniversary of the issuance date, we will issue, for no additional consideration, additional common shares to subscribers in the $0.52 per share which total each subscriber's subscription proceeds divided by the New Issuance Price, minus the number of shares already issued to such subscriber. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration.

In April 2016, our Belgium subsidiary received the formal approval from the Walloon Region, Belgium (Service Public of Wallonia, DGO6) for a budgeted EUR 1,304 thousand support program for the development of a potential cure for Type 1 Diabetes. The financial support is awarded as a recoverable advance payment at 55% of budgeted costs, or for a total of EUR 717 thousand. The grant will be paid to the Company over a period of 1 year.

During 2016 and 2015, we have received certain grant funding and have relied and expect to continue to rely on such funding to further our clinical development in the future.

Cash Requirements

The Company's plan of operation over the next 12 months is to:

- initiate regulatory activities in Europe and the United States;
- locate suitable facility in the U.S. for tech transfer and manufacturing scale-up;
- purchase equipment needed for its cell production process;
- hire key personnel including in GMP implementation and general and administrative;
- collaborate with clinical centers and regulators to carry out clinical studies and clinical safety testing;
- identify optional technologies for scale up of the cells production process; and
- initialize efforts to validate the manufacturing process.

The Company estimates its operating capital needs for the next 12 months as of February 29, 2016 to be as follows (in thousands):

GMP process development and validation	$ 2,200
Scale-up of Manufacturing	3,500
General and administrative	1,300
Working capital	3,000
Total	$ 10,000

The above amounts do not include the additional EUR 2.2 million per Amendment No. 2 under the share exchange agreement with MaSTherCell shareholders that becomes due upon the request of the MaSTherCell board of directors, of whom Company directors/officers currently represent a majority.

Future Financing

The Company will require additional funds to implement the Company's growth strategy for its business. In addition, while the Company has received various grants that have enabled the company to fund its clinical developments, these funds are largely restricted for use for other corporate operational and working capital purposes. Therefore, the Company will need to raise additional capital to both supplement the Company's clinical developments that are not covered by any grant funding and to cover the Company's operational expenses. These funds may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of the Company's shares. There can be no assurance that additional financing will be available to the company when needed or, if available, that it can be obtained on commercially reasonable terms. If the Company is not able to obtain the additional financing on a timely basis should it be required, or generate significant material revenues from operations, the Company will not be able to meet its other obligations as they become due and will be forced to scale down or perhaps even cease the Company's operations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

Recent Accounting Pronouncements

See Note 2 for a discussion of Recently Issued Accounting Pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Currency Exchange Risk

Due to our acquisition of MaSTherCell, currency exchange rates impact our financial performance. The majority of our balance sheet exposure relates to Euro-denominated assets and liabilities as a result of our acquisition of MaSTherCell. Further, our total revenues are in Euros and as such our results of operations are directly impacted by Euro-denominated cash flows. We will continue to monitor exposure to currency fluctuations. Instruments that may be used to protect us against future risks may include foreign currency forward and swap contracts. These instruments may be used to selectively manage risks, but there can be no assurance that we will be fully protected against material foreign currency fluctuations. We do not use derivative financial instruments for speculative or trading purposes.

Interest Rate Risk

We are exposed to market risks resulting from changes in interest rates due to short term-loan which bears interest of libor rate. We do not use derivative financial instruments to limit exposure to interest rate risk.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's interim president and chief executive officer (who is the Company's principal executive officer) and the Company's chief financial officer, treasurer, and secretary (who is the Company's principal financial officer and principal accounting officer) to allow for timely decisions regarding required disclosure. In designing and evaluating the Company's disclosure controls and procedures, the Company's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and the Company's management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The ineffectiveness of the Company's disclosure controls and procedures was due to material weaknesses identified in the Company's internal control over financial reporting, described below.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002. Our management, with the participation of the Company's principal executive officer and principal financial officer has conducted an assessment, including testing, using the criteria in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013). Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. This assessment included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, the Company's management concluded its internal control over financial reporting was not effective as of February 29, 2016. The ineffectiveness of the Company's internal control over financial reporting was due to the following material weaknesses which are indicative of many small companies with small number of staff:

(i) inadequate segregation of duties consistent with control objectives; and

(ii) ineffective controls over period end financial disclosure and reporting processes.

Our management believes the weaknesses identified above have not had any material affect on our financial results. However, we are currently reviewing our disclosure controls and procedures related to these material weaknesses and expect to implement changes in the next fiscal year, including identifying specific areas within our governance, accounting and financial reporting processes to add adequate resources to potentially mitigate these material weaknesses.

Our management will continue to monitor and evaluate the effectiveness of our internal controls and procedures and our internal controls over financial reporting on an ongoing basis and is committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management's Remediation Plan

We plan to take steps to enhance and improve the design of our internal control over financial reporting. During the period covered by this quarterly report on Form 10-Q, we have not been able to remediate the material weaknesses identified above. To remediate such weaknesses, we plan to implement the following changes in the next fiscal year as resources allow:

(i) appoint additional qualified personnel to address inadequate segregation of duties and ineffective risk management and implement modifications to our financial controls to address such inadequacies; and

(ii) adopt sufficient written policies and procedures for accounting and financial reporting.

The remediation efforts set out in (i) is largely dependent upon our company securing additional financing to cover the costs of implementing the changes required. If we are unsuccessful in securing such funds, remediation efforts may be adversely affected in a material manner. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake.

Management believes that despite our material weaknesses set forth above, our condensed financial statements for the quarter ended February 29, 2016 are fairly stated, in all material respects, in accordance with US GAAP.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the three months ended February 29, 2016 that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company knows of no material pending legal proceedings to which the Company or its Subsidiaries are a party or of which any of its properties, or the properties of its Subsidiaries, are the subject. In addition, the Company does not know of any such proceedings contemplated by any governmental authorities.

The Company knows of no material proceedings in which any of the Company's directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to the Company or its Subsidiaries or has a material interest adverse to the Company or its Subsidiaries.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required by Regulation S-K:

No.	Description
10.21*	Form of Subscription Agreement
10.22*	Form of Securities Purchase Agreement and Note Payable Credit Line Agreement
21.1	List of Subsidiaries of Orgenesis Inc.
31.1*	Certification Statement of the Chief Executive Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002
31.2*	Certification Statement of the Chief Financial Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002

No.	Description
32.1*	Certification Statement of the Chief Executive Officer pursuant to Section 906 of the Sarbanes Oxley Act of 2002
32.2*	Certification Statement of the Chief Financial Officer pursuant to Section 906 of the Sarbanes Oxley Act of 2002

*Filed herewith

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, thereunto duly authorized.

ORGENESIS INC.

By:

/s/ Vered Caplan

Vered Caplan
President, Chief Executive Officer, and Chairperson of the Board
(Principal Executive Officer)

Date: April 14, 2016

/s/ Neil Reithinger

Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)

Date: April 14, 2016

THIS PRIVATE PLACEMENT SUBSCRIPTION AGREEMENT (THE "SUBSCRIPTION AGREEMENT") RELATES TO AN OFFERING OF SECURITIES IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED HEREIN) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT").

NONE OF THE SECURITIES TO WHICH THIS SUBSCRIPTION AGREEMENT RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT OR ANY U.S. STATE SECURITIES LAWS AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO U.S. PERSONS (AS DEFINED HEREIN) EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE 1933 ACT.

PRIVATE PLACEMENT SUBSCRIPTION

OFFSHORE SUBSCRIBERS OUTSIDE THE UNITED STATES ONLY

ORGENESIS INC.

INSTRUCTIONS TO SUBSCRIBER:

1. **COMPLETE** the information on Page 2 of this Subscription Agreement. **You must reside outside North America to use this form.**

2. **RETURN** this Subscription Agreement to Orgenesis Inc. c/o Eventus Advisory Group, 14201 N. Hayden Road, Suite A-1, Scottsdale, AZ 85260 Attention: Neil Reithinger, CFO.

3. **PAYMENT OF SUBSCRIPTION PROCEEDS**: Promptly upon receipt of a Closing Notice (as defined in the Subscription Agreement) and in any event prior to the Closing Date (as defined in the Subscription Agreement), the Subscriber shall pay the Subscription Proceeds by certified cheque or bank draft sent to Orgenesis Inc. c/o Eventus Advisory Group, 14201 N. Hayden Road, Suite A-1, Scottsdale, AZ 85260 Attention: Neil Reithinger, CFO. The Subscription Proceeds may also be wired to Orgenesis Inc. pursuant to wiring instructions that will be provided to the Subscriber upon request. If the Subscriber prefers, it may pay the Subscription Proceeds to legal counsel for Orgenesis, Clark Wilson LLP, using wire instructions that will be provided on request.

4. **EMAIL** a copy of Page 2 of this Subscription Agreement to Clark Wilson LLP, counsel for Orgenesis Inc., attention Bernard Pinsky bip@cwilson.com. Funds may be wired to Clark Wilson LLP on arrangement.

Clark Wilson LLP are authorized to release any funds received to Orgenesis Inc. immediately upon receipt.

ORGENESIS INC.

PRIVATE PLACEMENT SUBSCRIPTION AGREEMENT

The undersigned (the "**Subscriber**") hereby irrevocably subscribes for and agrees to purchase from Orgenesis Inc. (the "**Issuer**") that number of units of the Issuer (the "**Units**") set out below at a price of $0.52 per Unit. Each Unit is comprised of one share of common stock in the capital of the Issuer (each, a '**Share**") and one non-transferable common stock share purchase warrant (each, a "**Warrant**"). Each Warrant shall entitle the holder thereof to acquire one additional Share (each, a "**Warrant Share**") at a price of $0.52 per Warrant Share until 5:00 p.m. (Pacific time) on the date of expiration of the Warrant, which is three years following the Closing Date (as defined herein), as set forth in the warrant certificate, a form of which is attached as Schedule "A" (the "Warrant Certificate"). The Subscriber agrees to be bound by the terms and conditions set forth in the attached "Terms and Conditions of Subscription for Units".

Subscriber Information	**Units to be Purchased**
(Name of Subscriber) Account Reference (if applicable):	Number of Units: ______ x **$0.52** =
X	Aggregate Subscription Price: ______ (the "**Subscription Amount**")
(Signature of Subscriber – if the Subscriber is an Individual) X	
(Signature of Authorized Signatory – if the Subscriber is not an Individual)	**Please complete if purchasing as agent or trustee for a principal (beneficial purchaser) (a "Disclosed Principal") and not purchasing as trustee or agent for accounts fully managed by it.**
(Name and Title of Authorized Signatory – if the Subscriber is not an Individual)	(Name of Disclosed Principal)
(SIN, SSN, or other Tax Identification Number of the Subscriber)	(Address of Disclosed Principal)
(Subscriber's Address, including city and province or state or residence)	(Account Reference, if applicable)
	(SIN, SSN, or other Tax Identification Number of Disclosed Principal)
(Telephone Number) (Email Address)	
Register the Shares, Warrants and Warrant Shares as set forth below:	**Deliver the Shares, Warrants and Warrant Shares as set forth below:**
(Name to Appear on Share and Warrant Certificate)	(Attention - Name)
(Account Reference, if applicable)	(Account Reference, if applicable)
(Address, including Postal Code)	(Address, including Postal Code)
	(Telephone Number)

ACCEPTANCE

The Issuer hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement. as of the _____day of _______________, 2015.

