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Athersys Enters Into New \$100 Million Equity Facility with Aspire Capital

Provides access to capital to support ongoing business and development objectives

CLEVELAND, Feb. 02, 2018 (GLOBE NEWSWIRE) -- Athersys, Inc. (NASDAQ:ATHX) and Aspire Capital Fund, LLC ("Aspire Capital") announced today that a new equity facility has been established, as a follow-on to a current facility. Under the new agreement, Athersys has the right to sell up to \$100 million of its common stock to Aspire Capital under certain conditions over a three-year period. The agreement represents an important tool for accessing capital to complement business collaborations, grants and traditional fundraising and as such, provides the Company with added financial strength and flexibility. In conjunction with the new facility, Aspire made an initial investment of \$1 million at a price of \$2.00 per share.

As of December 31st, 2017, the Company had approximately \$29.3 million of cash and cash equivalents available to fund operations.

"Our primary focus remains advancing our key clinical programs and business initiatives. The establishment of this new facility enables us to continue moving forward with critical priorities and programs from a position of financial stability and strength," commented William Lehmann, President and Chief Operating Officer of Athersys. "The prior facilities provided by Aspire Capital have worked very well to complement our other business, fundraising and operational activities and have enabled us to access capital on market-based terms by working with a committed, long-time investor with substantial share ownership. As in past agreements, we have the option to use the new facility when we feel it is appropriate to help support the achievement of our operational objectives," he concluded.

"Based on established clinical evidence, we believe Athersys is well positioned to fundamentally transform the treatment of ischemic stroke, which we recognize as an area of tremendous unmet need. Furthermore, the Company's deep understanding of MultiStem's multiple beneficial effects give us great confidence in its potential in treating stroke and other indications associated with injury and inflammation. Such rigorous preclinical and clinical development has bolstered our view of Athersys as a leader in the field of regenerative medicine," said Steven G. Martin, Managing Member of Aspire Capital Partners. "We are thrilled to enter into this new agreement as it not only represents the continuation of a successful long-term relationship but we also believe it provides the Company with financial strength and flexibility to enable further clinical progress and the achievement of favorable business arrangements. We are very pleased to be expanding our relationship with Athersys ahead of such a promising and productive period for the Company."

The elements of the new facility are consistent with the prior facilities and include:

- | The Company controls the timing and amount of any sales of common stock to Aspire Capital at a known price;
- | Aspire Capital cannot require the Company to make sales, but is obligated to make purchases as the Company directs in accordance with the terms of the agreement; and
- | No limitations on use of proceeds, financial covenants, restrictions on future financings, rights of first refusal, participation rights, penalties or liquidated damages.

More information is available in the Company's Current Report on Form 8-K, filed today with the U.S. Securities and Exchange Commission.

About Athersys

Athersys is an international biotechnology company engaged in the development of therapeutic products designed to extend and enhance the quality of human life. The Company is developing its MultiStem[®] cell therapy product, a patented, adult-derived "off-the-shelf" stem cell product, initially for disease indications in the neurological, cardiovascular, and inflammatory and immune disease areas, and has several ongoing clinical trials evaluating this potential regenerative medicine product. Athersys has forged strategic partnerships and a broad network of collaborations to further advance MultiStem cell therapy toward commercialization. More information is available at www.athersys.com. Follow Athersys on Twitter at www.twitter.com/athersys.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. These forward-looking statements relate to, among other things, the expected timetable for development of our product candidates, our growth strategy, and our future financial performance, including our operations, economic performance, financial condition, prospects, and other future events. We have attempted to identify forward-looking statements by using such words as "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "should," "suggest," "will," or other similar expressions. These forward-looking statements are only predictions and are largely based on our current expectations. A number of known and unknown risks, uncertainties, and other factors could affect the accuracy of these statements. Some of the more significant known risks that we face that could cause actual results to differ materially from those implied by forward-looking statements are the risks and uncertainties inherent in the process of discovering, developing, and commercializing products that are safe and effective for use as human therapeutics, such as the uncertainty regarding regulatory approval and market acceptance of our product candidates and our ability to generate revenues, including MultiStem for the treatment of ischemic stroke, acute myocardial infarction, spinal cord injury and acute respiratory distress syndrome and other disease indications, including graft-versus-host disease. These risks may cause our actual results, levels of activity, performance, or achievements to differ materially from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. Other important factors to consider in evaluating our forward-looking statements include: the success of our collaboration with Healios and others, including our ability to reach milestones and receive milestone payments, and whether any products are successfully developed and sold so that we earn royalty payments; our possible inability to realize commercially valuable discoveries in our collaborations with pharmaceutical and other biotechnology companies; our collaborators' ability to continue to fulfill their obligations under the terms of our collaboration agreements; the success of our efforts to enter into new strategic partnerships or collaborations and advance our programs; our ability to raise additional capital; results from our MultiStem clinical trials, including the MASTERS-2 Phase 3 clinical trial and the TREASURE trial in Japan; the possibility of delays in, adverse results of, and excessive costs of the development process; our ability to successfully initiate and complete clinical trials within the expected time frame or at all; changes in external market factors; changes in our industry's overall performance; changes in our business strategy; our ability to protect our intellectual property portfolio; our possible inability to execute our strategy due to changes in our industry or the economy generally; changes in productivity and reliability of suppliers; and the success of our competitors and the emergence of new competitors. You should not place undue reliance on forward-looking statements contained in this press release, and we undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

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Contact:

William (B.J.) Lehmann
President and Chief Operating Officer
Tel: (216) 431-9900
bjlehmann@athersys.com

Karen Hunady
Corporate Communications
Tel: (216) 431-9900
khunady@athersys.com

David Schull
Russo Partners, LLC
Tel: (212) 845-4271 or (858) 717-2310
David.schull@russopartnersllc.com

 Primary Logo

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