ORGENESIS INC.

Per: ______________________________
Authorized Signatory

THIS PRIVATE PLACEMENT SUBSCRIPTION AGREEMENT (THE "SUBSCRIPTION AGREEMENT") RELATES TO AN OFFERING OF SECURITIES IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED HEREIN) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT").

NONE OF THE SECURITIES TO WHICH THIS SUBSCRIPTION AGREEMENT RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT OR ANY U.S. STATE SECURITIES LAWS AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO U.S. PERSONS (AS DEFINED HEREIN) EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE 1933 ACT.

PRIVATE PLACEMENT SUBSCRIPTION
(Offshore Subscribers Only Outside North America)

TO: ORGENESIS INC. (the "Company")
20271 Goldenrod Lane
Germantown, MD 20876

Purchase of Units

1. SUBSCRIPTION

1.1 The undersigned (the **"Subscriber"**) hereby irrevocably subscribes for and agrees to purchase on the Closing Date (as hereinafter defined) the number of units (the **"Units"**) set out on Page 2 of this Subscription Agreement, at a price of **US $0.52** per Unit (such subscription and agreement to purchase being the **"Subscription"**), for the total subscription price as set out on Page 2 of this Subscription Agreement (the **"Subscription Proceeds"**), which Subscription Proceeds are tendered herewith, on the basis of the representations and warranties and subject to the terms and conditions set forth herein.

1.2 Each Unit consists of one Share and one warrant (together or individually, the **"Securities"**). The Units are being sold as part of an offering (the **"Offering"**) consisting of an aggregate of at least 19,230,770 Units. If the Issuer does not send a Closing Notice to the Subscriber on or before 5:00 p.m. (EST) on the date that is forty-five (45) days after the date the Subscriber delivered a signed copy of this Subscription Agreement to the Issuer, this Subscription Agreement shall be void.

1.3 The Company hereby agrees to sell the Units to the Subscriber on the basis of the representations and warranties and subject to the terms and conditions set forth herein. Subject to the terms hereof, the Subscription Agreement will be effective upon its acceptance by the Company. The Subscriber acknowledges that the offering of Units contemplated hereby is not subject to any minimum aggregate subscription level.

1.4 In the event the Company issues any common shares or securities convertible into common shares in a private placement for cash at a price less than US $0.52 (the **"New Issuance Price"**) before November 30, 2016, the Company will issue, for no additional consideration, additional common shares to the Subscriber which total the Subscriber's subscription proceeds divided by the New Issuance Price, minus the number of shares already issued to such subscriber. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration.

1.5 Unless otherwise provided, all dollar amounts referred to in this Subscription Agreement are in lawful money of the United States of America.

1.6 The Company may treat the Subscription Proceeds as a non-interest bearing loan and may use the Subscription Proceeds prior to this Subscription Agreement being accepted by the Company and the certificates representing the Securities have been issued to the Subscriber.

1.7 The Subscriber must complete, sign and return to the Company an executed copy of this Subscription Agreement.

1.8 The Subscriber shall complete, sign and return to the Company as soon as possible, on request by the Company, any documents, questionnaires, notices and undertakings as may be required by regulatory authorities, stock exchanges and/or applicable law.

2. CLOSING

2.1 Payment of the Aggregate Subscription Price and delivery of the Units will occur on the fifth business day (the **"Closing Date"**) following the date upon which the Issuer sends written notice (a **"Closing Notice"**) to the Subscriber stating the Closing Date.

3. ACKNOWLEDGEMENTS OF SUBSCRIBER

The Subscriber acknowledges and agrees that:

(a) the Securities have not been registered under the U.S. Securities Act of 1933, as amended (the **"1933 Act"**), or under any securities or "blue sky" laws of any state of the United States and are being offered only in a transaction not involving any public offering within the meaning of the 1933 Act, and, unless so registered, may not be offered or sold in the United States or to a U.S. Person, as that term is defined in Regulation "S" (**"Regulation "S"**) promulgated by the Securities and Exchange Commission (the **"SEC"**) pursuant to the 1933 Act, except in accordance with the provisions of Regulation "S", pursuant to an effective registration statement under the 1933 Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act, and in each case only in accordance with applicable state securities laws;

(b) the Company will refuse to register any transfer of any of the Securities and shares issued upon exercise of the Warrants (collectively, the "**Total Securities**") not made in accordance with the provisions of Regulation S, pursuant to an effective registration statement under the 1933 Act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act;

(c) the decision to execute this Subscription Agreement and purchase the Units has not been based upon any oral or written representation as to fact or otherwise made by or on behalf of the Company and such decision is based solely upon information filed by the Company on EDGAR (the **"Company Information"**).

(d) the Subscriber and the Subscriber's advisor(s) have had a reasonable opportunity to review the Company Information and to ask questions of and receive answers from the Company regarding the Offering, and to obtain additional information, to the extent possessed or obtainable without unreasonable effort or expense, necessary to verify the accuracy of the information contained in the Company Information, or any other document provided to the Subscriber;

(e) by execution hereof the Subscriber has waived the need for the Company to communicate its acceptance of the purchase of the Securities pursuant to this Subscription Agreement;

(f) the Company is entitled to rely on the representations and warranties and the statements and answers of the Subscriber contained in this Subscription Agreement and the Subscriber will hold harmless the Company from any loss or damage it may suffer as a result of the Subscriber's failure to correctly complete this Subscription Agreement;

(g) the Subscriber will indemnify and hold harmless the Company and, where applicable, its respective directors, officers, employees, agents, advisors and shareholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, lawsuit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any acknowledgment, representation or warranty of the Subscriber contained herein or in any other document furnished by the Subscriber to the Company in connection herewith, being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber to the Company in connection therewith;

(h) the issuance and sale of the Units to the Subscriber will not be completed if it would be unlawful or if, in the discretion of the Company acting reasonably, it is not in the best interests of the Company;

(i) the Subscriber has been advised to consult the Subscriber's own legal, tax and other advisors with respect to the merits and risks of an investment in the Total Securities and with respect to the applicable resale restrictions, and it is solely responsible (and the Company is not in any way responsible) for compliance with:

 (i) any applicable laws of the jurisdiction in which the Subscriber is resident in connection with the distribution of the Total Securities hereunder, and

 (ii) applicable resale restrictions.

(j) the Subscriber has not acquired the Units as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S) in the United States in respect of any of the Securities which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of any of the Total Securities; provided, however, that the Subscriber may sell or otherwise dispose of any of the Total Securities pursuant to registration of any of the Total Securities pursuant to the 1933 Act and any applicable state securities laws or under an exemption from such registration requirements and as otherwise provided herein;

(k) the Subscriber is not a U.S. Person (as defined in Regulation S), is outside the United States when receiving and executing this Subscription Agreement and is acquiring the Units as principal for its own account or for account of the Disclosed Principal, as applicable, for investment purposes only, and not with a view to, or for, resale, distribution or fractionalization thereof, in whole or in part, and no other person has a direct or indirect beneficial interest in such Units, other than the Disclosed Principal, if applicable;

(l) the statutory and regulatory basis for the exemption claimed for the offer and sale of the Units, although in technical compliance with Regulation S, would not be available if the offering is part of a plan or scheme to evade the registration provisions of the 1933 Act;

(m) the Company has advised the Subscriber that the Company is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell the Units through a person registered to sell securities and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies, including statutory rights of rescission or damages, will not be available to the Subscriber;

(n) the common stock of the Company is currently listed for trading on the OTCQB, an automated dealer quotation system;

(o) the Subscriber acknowledges that the Company has not undertaken, and will have no obligation, to register any of the Securities under the 1933 Act, except as set out in this Agreement;

(p) neither the SEC, nor any other securities regulatory authority has reviewed or passed on the merits of the Securities;

(q) no documents in connection with this Offering have been reviewed by the SEC, nor by any other securities regulatory authority or state securities administrators;

(r) there is no government or other insurance covering any of the Securities; and

(s) this Subscription Agreement is not enforceable by the Subscriber unless it has been accepted by the Company, and the Subscriber acknowledges and agrees that the Company reserves the right to reject any subscription for any reason.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SUBSCRIBER

4.1 The Subscriber hereby represents and warrants to and covenants with the Company, as of the date of this Agreement and as of the Closing Date (which representations, warranties and covenants shall survive the Closing Date) that:

(a) the Subscriber is outside the United States when receiving and executing this Subscription Agreement;

(b) the Subscriber is not a "U.S. Person", as defined in Regulation S;

(c) the Subscriber is not acquiring the Units for the account or benefit of, directly or indirectly, any U.S. Person, as defined in Regulation S;

(d) the Subscriber is resident in the jurisdiction set out on Page 2 of this Subscription Agreement;

(e) the Subscriber:

(i) is knowledgeable of, or has been independently advised as to, the applicable securities laws of the securities regulators having application in the jurisdiction in which the Subscriber is resident (the **"International Jurisdiction"**) which would apply to the acquisition of the Units,

(ii) is purchasing the Units pursuant to exemptions from prospectus or equivalent requirements under applicable securities laws or, if such is not applicable, the Subscriber is permitted to purchase the Units under the applicable securities laws of the securities regulators in the International Jurisdiction without the need to rely on any exemptions,

(iii) acknowledges that the applicable securities laws of the authorities in the International Jurisdiction do not require the Company to make any filings or seek any approvals of any kind whatsoever from any securities regulator of any kind whatsoever in the International Jurisdiction in connection with the issue and sale or resale of the Units and Securities, and

(iv) represents and warrants that the acquisition of the Units by the Subscriber does not trigger:

A. any obligation to prepare and file a prospectus or similar document, or any other report with respect to such purchase in the International Jurisdiction, or

B. any continuous disclosure reporting obligation of the Company in the International Jurisdiction, and

C. the Subscriber will, if requested by the Company, deliver to the Company a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (ii), (iii) and (iv) above to the satisfaction of the Company, acting reasonably;

(f) the Subscriber is acquiring the Units as principal, or for account of the Disclosed Principal, as applicable, and for investment only and not with a view to, or for, resale, distribution or fractionalization thereof, in whole or in part, and, in particular, it, or the Disclosed Principal, has no intention to distribute either directly or indirectly any of the Securities in the United States or to U.S. Persons (as defined in Regulation S);

(g) the Subscriber acknowledges that it has not acquired the Units as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S) in the United States in respect of any of the Total Securities which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of any of the Total Securities; provided, however, that the Subscriber may sell or otherwise dispose of any of the Total Securities pursuant to registration of any of the Securities pursuant to the 1933 Act and any applicable state securities laws or under an exemption from such registration requirements and as otherwise provided herein;

(h) the Subscriber has the legal capacity and competence to enter into and execute this Subscription Agreement and to take all actions required pursuant hereto and, if the Subscriber is a corporation, it is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and all necessary approvals by its directors, shareholders and others have been obtained to authorize execution and performance of this Subscription Agreement on behalf of the Subscriber;

(i) the entering into of this Subscription Agreement and the transactions contemplated hereby do not result in the violation of any of the terms and provisions of any law applicable to, or, if applicable, the constating documents of, the Subscriber, or of any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound;

(j) the Subscriber has duly executed and delivered this Subscription Agreement and it constitutes a valid and binding agreement of the Subscriber enforceable against the Subscriber;

(k) the Subscriber has received and carefully read this Subscription Agreement;

(l) the Subscriber (i) has adequate net worth and means of providing for its current financial needs and possible personal contingencies, (ii) has no need for liquidity in this investment, and (iii) is able to bear the economic risks of an investment in the Units for an indefinite period of time, and can afford the complete loss of such investment;

(m) the Subscriber is able to fend for itself in the subscription, has the degree of knowledge, education and experience in financial and business matters as to enable the Subscriber to evaluate the merits and risks of the investment in the Units and the Company;

(n) the Subscriber understands and agrees that the Company and others will rely upon the truth and accuracy of the acknowledgements, representations, warranties, covenants and agreements contained in this Subscription Agreement, and agrees that if any of such acknowledgements, representations and agreements are no longer accurate or have been breached, the Subscriber shall promptly notify the Company;

(o) the Subscriber is aware that an investment in the Company is speculative and involves certain risks, including the possible loss of the investment;

(p) the Subscriber is not an underwriter of, or dealer in, the Company's Securities, nor is the Subscriber participating, pursuant to a contractual agreement or otherwise, in the distribution of the Units;

(q) the Subscriber has made an independent examination and investigation of an investment in the Units and the Company and has depended on the advice of its legal and financial advisors and agrees that the Company will not be responsible in anyway whatsoever for the Subscriber's decision to invest in the Units and the Company;

(r) if the Subscriber is acquiring the Units as a fiduciary or agent for one or more investor accounts, the Subscriber has sole investment discretion with respect to each such account, and the Subscriber has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;

(s) the Subscriber is not aware of any advertisement of any of the Securities and is not acquiring the Units as a result of any form of general solicitation or general advertising including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising; and

(t) no person has made to the Subscriber any written or oral representations:

(i) that any person will resell or repurchase any of the Securities,

(ii) that any person will refund the purchase price of any of the Securities, or

(iii) as to the future price or value of any of the Securities.

4.2 In this Subscription Agreement, the term "U.S. Person" shall have the meaning ascribed thereto in Regulation S promulgated under the 1933 Act and for the purpose of the Subscription Agreement includes any person in the United States.

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5. ACKNOWLEDGEMENT AND WAIVER

The Subscriber has acknowledged that the decision to purchase the Units was made based solely on the Company Information. The Subscriber hereby waives, to the fullest extent permitted by law, any rights of withdrawal, rescission or compensation for damages to which the Subscriber might be entitled in connection with the distribution of any of the Securities. Because the Subscriber is not purchasing the Units under a prospectus, the Subscriber will not have the civil protections, rights and remedies that would otherwise be available to the Subscriber under the securities laws in United States, including statutory rights of rescission or damages.

6. REPRESENTATIONS AND WARRANTIES WILL BE RELIED UPON BY THE COMPANY

The Subscriber acknowledges that the acknowledgements, representations and warranties contained herein are made by it with the intention that they may be relied upon by the Company and its legal counsel in determining the Subscriber's eligibility to purchase the Units under applicable securities legislation, or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the Shares under applicable securities legislation. The Subscriber further agrees that by accepting delivery of the certificates representing the Securities, it will be representing and warranting that the acknowledgements representations and warranties contained herein are true and correct as of the date hereof and the date of delivery and will continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of all of the Securities.

7. RESALE RESTRICTIONS

7.1 The Subscriber acknowledges that any resale of any of the Securities will be subject to resale restrictions contained in the securities legislation applicable to the Subscriber or proposed transferee. The Subscriber acknowledges that none of the Securities have been registered under the 1933 Act or the securities laws of any state of the United States. The Securities may not be offered or sold in the United States unless registered in accordance with federal securities laws and all applicable state securities laws or exemptions from such registration requirements are available.

7.2 The Subscriber acknowledges that restrictions on the transfer, sale or other subsequent disposition of the Securities by the Subscriber may be imposed by securities laws in addition to any restrictions referred to in Section above, and, in particular, the Subscriber acknowledges and agrees that none of the Securities may be offered or sold to a U.S. Person or for the account or benefit of a U.S. Person (other than a distributor) prior to the end of the distribution compliance period mandated by Regulation S under the 1933 Act, and each certificate will contain a legend restricting resale on that basis.

8. ACKNOWLEDGEMENT AND WAIVER

The Subscriber has acknowledged that the decision to purchase the Securities was solely made on the basis of information concerning the Company that was available to the Subscriber on the EDGAR database maintained by the SEC at www.sec.gov

9. LEGENDING OF SUBJECT SECURITIES AND REGISTATION

9.1 The Subscriber hereby acknowledges that that upon the issuance thereof, and until such time as the same is no longer required under the applicable securities laws and regulations, the certificates representing any of the Securities will bear a legend in substantially the following form:

"THESE SECURITIES WERE ISSUED IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE 1933 ACT) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). ACCORDINGLY, NONE OF THE SECURITIES TO WHICH THIS CERTIFICATE RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT, OR ANY U.S. STATE SECURITIES LAWS, AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD IN THE UNITED STATES OR, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN ACCORDANCE WITH THE 1933 ACT."

9.2 The Subscriber hereby acknowledges and agrees to the Company making a notation on its records or giving instructions to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this Subscription Agreement.

9.3 Within nine (9) months of the closing of the last tranche of the Offering, the Company will use its reasonable best efforts to file with the SEC a registration statement to register the resale of the Shares and Shares issuable on exercise of the Warrants held by the Subscriber that have not yet been sold under Rule 144. The Subscriber will cooperate in the preparation of the registration statement and provide such information as the Company may reasonably require in this regard.

10. <u>COSTS</u>

The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the purchase of the Units shall be borne by the Subscriber.

11. <u>GOVERNING LAW</u>

This Subscription Agreement is governed by the laws of the State of Nevada. The Subscriber, in its personal or corporate capacity and, if applicable, on behalf of each beneficial purchaser for whom it is acting, irrevocably attorns to the exclusive jurisdiction of the Courts of the State of Nevada.

12. <u>SURVIVAL</u>

This Subscription Agreement, including without limitation the representations, warranties and covenants contained herein, shall survive and continue in full force and effect and be binding upon the parties hereto notwithstanding the completion of the purchase of the Units by the Subscriber pursuant hereto.

13. <u>ASSIGNMENT</u>

This Subscription Agreement is not transferable or assignable.

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14. SEVERABILITY

The invalidity or unenforceability of any particular provision of this Subscription Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Subscription Agreement.

15. ENTIRE AGREEMENT

Except as expressly provided in this Subscription Agreement and in the agreements, instruments and other documents contemplated or provided for herein, this Subscription Agreement contains the entire agreement between the parties with respect to the sale of the Units and there are no other terms, conditions, representations or warranties, whether expressed, implied, oral or written, by statute or common law, by the Company or by anyone else.

16. NOTICES

All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Subscriber shall be directed to the delivery address on Page 2 and notices to the Company shall be directed to it at the address stated on the first page of this Subscription Agreement.

17. COUNTERPARTS AND ELECTRONIC MEANS

This Subscription Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall constitute an original and all of which together shall constitute one instrument. Delivery of an executed copy of this Subscription Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Subscription Agreement as of the date hereinafter set forth.

Schedule “A”
Form of Warrant

THESE WARRANTS ARE NOT TRANSFERABLE

THESE SECURITIES WERE ISSUED IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE 1933 ACT) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”). ACCORDINGLY, NONE OF THE SECURITIES TO WHICH THIS CERTIFICATE RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT, OR ANY U.S. STATE SECURITIES LAWS, AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD IN THE UNITED STATES OR, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN ACCORDANCE WITH THE 1933 ACT.

ORGENESIS INC.
(A Nevada Corporation)

NON-TRANSFERABLE
WARRANT CERTIFICATE

CERTIFICATE NO. 2015 ________
NUMBER OF WARRANTS: ___________ **RIGHT TO PURCHASE** ___________ **SHARES**

THESE NON-TRANSFERABLE WARRANTS WILL EXPIRE AND BECOME NULL AND VOID AT 5:00 P.M. (PACIFIC TIME) ON THE EXPIRY DATE (AS DEFINED IN THE TERMS AND CONDITIONS ATTACHED TO THIS WARRANT CERTIFICATE.

NON-TRANSFERABLE SHARE PURCHASE WARRANTS
TO PURCHASE COMMON SHARES OF ORGENESIS INC.

THE WARRANTS REPRESENTED BY THIS CERTIFICATE

This is to certify that, for value received, __________ of _______________ (the **“Holder”**) has the right to purchase, upon and subject to the terms and conditions attached hereto as Appendix “A” (the **“Terms and Conditions”**) from **_______________, 2015** to 5:00 p.m. (Pacific Time) on the Expiry Date (as defined in the attached Terms and Conditions), the number of fully paid and non-assessable common shares (the **“Shares”**) of Orgenesis Inc. (the **“Company”**) set out above, by surrendering to the Company, at its offices at 20271 Goldenrod Lane, Germantown, MD 20876, this Warrant Certificate with a Subscription in the form attached hereto as Appendix “B”, duly completed and executed, and cash, bank draft, certified cheque or money order in lawful money of the United States of America, payable to the order of the Company in an amount equal to the purchase price per Share multiplied by the number of Shares being purchased (the “**Aggregate Purchase Price**”). Subject to adjustment thereof in the events and in the manner set forth in the Terms and Conditions, the purchase price per Share on the exercise of each Non-Transferable Share Purchase Warrant (**“Warrant”**) evidenced hereby shall be **US $0.52** per Share.

These Warrants are issued subject to the Terms and Conditions, and the Holder may exercise the right to purchase Shares only in accordance with the Terms and Conditions.

Nothing contained herein or in the Terms and Conditions will confer any right upon the Holder or any other person to subscribe for or purchase any Shares at any time subsequent to the Expiry Date and from and after such time, these Warrants and all rights hereunder will be void and of no value.

IN WITNESS WHEREOF the Company has caused this Warrant Certificate to be executed.

DATED at the City of _______________, in the State of _______________, as of the __________ day of _______________, 2015.

ORGENESIS INC.

Per: ____

Name
Title

PLEASE NOTE THAT ALL SHARE CERTIFICATES ISSUED UPON EXERCISE HEREOF MUST BE LEGENDED AS FOLLOWS:

"THESE SECURITIES WERE ISSUED IN AN OFFSHORE TRANSACTION TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE 1933 ACT) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). ACCORDINGLY, NONE OF THE SECURITIES TO WHICH THIS CERTIFICATE RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT, OR ANY U.S. STATE SECURITIES LAWS, AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD IN THE UNITED STATES OR, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN ACCORDANCE WITH THE 1933 ACT."

APPENDIX “A”

TERMS AND CONDITIONS dated as of __________, 2015 (the “Terms and Conditions”), attached to the Non-Transferable Share Purchase Warrants issued by Orgenesis Inc.

1. DEFINITIONS

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

(a) “Business Days” means any day other than a Saturday, Sunday, or a day on which banking institutions in the State of Nevada are authorized or obligated by law or executive order to close.

(b) “Company” means Orgenesis Inc., a Nevada corporation. If a successor corporation will have become such as a result of consolidation, amalgamation or merger with or into any other corporation or corporations, or as a result of the conveyance or transfer of all or substantially all of the properties and estates of the Company as an entirety to any other corporation and thereafter “Company” will mean such successor corporation;

(c) “Company’s Auditors” means an independent firm of accountants duly appointed as auditors of the Company;

(d) “Exercise Price” means US $0.52 per Share, subject to adjustment as provided in the Terms and Conditions;

(e) “Expiry Date” means **____________, 2018**;

(f) “herein”, “hereby” and similar expressions refer to these Terms and Conditions as the same may be amended or modified from time to time; and the expression “Section” followed by a number refer to the specified Section of these Terms and Conditions;

(g) “person” means an individual, corporation, partnership, trustee or any unincorporated organization and words importing persons have a similar meaning;

(h) “Holder” or “Holders” means the holder of the Warrants and its heirs, executors, administrators, successors, legal representatives and assigns;

(i) “Shares” means the shares of common stock in the capital of the Company as constituted at the date hereof and any shares resulting from any subdivision or consolidation of such shares, issued upon exercise of the Warrants;

(j) “Warrants” means the Non-Transferable Share Purchase Warrants of the Company issued and presently authorized and for the time being outstanding; and

(k) “1933 Act” means the United States Securities Act of 1933.

2. INTERPRETATION

The division of these Terms and Conditions into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation thereof. Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

3. APPLICABLE LAW

The rights and restrictions attached to the Warrants shall be construed in accordance with the laws of the State of Nevada.

4. ADDITIONAL ISSUANCES OF SECURITIES

The Company may at any time and from time to time do further equity or debt financing and may issue additional shares, warrants, convertible securities, stock options or similar rights to purchase shares of its capital stock.

5. REPLACEMENT OF LOST WARRANTS

5.1 In case this Warrant Certificate shall become mutilated, lost, destroyed or stolen, the Company in its discretion may issue and deliver a new Warrant Certificate of like date and tenure as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated Warrant Certificate, or in lieu of, and in substitution for such lost, destroyed or stolen Warrant Certificate and the substituted Warrant Certificate shall be entitled to all benefits hereunder and rank equally in accordance with its terms with all other Warrants issued or to be issued by the Company.

5.2 The applicant for the issue of a new Warrant Certificate pursuant hereto shall bear the cost of the issue thereof and in case of loss, destruction or theft shall furnish to the Company evidence of ownership and of loss, destruction or theft of the Warrant Certificate so lost, destroyed or stolen as shall be satisfactory to the Company and its transfer agent in accordance with its usual policies and procedures and such applicant may also be required to furnish indemnity in the amount and form satisfactory to the Company and its transfer agent in accordance with its usual policies and procedures, and shall pay the reasonable charges of the Company in connection therewith.

6. WARRANT HOLDER NOT A SHAREHOLDER

The holding of a Warrant Certificate will not constitute the Holder as a shareholder of the Company, nor entitle the Holder to any right or interest in respect thereof except as is expressly provided in the Warrant Certificate or these Terms and Conditions.

7. WARRANTS NOT TRANSFERABLE

The Warrants and all rights attached thereto are not transferable.

8. NOTICE TO HOLDERS

Any notice required or permitted to be given to the Holder will be in writing and may be given by prepaid registered post, electronic facsimile transmission or other means of electronic communication capable of producing a printed copy to the address of the Holder appearing on the Warrant Certificate or to such other address as any Holder may specify by notice in writing to the Company, and any such notice will be deemed to have been given and received by the Holder to whom it was addressed if mailed, on the third day following the mailing thereof, if by facsimile or other electronic communication, on successful transmission, or, if delivered, on delivery; but if at the time of mailing or between the time of mailing and the third Business Day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

9. NOTICE TO THE COMPANY

Any notice required or permitted to be given to the Company will be in writing and may be given by prepaid registered post, electronic facsimile transmission or other means of electronic communication capable of producing a printed copy to the address of the Company set forth below or such other address as the Company may specify by notice in writing to the Holder, and any such notice will be deemed to have been given and received by the Company to whom it was addressed if mailed, on the third day following the mailing thereof, if by facsimile or other electronic communication, on successful transmission, or, if delivered, on delivery; but if at the time or mailing or between the time of mailing and the third Business Day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered:

Orgenesis Inc.
c/o Eventus Advisory Group, LLC
14201 N. Hayden Road, Suite A-1
Scottsdale, AZ 85260
Attention: Neil Reithinger, CFO.

10. METHOD OF EXERCISE OF WARRANTS

The right to purchase Shares conferred by the Warrants may be exercised by the Holder of such Warrant by surrendering it to the Company, with a duly completed and executed subscription in the form attached as Appendix "B" and cash, bank draft, certified cheque or money order payable to or to the order of the Company for the Aggregate Purchase Price subscribed for in lawful money of the United States of America.

11. EFFECT OF EXERCISE OF WARRANTS

11.1 Upon surrender and payment as aforesaid, the Shares so subscribed for shall be deemed to have been issued and such Holder shall be deemed to have become the holder (or holders) of record of such Shares on the date of such surrender and payment and such Shares shall be issued at the Exercise Price in effect on the date of such surrender and payment.

11.2 Within ten Business Days after surrender and payment as aforesaid, the Company shall forthwith cause to be delivered to the person or persons in whose name or names the Shares so subscribed for are to be issued as specified in such subscription or mailed to him or them at his or their respective addresses specified in such subscription, a certificate or certificates for the appropriate number of Shares not exceeding those which the Holder is entitled to purchase pursuant to the Warrant surrendered.

12. SUBSCRIPTION FOR LESS THAN ENTITLEMENT

The Holder of any Warrant may subscribe for and purchase a number of Shares less than the number which he is entitled to purchase pursuant to the surrendered Warrant. In the event of any purchase of a number of Shares less than the number which can be purchase pursuant to a Warrant, the Holder, upon exercise thereof, shall be entitled to receive a new Warrant Certificate in respect of the balance of the Shares which he was entitled to purchase pursuant to the surrendered Warrant Certificate and which were not then purchased.

13. WARRANTS FOR FRACTIONS OF SHARES

To the extent that the Holder of any Warrant is entitled to receive on the exercise or partial exercise thereof a fraction of a Share, such right may be exercised in respect of such fraction only in combination with another Warrant or other Warrants which in the aggregate entitle the Holder to receive a whole number of such Shares.

14. EXPIRATION OF WARRANTS

After the expiration of the period within which a Warrant is exercisable, all rights thereunder shall wholly cease and terminate and such Warrants shall be void and of no further force and effect.

15. ADJUSTMENT OF EXERCISE PRICE

The Exercise Price and the number of Common Shares deliverable upon the exercise of the Warrants shall be subject to adjustment in the event and in the manner following:

15.1 If and whenever the Shares at any time outstanding shall be subdivided into a greater or consolidated into a lesser number of Shares, the Exercise Price shall be decreased or increased proportionately, as the case may be, and upon any such subdivision or consolidation, the number of Shares deliverable upon the exercise of the Warrants shall be increased or decreased proportionately, as the case may be.

15.2 In case of any capital reorganization or of any reclassification of the capital of the Company or in case of the consolidation, merger or amalgamation of the Company with or into any other company or of the sale of the assets of the Company as or substantially as an entirety or of any other company, each Warrant shall, after such capital reorganization, reclassification of capital, consolidation, merger, amalgamation or sale, confer the right to purchase that number of shares or other securities or property of the Company or of the company resulting from such capital reorganization, reclassification, consolidation, merger, amalgamation or to which such sale shall be made, as the case may be, to which the Holder of the shares deliverable at the time of such capital reorganization, reclassification of capital, consolidation, merger, amalgamation or sale had the Warrants been exercised, would have been entitled on such capital reorganization, reclassification, consolidation, merger, amalgamation or sale and in any such case, if necessary, appropriate adjustments shall be made in the application of the provisions set forth in Sections 12 to 19 hereof with respect to the rights and interest thereafter of the Holders of the Warrants to the end that the provisions set forth in Sections 12 to 19 hereof shall thereafter correspondingly be made applicable as nearly as may reasonable be expected in relation to any shares or other securities or property thereafter deliverable on the exercise of the Warrants. The subdivision or consolidation of the Shares at any time outstanding into a greater or lesser number of Shares (whether with or without par value) shall not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this Section 15(b).

15.3 In the event the Company issues any common shares or securities convertible into common shares at a price less than the Exercise Price (the **"New Issuance Price"**) while any Warrants remain outstanding and unexercised, the Exercise Price shall be reduced for any previously unexercised Warrants to the New Issuance Price. This provision does not apply to issuance of shares under options, issuance of shares under existing rights to acquire shares, nor issuance of shares for non-cash consideration

15.4 The adjustments provided for in this Section 15 pursuant to any Warrants are cumulative .and will become effective immediately after the record date for, or, if no record date is fixed, the effective date, of the event which results in such adjustments.

16. DETERMINATION OF ADJUSTMENTS

If any questions shall at any time arise with respect to the Exercise Price or any adjustments provided for in this Warrant, such questions shall be conclusively determined by the Company's Auditors, from time to time, or, if they decline to so act, any other firm of chartered accountants that the Company may designate and who shall have access to all appropriate records and such determination shall be binding upon the Company and the Holders.

17. COVENANTS OF THE COMPANY

The Company will reserve and there will remain unissued out of its authorized capital a sufficient number of Shares to satisfy the rights of purchase provided for in the Warrants should the Holders of all the Warrants from time to time outstanding determine to exercise such rights in respect of all Shares which they are or may be entitled to purchase pursuant thereto.

18. IMMUNITY OF SHAREHOLDERS, ETC.

The Holder hereby waives and releases any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future incorporator, shareholder, director or officer (as such) of the Company for the issue of Shares pursuant to any Warrant or on any covenant, agreement, representation or warranty by the Company herein contained.

19. MODIFICATION OF TERMS AND CONDITIONS FOR CERTAIN PURPOSES

From time to time the Company may, subject to the provisions of these presents, and it shall, when so directed by these presents, modify the terms, and conditions hereof, for any one or more of any of the following purposes:

(a) making such provisions not inconsistent herewith as may be necessary or desirable with respect to matters or questions arising hereunder or for the purpose of obtaining a listing or quotation of the Warrants on any stock exchange or quotation system;

(b) adding to or altering the provisions hereof in respect of the registration and transfer of Warrants making provisions for the exchange of Warrants of different denominations; and making any modification in the form of the Warrants which does not affect the substance thereof;

(c) for any other purpose not inconsistent with the terms hereof, including the correction or recertification of any ambiguities, defective provisions, errors or omissions herein; and

(d) to evidence any successions of any corporation and the assumption of any successor of the covenants of the Company herein and in the Warrants contained as provided herein.

20. UNITED STATES RESTRICTIONS

These Warrants and the Shares issuable upon the exercise of these Warrants have not been and will not be registered under the 1933 Act as amended or any state securities laws. These Warrants may not be exercised in the United States (as defined in Regulation S under the 1933 Act) unless these Warrants and the Shares issuable upon exercise hereof have been registered under the 1933 Act, and any applicable state securities laws or unless an exemption from such registration is available.

DATED as of the date first above written in these Terms and Conditions.

ORGENESIS INC.

Per: ____
Name
Title

APPENDIX "B"

SUBSCRIPTION FORM
(ONE NON-TRANSFERABLE SHARE PURCHASE WARRANT IS REQUIRED TO SUBSCRIBE FOR EACH COMMON SHARE)

TO: ORGENESIS INC.
20271 Goldenrod Lane
Germantown, MD 20876

The undersigned, bearer of the attached Non-Transferable Share Purchase Warrants, hereby subscribes for _____________of shares of common stock of Orgenesis Inc. (the **"Company"**) referred to in the Warrants according to the conditions thereof and herewith makes payment of the purchase price in full for the said number of shares at the price of U.S. $0.52 per share if exercised on or before 5:00 p.m. (Pacific Time) on the Expiry Date (as that term is defined in the Terms and Conditions attached to the Non-Transferable Share Purchase Warrant). Cash, a certified cheque, bank draft or money order is enclosed herewith for such amount.

The undersigned hereby directs that the shares hereby subscribed for be issued and delivered as follows:

Name(s) in Full	**Address(es)**	**Number of Shares**

(Please print full names in which share certificates are to be issued. The Share must be issued in the name of the Holder.)

DATED this ______day of ___________________, 20___ . (the "**Exercise Date**")

Witness

Signature

Please print your name and address in full

Address

TERMS AND CONDITIONS

The Warrants are issued subject to the Terms and Conditions, which are attached to the Warrant Certificate delivered to the Holder.

REPRESENTATIONS AND WARRANTIES

The undersigned represents and warrants that the undersigned is not a "U.S. person", as such term is defined in Regulation S as promulgated under the United States Securities Act of 1933, as at the Exercise Date. The undersigned represents and warrants that the representations and warranties in the subscription agreement between the undersigned and the Company dated the Holder are true and correct as of the date of the Exercise Date.

LEGENDS

The certificates representing the shares acquired on the exercise of the Warrants will bear a legend in substantially the following form:

> "THESE SECURITIES WERE ISSUED IN AN OFFSHORE TRANSACTION TO A PERSON WHO IS NOT A U.S. PERSON (AS DEFINED HEREIN) PURSUANT TO REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). ACCORDINGLY, NONE OF THE SECURITIES TO WHICH THIS CERTIFICATE RELATES HAVE BEEN REGISTERED UNDER THE 1933 ACT, OR ANY U.S. STATE SECURITIES LAWS, AND, UNLESS SO REGISTERED, NONE MAY BE OFFERED OR SOLD IN THE UNITED STATES (AS DEFINED HEREIN) OR, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE 1933 ACT, PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN ACCORDANCE WITH THE 1933 ACT. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE 1933 ACT."

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** dated as of October 30, 2015 (this "Agreement") by and between Orgenesis Inc., a Nevada corporation (the "Company"), and _________________(the "Purchaser").

WHEREAS, the Company wishes to undertake a financing, and pursuant to the terms and conditions of this Agreement, from time to time and as needed by the Company, the Company may issue and sell to the Purchaser and the Purchaser agrees to acquire from the Company, unsecured notes of the Company having an aggregate principal amount not exceeding _______Million Dollars ($____________) in the form of **Exhibit A** attached hereto (each, a "Note", and collectively, the "Notes").

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I
PURCHASE AND SALE OF SECURITIES; RESTRICTIVE LEGENDS

Section 1.1 Purchase and Sale of Notes. Upon the following terms and conditions, at the Company's sole option and discretion, the Company shall issue, sell and deliver to the Purchaser from time to time as needed, and the Purchaser shall purchase from the Company, the Notes, up to an aggregate amount of $______________(the "Purchase Price"). The Company and the Purchaser are executing and delivering this Agreement in accordance with and in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), including Regulation D ("Regulation D"), and/or upon such other exemption from the registration requirements of the Securities Act as may be available with respect to any or all of the investments to be made hereunder.

Section 1.2 Issuance of Commitment Warrants. In consideration of the Purchaser's commitment to lend to the Company up to the Purchase Price, upon execution of this Agreement by the Company and the Purchaser, the Company shall issue to the Purchaser warrants to purchase up to _________ [1] shares of the Company's common stock, par value $0.0001 per share (the "Common Stock"), exercisable from the Termination Time (as defined in Section 1.3 (c) below) through the third anniversary of the Termination Time), at a per share exercise price of $0.53, and otherwise shall contain the terms and condition specified in, and be in such form, as **Exhibit B** attached hereto (the "Commitment Warrants"). The Commitment Warrants are subject to cancellation if, for any reason whatsoever, the Purchaser does not honor a request by the Company for an Advance Amount (as defined in Section 1.3(a)) that is duly presented to the Purchaser as provided in Section 1.3(a) ..

Section 1.3 Release of Funds to the Company.

(a) From time to time and as may be needed by the Company in its sole discretion, upon the Company's written request to the Purchaser for an advance, the Purchaser hereby agrees to advance the sum of $500,000 or, if less, the remaining amount of the Purchase Price (an "Advance Amount"), and the Purchaser shall be entitled to the issuance of a Note in the principal amount of $500,000 or such lesser amount. As soon as reasonably practicable after the Company provides such written request for an advance to the Purchaser, but in any event within five (5) business days thereafter, the Purchaser shall cooperate with the Company to transfer an Advance Amount to an account identified by the Company in such written request, and the Company shall issue and deliver to the Purchaser a Note. The aggregate principal amount of the Notes issued hereunder shall not exceed the Purchase Price.

(b) Issuance of Drawdown Warrants. Upon the issuance of each Note, the Company shall also issue to the Purchaser a warrant to purchase up to _____________shares of the Company Common Stock (the "Drawdown Warrant"; together with the Commitment Warrant, the "Warrants"). Each Drawdown warrant shall be exercisable through the third anniversary of its issuance and for a total of _________ [2] shares of Common Stock at a per share exercise price of $0.53, and shall contain the terms and condition specified in, and be in such form, as **Exhibit B** attached hereto (each a "Warrant" and collectively, the "Warrants"; together with the Notes, the "Securities").

[1] Insert number of shares that is equal to the quotient of: (.25 X Purchase Price) / $0.53 .

(c) Notwithstanding anything to the contrary contained herein, if the entire Purchase Price has not been funded by 5:00 p.m. Eastern Time on the Termination Time (as defined below), and the Purchaser and Company have not mutually agreed to extend such Termination Time to a later time, the Purchaser shall not be obligated to fund any additional portions of the Purchase Price to the Company. As used herein, the "Termination Time" shall mean November 30, 2016 or, if earlier, upon the closing of an Equity Based Financing in an amount exceeding $10 million; provided that in the event of such investment the Purchaser shall be entitled to early repayment only to the extent to which the gross proceeds of such investment exceed $10 million; provided further that any such repayment shall be allocated *pro rata* among all Notes then outstanding. The term "Equity Based Financing" shall mean the private placement by the Company of shares of Common Stock, or securities convertible into Common Stock, with aggregate gross proceeds to the Company of at least $10,000,000.

(d) Acceptance by the Company. This Agreement will not be binding on the Company until accepted by it as evidenced by the Company's execution of the Agreement in the space provided on the signature page hereof and, notwithstanding the date first written above, the Agreement will be deemed entered into on the date of such execution by the Company.

(e) Legend on the Notes/Warrants. Each Note and Warrant shall be stamped or otherwise imprinted with a legend substantially in the following form (in addition to any legend required by applicable state securities or "blue sky" laws):

THE SECURITES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR AMBIENT CORPORATION SHALL HAVE RECEIVED AN OPINION OF COUNSEL THAT REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the Company. The Company hereby represents and warrants to the Purchaser, as of the date hereof and as of each date a Note and Warrant is issued to the Purchaser hereunder (each a "Closing Date"), as follows:

(a) Organization, Good Standing and Power. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada and has the requisite corporate power to own, lease and operate its properties and assets and to conduct its business as it is now being conducted. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary except for any jurisdiction(s) (alone or in the aggregate) in which the failure to be so qualified will not have a material adverse effect on the business, operations, properties, or financial condition of the Company or its Subsidiaries. No proceeding or action has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(b) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement, the Notes, the Warrants, and each of the other agreements or instruments entered into, or delivered, by the parties hereto in connection with the transactions contemplated by this Agreement (collectively, the "Transaction Documents") and to issue and sell the Securities in accordance with the terms hereof. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by it of the transactions contemplated thereby, including, without limitation, the issuance of the Securities, have been duly and validly authorized by all necessary corporate action, and no further consent or authorization of the Company, its board of directors or stockholders is required. When executed and delivered by the Company, each of the Transaction Documents shall constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, moratorium, liquidation, conservatorship, receivership or similar laws relating to, or affecting generally the enforcement of, creditor's rights and remedies or by other equitable principles of general application.

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[2] Insert number of shares that is equal to the quotient of: (.50 X Advance Amount) / $0.53 .

(c) Issuance of Notes/Warrants. The Notes and Warrants to be issued at each Closing have been duly authorized by all necessary corporate action. When paid for or issued in accordance with the terms hereof, each of the Notes and Warrants shall be validly issued and outstanding, free and clear of all liens, encumbrances and rights of refusal of any kind.

(d) Commission Documents, Financial Statements. The Common Stock of the Company is registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Company, for the two years preceding the date hereof, has filed all reports, schedules, forms, statements and other documents required to be filed by it with the Commission pursuant to the reporting requirements of the Exchange Act. At the times of their respective filings, all of the aforementioned reports, schedules, forms, statements and other documents required to be filed by it with the Commission (the "Commission Documents") complied in all material respects with the requirements of the Securities Act and the Exchange Act and the rules and regulations of the Commission promulgated thereunder, and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As of their respective dates, the financial statements of the Company included in the Commission Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the Commission. Such financial statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto or (ii) in the case of unaudited interim statements, to the extent they may not include footnotes or year-end adjustments or may be condensed or summary statements), and fairly present in all material respects the financial position of the Company and its Subsidiaries as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).

(e) No Undisclosed Liabilities. The Company has not incurred any liabilities, obligations, claims or losses (whether liquidated or unliquidated, secured or unsecured, absolute, accrued, contingent or otherwise) other than those incurred in the ordinary course of the Company's business or which, individually or in the aggregate, are not reasonably likely to have a material adverse effect on the Company's business and operations.

Section 2.2 Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Company as follows as of the date hereof and as of each Closing Date:

(a) Organization and Standing of the Purchaser. [The Purchaser is an entity organized, validly existing and in good standing under the laws of the jurisdiction of its organization].

(b) Authorization and Power. The Purchaser has the requisite power and authority to enter into and perform its obligations under the Transaction Documents and to purchase the Notes being sold to it hereunder. The execution, delivery and performance of the Transaction Documents by the Purchaser and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action, and no further consent or authorization of the Purchaser is required. When executed and delivered by the Purchaser, the other Transaction Documents shall constitute valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation, conservatorship, receivership or similar laws relating to, or affecting generally the enforcement of, creditor's rights and remedies or by other equitable principles of general application.

(c) No Conflict. The execution, delivery and performance of the Transaction Documents by the Purchaser and the consummation by the Purchaser of the transactions contemplated thereby and hereby do not and will not (i) violate any provision of the Purchaser's charter or organizational documents, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, mortgage, deed of trust, indenture, note, bond, license, lease agreement, instrument or obligation to which the Purchaser is a party or by which the Purchaser's respective properties or assets are bound, or (iii) result in a violation of any federal, state, local or foreign statute, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations) applicable to the Purchaser or by which any property or asset of the Purchaser are bound or affected, except, in all cases, other than violations pursuant to clauses (ii) or (iii) (with respect to federal and state securities laws) above, except, for such conflicts, defaults, terminations, amendments, acceleration, cancellations and violations as would not, individually or in the aggregate, materially and adversely affect the Purchaser's ability to perform its obligations under the Transaction Documents.

(d) Acquisition for Investment. The Purchaser is purchasing the Securities solely for its own account and not with a view to, or for sale in connection with, public sale or distribution thereof. The Purchaser does not have a present intention to sell the Securities, nor a present arrangement (whether or not legally binding) or intention to effect any distribution thereof to or through any person or entity. The Purchaser acknowledges that it (i) has such knowledge and experience in financial and business matters such that Purchaser is capable of evaluating the merits and risks of Purchaser's investment in the Company, (ii) is able to bear the financial risks associated with an investment in the Securities and (iii) has been given full access to such records of the Company and to the officers of the Company as it has deemed necessary or appropriate to conduct its due diligence investigation. The Purchaser understands that its investment in the Securities involves a high degree of risk.

(e) Rule 144. The Purchaser understands that the Securities must be held indefinitely unless they are registered under the Securities Act or an exemption from registration is available. The Purchaser acknowledges that it is familiar with Rule 144 of the rules and regulations of the Commission, as amended, promulgated pursuant to the Securities Act ("Rule 144"), and that the Purchaser has been advised that Rule 144 permits resales only under certain circumstances. The Purchaser understands that to the extent that Rule 144 is not available, the Purchaser will be unable to sell the Securities without either registration under the Securities Act or the existence of another exemption from such registration requirement.

(f) General. The Purchaser understands that the Securities are being offered and sold in reliance on a transactional exemption from the registration requirements of federal and state securities laws and the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of the Purchaser set forth herein in order to determine the applicability of such exemptions and the suitability of the Purchaser to acquire the Securities. The Purchaser understands that no United States federal or state agency or any government or governmental agency has passed upon or made any recommendation or endorsement of the Securities.

(g) No General Solicitation. The Purchaser acknowledges that the Securities were not offered to the Purchaser by means of any form of general or public solicitation or general advertising, or publicly disseminated advertisements or sales literature, including (i) any advertisement, article, notice or other communication published in any newspaper, magazine, Internet website or similar media, or broadcast over television or radio, or (ii) any seminar or meeting to which the Purchaser was invited by any of the foregoing means of communications. The Purchaser, in making the decision to purchase the Securities, has relied upon independent investigation made by it and its advisors.

(h) Accredited Investor. The Purchaser is an "accredited investor" (as defined in Rule 501 of Regulation D), and the Purchaser has such experience in business and financial matters that it is capable of evaluating the merits and risks of an investment in the Securities. The Purchaser is not required to be registered as a broker-dealer under Section 15 of the Exchange Act and the Purchaser is not a broker-dealer. The Purchaser has completed the Accredited Investor Status Certificate attached here to as **Appendix I**. The Purchaser acknowledges that an investment in the Securities is speculative and involves a high degree of risk.

(i) Certain Fees. The Purchaser has not employed any broker or finder or incurred any liability for any brokerage or investment banking fees, commissions, finders' structuring fees, financial advisory fees or other similar fees in connection with the Transaction Documents.

(j) Due Diligence. The Purchaser hereby represents that, in connection with the Purchaser's investment or the Purchaser's decision to purchase the Notes, the Purchaser has not relied on any statement or representation of any Person, including any such statement or representation by the Company or any of its controlling Persons, officers, directors, partners, agents and employees or any of its respective attorneys, except as specifically set forth herein.

ARTICLE III
CONDITIONS

Section 3.1 Conditions Precedent to the Obligation of the Company to Close and to Sell the Notes and Warrants. The obligation hereunder of the Company to close and issue and sell the Securities to the Purchaser at each Closing is subject to the satisfaction or waiver, at or before each Closing of the conditions set forth below; provided that the condition set forth in (d) below must be satisfied at or before the initial Closing only. These conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion.

(a) Accuracy of the Purchaser's Representations and Warranties. The representations and warranties of the Purchaser shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality which shall be true and correct in all respects) as of the date when made and as of each Closing Date as though made at that time, except for representations and warranties that are expressly made as of a particular date, which shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality, which shall be true and correct in all respects) as of such date.

(b) Performance by the Purchaser. The Purchaser shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to each Closing Date.

(c) Delivery of Purchase Price. The Company shall have received from the Purchaser the applicable Advance Amount.

(d) Delivery of Transaction Documents. The Transaction Documents shall have been duly executed and delivered by the Purchaser to the Company.

Section 3.2 Conditions Precedent to the Obligation of the Purchaser to Close and to Purchase the Notes. The obligation hereunder of the Purchaser to purchase the Securities and consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver, at or before each Closing, of each of the conditions set forth below. These conditions are for the Purchaser's sole benefit and may be waived by the Purchaser at any time in its sole discretion.

(a) Accuracy of the Company's Representations and Warranties. Each of the representations and warranties of the Company in this Agreement and the other Transaction Documents shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or material adverse effect, which shall be true and correct in all respects) as of the date when made and as of each Closing Date as though made at that time, except for representations and warranties that are expressly made as of a particular date, which shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or material adverse effect, which shall be true and correct in all respects) as of such date.

(b) Performance by the Company. The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to each Closing Date.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Fees and Expenses. The Company shall bear its own expenses and legal fees incurred on its behalf with respect to the negotiation, execution and consummation of the transactions contemplated by this Agreement. The Company shall pay all reasonable fees and expenses incurred by the Purchaser in connection with the enforcement of this Agreement or any of the other Transaction Documents, including, without limitation, all reasonable attorneys' fees and expenses.

Section 4.2 Consent to Jurisdiction; Venue. The parties agree that venue for any dispute arising under this Agreement will lie exclusively in the state or federal courts located in New York County, New York, and the parties irrevocably waive any right to raise *forum non conveniens* or any other argument that New York is not the proper venue. The parties irrevocably consent to personal jurisdiction in the state and federal courts of the state of New York. The Company and the Purchaser consent to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing in this Section 5.2 shall affect or limit any right to serve process in any other manner permitted by law. The Company agrees to pay all costs and expenses of enforcement of the Transaction Documents, including, without limitation, reasonable attorneys' fees and expenses. The parties hereby waive all rights to a trial by jury.

Section 4.3 Entire Agreement; Amendment. This Agreement and the Transaction Documents contain the entire understanding and agreement of the parties with respect to the matters covered hereby and, except as specifically set forth herein or in the other Transaction Documents, neither the Company nor the Purchaser make any representation, warranty, covenant or undertaking with respect to such matters, and they supersede all prior understandings and agreements with respect to said subject matter, all of which are merged herein. No provision of this Agreement may be waived or amended other than by a written instrument signed by the Company and the Purchaser. Any amendment or waiver effected in accordance with this Section 4.3 shall be binding upon the Purchaser (and their permitted assigns) and the Company.

Section 4.4 Notices. Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be in writing and shall be effective (a) upon hand delivery by telecopy or facsimile at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the third business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Company:	Orgenesis Inc. 21 Sparrow Circle White Plains, Ny 10605 Attention: Chief Executive Officer Tel. No.: (480) 659-6404 Fax No.: __________
with copies (which copies shall not constitute notice to the Company) to:	Pearl Cohen Zedek Latzer Baratz 1500 Broadway New York, NY 10036 Attention: Mark Cohen Tel No. (646) 878-0800 Fax No.: +972-9-764-4834

If to the Purchaser: ________________________________

with a copy to: __________________________

Any party hereto may from time to time change its address for notices by giving written notice of such changed address to the other party hereto pursuant to the provisions of this Section 7.4.

Section 4.5 Waivers. No waiver by either party of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right accruing to it thereafter.

Section 4.6 Headings. The article, section and subsection headings in this Agreement are for convenience only and shall not constitute a part of this Agreement for any other purpose and shall not be deemed to limit or affect any of the provisions hereof.

Section 4.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. After each Closing, the assignment by a party to this Agreement of any rights hereunder shall not affect the obligations of such party under this Agreement.

Section 4.8 No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

Section 4.9 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any of the conflicts of law principles which would result in the application of the substantive law of another jurisdiction. This Agreement shall not be interpreted or construed with any presumption against the party causing this Agreement to be drafted.

Section 4.10 Survival. The representations and warranties of the Company and the Purchaser shall survive the execution and delivery hereof and the Closing hereunder.

Section 4.11 Counterparts. This Agreement may be executed in any number of counterparts (including those delivered by facsimile or other electronic means), all of which taken together shall constitute one and the same instrument and shall become effective when counterparts have been signed by each party and delivered to the other parties hereto, it being understood that all parties need not sign the same counterpart.

Section 4.12 Severability. The provisions of this Agreement are severable and, in the event that any court of competent jurisdiction shall determine that any one or more of the provisions or part of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement and this Agreement shall be reformed and construed as if such invalid or illegal or unenforceable provision, or part of such provision, had never been contained herein, so that such provisions would be valid, legal and enforceable to the maximum extent possible.

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IN WITNESS WHEREOF, the parties hereto have caused this Note Purchase Agreement to be duly executed by their respective authorized officers as of the date first above written.

ORGENESIS INC.

By: */s/ Vered Caplan*
Name: Vered Caplan
Title: Chief Executive Officer

PURCHASER:

____

Appendix I
to the
Securities Purchase Agreement dated as of October 30, 2015

ACCREDITED INVESTOR CERTIFICATION

Capitalized terms not specifically defined in this certificate shall have the meanings ascribed to such terms in the Securities Purchase Agreement to which this Certificate is attached.

The Purchaser hereby represents, warrants and certifies to the Company, as an integral part of the Securities Purchase Agreement, that he, she or it is and at the Closing Date will be correctly and accurately described in all respects described by the category or categories set forth directly next to which the Purchaser has marked below:

[ ] (1) a natural person whose individual net worth, or joint net with that person's spouse, at the date of this certificate exceeds $1,000,000, exclusive of the value of the primary residence of such person(s) and the related amount of indebtedness secured by the primary residence up to its fair market value;

[ ] (2) a natural person who had an individual net income in excess of $200,000 in each of the two most recent fiscal years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

[ ] (3) an organization described in Section 501(c) (3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring the Securities, with total assets in excess of $5,000,000;

[ ] 4 a director or executive officer of the Company;

[ ] 5 a trust with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act of 1933, as amended;

[ ] 6 an entity in which all of the equity owners satisfy the requirements of one or more of the foregoing categories.

Dated: __________________

____
[PURCHASER]

EXHIBIT A
TO
SECURITIES PURCHASE AGREEMENT

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR RECEIPT BY THE MAKER OF AN OPINION OF COUNSEL IN THE FORM, SUBSTANCE AND SCOPE REASONABLY SATISFACTORY TO THE MAKER THAT THIS NOTE MAY BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF, UNDER AN EXEMPTION FROM REGISTRATION UNDER THE ACT AND SUCH STATE SECURITIES LAWS.

ORGENESIS INC.

Promissory Note
due November 30, 2016

No. ____ $_______________

Dated: __________

For value received, Orgenesis Inc., a Nevada corporation (the "Maker" or the "Company"), hereby promises to pay to the order of _____________(together with its successors, representatives, and permitted assigns, the "Holder"), in accordance with the terms hereinafter provided, the principal amount of ____________($_________), together with interest thereon.

All payments under or pursuant to this Note shall be made, without setoff or counterclaim and without any withholding or deduction whatsoever, in United States Dollars in immediately available funds to the Holder at the address of the Holder first set forth above or at such other place as the Holder may designate from time to time in writing to the Maker or by wire transfer of funds to the Holder's account, instructions for which are attached hereto as Exhibit A. The outstanding principal balance of this Note shall be due and payable on November 30, 2016 (the "Maturity Date") or at such earlier time as provided herein. This Note may be prepaid in whole or part without premium or penalty.

ARTICLE I

Section 1.1 Purchase Agreement. This Note has been executed and delivered pursuant to the Securities Purchase Agreement dated as of October 30, 2015 (the "Purchase Agreement") by and between the Maker and Holder. Capitalized terms used and not otherwise defined herein shall have the meanings set forth for such terms in the Purchase Agreement.

Section 1.2 Interest. Beginning on the issuance date of this Note (the "Issuance Date"), the outstanding principal balance of this Note shall bear interest, in arrears, at a rate per annum equal to twelve percent (12%), payable quarterly commencing on the first business day following the first fiscal quarter-end following issuance and on the first business day of each following three-month period in cash. Interest shall be computed on the basis of a 360-day year of twelve (12) 30-day months and shall accrue commencing on the Issuance Date. Furthermore, upon the occurrence of an Event of Default (as defined in Section 2.1 hereof), then to the extent permitted by law, the Maker will pay interest to the Holder, payable on demand, on the outstanding principal balance of the Note from the date of the Event of Default until such Event of Default is cured at the rate of the lesser of twenty five percent (25%) and the maximum applicable legal rate per annum.

Section 1.3 Payment on Non-Business Days. Whenever any payment to be made shall be due on a Saturday, Sunday or a public holiday under the laws of the State of New York, such payment may be due on the next succeeding business day and such next succeeding day shall be included in the calculation of the amount of accrued interest payable on such date.

Section 1.4 Transfer. This Note may be transferred or sold, subject to the provisions of Section 4.8 of this Note, or pledged, hypothecated or otherwise granted as security by the Holder without the written consent of the Company.

Section 1.5 Replacement. Upon receipt of a duly executed, notarized and unsecured written statement from the Holder with respect to the loss, theft or destruction of this Note (or any replacement hereof) and a standard indemnity, or, in the case of a mutilation of this Note, upon surrender and cancellation of such Note, the Maker shall issue a new Note, of like tenor and amount, in lieu of such lost, stolen, destroyed or mutilated Note.

ARTICLE II
EVENTS OF DEFAULT; REMEDIES

Section 2.1 Events of Default.

(a) The occurrence of any of the following events shall be an "Event of Default" under this Note:

(i) the Maker shall fail to make any principal or interest payments on the date such payments are due, whether at maturity or at a date fixed for prepayment or by acceleration or otherwise, and such default is not fully cured within two (2) business days after the Holder delivers written notice to the Maker of the occurrence thereof; or

(ii) any material representation or warranty made by the Maker herein or in the Purchase Agreement or any other Transaction Document shall prove to have been false or incorrect or breached in a material respect on the date as of which made and the Holder delivers written notice to the Maker of the occurrence thereof; or

(iii) the Maker shall (A) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property or assets, (B) make a general assignment for the benefit of its creditors, (C) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect) or under the comparable laws of any jurisdiction (foreign or domestic), (D) file a petition seeking to take advantage of any bankruptcy, insolvency, moratorium, reorganization or other similar law affecting the enforcement of creditors' rights generally, (E) acquiesce in writing to any petition filed against it in an involuntary case under United States Bankruptcy Code (as now or hereafter in effect) or under the comparable laws of any jurisdiction (foreign or domestic), or admit in writing its inability to pay its debts (F) issue a notice of bankruptcy or winding down of its operations or issue a press release regarding same, or (G) take any action under the laws of any jurisdiction (foreign or domestic) analogous to any of the foregoing; or

(iv) a proceeding or case shall be commenced in respect of the Maker, without its application or consent, in any court of competent jurisdiction, seeking (A) the liquidation, reorganization, moratorium, dissolution, winding up, or composition or readjustment of its debts, (B) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets in connection with the liquidation or dissolution of the Maker or (C) similar relief in respect of it under any law providing for the relief of debtors, and such proceeding or case described in clause (A), (B) or (C) shall continue undismissed, or unstayed and in effect, for a period of sixty (60) days or any order for relief shall be entered in an involuntary case under United States Bankruptcy Code (as now or hereafter in effect) or under the comparable laws of any jurisdiction (foreign or domestic) against the Maker or action under the laws of any jurisdiction (foreign or domestic) analogous to any of the foregoing shall be taken with respect to the Maker and shall continue undismissed, or unstayed and in effect for a period of thirty (30) days.

Section 2.2 Remedies Upon An Event of Default. If an Event of Default shall have occurred and shall be continuing, the Holder of this Note may at any time at its option, (a) declare the entire unpaid principal balance of this Note, together with all interest accrued hereon, due and payable, and thereupon, the same shall be accelerated and so due and payable, without presentment, demand, protest, or notice, all of which are hereby expressly unconditionally and irrevocably waived by the Maker; provided, however, that upon the occurrence of an Event of Default described in (i) Sections 2.1 (a)(iii) or (iv), the outstanding principal balance and accrued interest hereunder shall be automatically due and payable and (ii) Sections 2.1 (a)(i)-(ii), Holder may demand the prepayment of this Note pursuant to Section 3.1 hereof, or (b) exercise or otherwise enforce any one or more of the Holder's rights, powers, privileges, remedies and interests under this Note, the Purchase Agreement, or applicable law. In case of a default in the payment of any principal of or interest on a Note, the Maker will pay to the Holder such further amount as shall be sufficient to cover the cost and the expenses of collection, including, without limitation, reasonable attorney's fees, expenses and disbursements. No course of delay on the part of the Holder shall operate as a waiver thereof or otherwise prejudice the right of the Holder. No remedy conferred hereby shall be exclusive of any other remedy referred to herein or now or hereafter available at law, in equity, by statute or otherwise.

ARTICLE III
PREPAYMENT

Section 3.1 Prepayment.

(a) Prepayment Upon an Event of Default. Notwithstanding anything to the contrary contained herein, upon the occurrence of an Event of Default described in Sections 2.1(a)(i) through a(ii) hereof, the Holder shall have the right, at such Holder's option, to require the Maker to prepay in cash all or a portion of this Note at a price equal to one hundred percent (100%) of the aggregate principal amount of this Note being prepaid plus all accrued and unpaid interest applicable at the time of such request. Nothing in this Section 3.1(a) shall limit the Holder's rights under Section 2.2 hereof.

(b) Prepayment Upon Major Transaction. In addition to all other rights of the Holder contained herein, simultaneous with the occurrence of a Major Transaction (as defined below), the Maker shall prepay in cash all of the Holder's Notes at a price equal to one hundred percent (100%) of the aggregate principal amount of this Note being prepaid plus all accrued and unpaid interest (the "Major Transaction Prepayment Price").

(c) Major Transaction. A "Major Transaction" shall be deemed to have occurred at such time as any of the following events:

(i) the merger or consolidation of the Company or any subsidiary of the Company in one or a series of related transactions with or into another entity (except in connection with a merger involving the Company solely for the purpose, and with the sole effect, of reorganizing the Company under the laws of another jurisdiction; provided that the certificate of incorporation and bylaws (or similar charter or organizational documents) of the surviving entity are substantively identical to those of the Company and do not otherwise adversely impair the rights of the Purchaser) where the Company is not the surviving entity;

(ii) the sale, transfer, lease, or other disposition of 50% or more of the consolidated assets of the Maker (as shown on the most recent financial statements of the Maker) in any single transaction or series of related transactions (other than the sale of inventory in the ordinary course of business), or the liquidation, dissolution, recapitalization or reorganization in any form of transaction, or acquisition of all or substantially all of the capital stock or assets of another business or entity to the extent not otherwise permitted by the Purchase Agreement; or

(iii) the equity investment by any third party in the Maker pursuant to a transaction in which the Maker places shares of its common stock or securities convertible into common stock in consideration of gross proceeds paid into the Company of at least $10 million; provided that in the event of such investment the Holder shall be entitled to prepayment under Section 3.1(b) only to the extent to which the gross proceeds of such investment exceed $10 million; provided further that any such prepayment shall be allocated *pro rata* among all Notes then outstanding.

(d) Mechanics of Prepayment at Option of Holder Upon Major Transaction. No sooner than fifteen (15) days nor later than ten (10) days prior to the consummation of a Major Transaction, but not prior to the public announcement of such Major Transaction, the Maker shall deliver written notice thereof via facsimile and overnight courier ("Notice of Major Transaction") to the Holder of this Note. At any time after receipt of a Notice of Major Transaction (or, in the event a Notice of Major Transaction is not delivered at least ten (10) days prior to a Major Transaction, at any time within ten (10) days prior to a Major Transaction), the Holder of this Note may require the Maker to prepay, effective concurrently with the consummation of such Major Transaction, all or any portion of this Note then outstanding by delivering written notice thereof via facsimile and overnight courier ("Notice of Prepayment at Option of Holder Upon Major Transaction") to the Maker, which Notice of Prepayment at Option of Holder Upon Major Transaction shall indicate (i) the principal amount of this Note that the Holder is electing to have prepaid and (ii) the applicable Major Transaction Prepayment Price, as calculated pursuant to Section 3.1(b) above.

(i) Payment of Prepayment Price. Upon the Maker's receipt of a Notice(s) of Prepayment at Option of Holder Upon Major Transaction from the Holder, the Maker shall immediately notify the Holder by facsimile of the Maker's receipt of such Notice(s) of Prepayment at Option of Holder Upon Major Transaction and the Holder which has sent such a notice shall promptly submit to the Maker the Holder's certificates representing this Note which the Holder has elected to have prepaid. The Maker shall deliver the applicable Major Transaction Prepayment Price immediately prior to the consummation of the Major Transaction; provided that the Holder's original Note shall have been so delivered to the Maker. If the Maker shall fail to prepay all of the Notes submitted for prepayment (other than pursuant to a dispute as to the arithmetic calculation of the Prepayment Price), in addition to any remedy such holder of the Notes may have under this Note and the Purchase Agreement, the applicable Prepayment Price payable in respect of such Notes not prepaid shall bear interest at the rate of two percent (2%) per month (prorated for partial months) or the maximum rate permitted by law, if less, until paid in full. Until the Maker pays such unpaid applicable Prepayment Price in full to a holder of the Notes submitted for prepayment, such holder shall have the option (the "Void Optional Prepayment Option") to, in lieu of prepayment, require the Maker to promptly return to such holder(s) all of the Notes that were submitted for prepayment by such holder(s) under this Section 3.1 and for which the applicable Prepayment Price has not been paid, by sending written notice thereof to the Maker via facsimile (the "Void Optional Prepayment Notice"). Upon the Maker's receipt of such Void Optional Prepayment Notice(s) and prior to payment of the full applicable Prepayment Price to such holder, (i) the Notice(s) of Prepayment at Option of Holder Upon Major Transaction shall be null and void with respect to those Notes submitted for prepayment and for which the applicable Prepayment Price has not been paid, (ii) the Maker shall immediately return any Notes submitted to the Maker by each holder for prepayment under this Section 3.1(j) and for which the applicable Prepayment Price has not been paid. A holder's delivery of a Void Optional Prepayment Notice and exercise of its rights following such notice shall not affect the Maker's obligations to make any payments which have accrued prior to the date of such notice. Payments provided for in this Section 3.1 shall have priority to payments to stockholders in connection with a Major Transaction.

Section 3.2 No Rights as Shareholder. Nothing contained in this Note shall be construed as conferring upon the Holder the right to vote or to receive dividends or to consent or to receive notice as a shareholder in respect of any meeting of shareholders for the election of directors of the Maker or of any other matter, or any other rights as a shareholder of the Maker.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Notices. Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be in writing and shall be effective (a) upon hand delivery, telecopy or facsimile at the address or number designated in the Purchase Agreement (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur.

Section 4.2 Governing Law. This Note shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any of the conflicts of law principles which would result in the application of the substantive law of another jurisdiction. This Note shall not be interpreted or construed with any presumption against the party causing this Note to be drafted.

Section 4.3 Headings. Article and section headings in this Note are included herein for purposes of convenience of reference only and shall not constitute a part of this Note for any other purpose.

Section 4.4 Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note, the Transaction Documents, at law or in equity (including, without limitation, a decree of specific performance and/or other injunctive relief), no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy and nothing herein shall limit a Holder's right to pursue actual damages for any failure by the Maker to comply with the terms of this Note. Amounts set forth or provided for herein with respect to payments and the like (and the computation thereof) shall be the amounts to be received by the Holder thereof and shall not, except as expressly provided herein, be subject to any other obligation of the Maker (or the performance thereof). The Maker acknowledges that a breach by it of its obligations hereunder will cause irreparable and material harm to the Holder and that the remedy at law for any such breach may be inadequate. Therefore the Maker agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available rights and remedies, at law or in equity, to seek and obtain such equitable relief, including but not limited to an injunction restraining any such breach or threatened breach, without the necessity of showing economic loss and without any bond or other security being required.

Section 4.5 Enforcement Expenses. The Maker agrees to pay all costs and expenses of enforcement of this Note, including, without limitation, reasonable attorneys' fees and expenses.

Section 4.6 Binding Effect. The obligations of the Maker and the Holder set forth herein shall be binding upon the successors and assigns of each such party, whether or not such successors or assigns are permitted by the terms hereof.

Section 4.7 Amendments. This Note may not be modified or amended in any manner except in writing executed by the Maker and the Holder.

Section 4.8 Compliance with Securities Laws. The Holder of this Note acknowledges that this Note is being acquired solely for the Holder's own account and not as a nominee for any other party, and for investment, and that the Holder shall not offer, sell or otherwise dispose of this Note. This Note and any Note issued in substitution or replacement therefor shall be stamped or imprinted with a legend in substantially the following form:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR RECEIPT BY THE MAKER OF AN OPINION OF COUNSEL IN THE FORM, SUBSTANCE AND SCOPE REASONABLY SATISFACTORY TO THE MAKER THAT THIS NOTE MAY BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE DISPOSED OF, UNDER AN EXEMPTION FROM REGISTRATION UNDER THE ACT AND SUCH STATE SECURITIES LAWS."

Section 4.9 Specific Performance; Consent to Jurisdiction; Venue.

(a) The Maker and the Holder acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Note or the other Transaction Documents were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Agreement or the other Transaction Documents and to enforce specifically the terms and provisions hereof or thereof, this being in addition to any other remedy to which any of them may be entitled by law or equity.

(b) The parties agree that venue for any dispute arising under this Note will lie exclusively in the state or federal courts located in New York County, New York, and the parties irrevocably waive any right to raise *forum non conveniens* or any other argument that New York is not the proper venue. The parties irrevocably consent to personal jurisdiction in the state and federal courts of the state of New York. The Maker and Holder consent to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address in effect for notices to it under the Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing in this Section 4.9 shall affect or limit any right to serve process in any other manner permitted by law. The parties hereby waive all rights to a trial by jury.

Section 4.10 Parties in Interest. This Note shall be binding upon, inure to the benefit of and be enforceable by the Maker, the Holder and their respective successors and permitted assigns.

Section 4.11 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. No delay or omission on the part of the Holder in exercising its rights under this Note, or course of conduct relating hereto, shall operate as a waiver of such rights or any other right of the Holder, nor shall any waiver by the Holder of any such right or rights on any one occasion be deemed a waiver of the same right or rights on any future occasion

Section 4.12 Maker Waivers. Except as otherwise specifically provided herein, the Maker and all others that may become liable for all or any part of the obligations evidenced by this Note, hereby waive presentment, demand, notice of nonpayment, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Note, and do hereby consent to any number of renewals of extensions of the time or payment hereof and agree that any such renewals or extensions may be made without notice to any such persons and without affecting their liability herein and do further consent to the release of any person liable hereon, all without affecting the liability of the other persons, firms or Maker liable for the payment of this Note, AND THE PARTIES HERETO DO HEREBY WAIVE TRIAL BY JURY.

(a) THE MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS NOTE IS A PART IS A COMMERCIAL TRANSACTION, AND TO THE EXTENT ALLOWED BY APPLICABLE LAW, HEREBY WAIVES ITS RIGHT TO NOTICE AND HEARING WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH THE HOLDER OR ITS SUCCESSORS OR ASSIGNS MAY DESIRE TO USE.

Section 4.13 Transfer and Assignment. The Holder may transfer or assign this Note without the consent of the Maker. The Maker may not transfer or assign this Note or its obligations hereunder without the consent of the Holder

IN WITNESS WHEREOF, the Maker has caused this Note to be signed on the day and year first above written.

ORGENESIS INC.

By: ____________________________
Name:
Title:

Exhibit 31.1

ORGENESIS, INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vered Caplan, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended February 29, 2016 of Orgenesis Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under the Company's supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to the Company by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under the Company's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

/s/ Vered Caplan
Vered Caplan
President, Chief Executive Officer, and Chairperson of the Board
(Principal Executive Officer)
Date: April 14, 2016

Exhibit 31.2

ORGENESIS INC.
CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Neil Reithinger, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended February 29, 2016 of Orgenesis Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under the Company's supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to the Company by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under the Company's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

/s/ Neil Reithinger
Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)
Date: April 14, 2016

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Vered Caplan, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(a) The quarterly report on Form 10-Q of Orgenesis Inc. for the quarter ended February 29, 2016 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Orgenesis Inc.

By:

/s/ Vered Caplan
Vered Caplan
President, Chief Executive Officer, and Chairperson of the Board
(Principal Executive Officer)
Date: April 14, 2016

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Neil Reithinger, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(a) The quarterly report on Form 10-Q of Orgenesis Inc. for the quarter ended February 29, 2016 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Orgenesis Inc.

By:

/s/ Neil Reithinger
Neil Reithinger
Chief Financial Officer, Treasurer and Secretary
(Principal Financial Officer and Principal Accounting Officer)
Date: April 14, 2016