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Filed Pursuant to Rule 424(b)(5)
Registration Statement No. 333-l95588

PROSPECTUS SUPPLEMENT
(To the Prospectus dated May 9, 2014)

1,375,969 Shares

AXOGEN, INC.

Common Shares

We are offering directly to Three Peaks Capital S.a.r.l. ("Three Peaks"), an indirect wholly-owned subsidiary of Oberland Capital Healthcare Master Fund LP ("Oberland"), 1,375,969 of our common shares, par value $0.01 per share, at a public offering price of $2.58 per share, pursuant to this prospectus supplement and the accompanying prospectus.

Our common shares trade on the NASDAQ Capital Market under the symbol "AXGN." On November 11, 2014, the last reported sale price of our common shares on the NASDAQ Capital Market was $2.63 per share.

The aggregate market value of our outstanding common shares held by non-affiliates, or public float, pursuant to General Instruction I.B.6 of Form S-3 was approximately $46,151,742 based on 17,466,381 shares of outstanding common shares, of which approximately 2,768,374 shares were held by affiliates, and a price of $3.14 per share, which was the last reported sale price of our common shares on the NASDAQ Capital Market on October 10, 2014. Other than the common shares offered pursuant to this prospectus supplement and the common shares we are offering to PDL BioPharma, Inc. in a concurrent offering pursuant to a prospectus supplement dated November 12, 2014, we have not offered any securities pursuant to General Instruction I.B.6 of Form S-3 during the prior 12 calendar month period that ends on and includes the date of this prospectus supplement. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities registered on this registration statement in a public primary offering with a value exceeding more than one-third of our public float in any 12-month period so long as our public float remains below $75.0 million.

Investing in our securities involves a high degree of risk. You should carefully review and consider the risks and uncertainties described under the heading "Risk Factors" beginning on page S-3 of this prospectus supplement and on page 3 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 2.58	$ 3,550,000
Proceeds, before expenses, to us	$ 2.58	$ 3,550,000

Delivery of the common shares is expected to be made on November 13, 2014.

November 12, 2014

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PROSPECTUS SUPPLEMENT

PROSPECTUS

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document contains two parts. The first part is this prospectus supplement, which describes the terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus dated May 9, 2014, including the documents incorporated by reference therein, provides more general information, some of which may not apply to this offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or in any document incorporated by reference that was filed with the Securities and Exchange Commission (the "SEC"), before the date of this prospectus supplement, on the other hand, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a statement in another document having a later date, for example, a document incorporated by reference in the accompanying prospectus, the statement in the document having the later date modifies or supersedes the earlier statement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted or in which the person making that offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus supplement entitled "Where You Can Find More Information" and "Incorporation of Certain Documents by Reference."

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference into this prospectus supplement or the accompanying prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreement, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

All references in this prospectus supplement and the accompanying prospectus to "AxoGen," the "Company," "we," "us," "our," or similar references refer to AxoGen, Inc. and its subsidiaries, except where the context otherwise requires or as otherwise indicated.

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NOTE ON FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents the Company has filed with the SEC that are incorporated by reference in this prospectus supplement or the accompanying prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements may concern possible or anticipated future results of operations or business developments. These statements are based on management's current expectations or predictions of future conditions, events or

results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "projects", "forecasts", "may", "should", variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding product development, product potential, regulatory environment, sales and marketing strategies, capital resources, operating performance or the closing of each of this offering and the concurrent public offering of 643,382 shares to PDL (defined below) at a public offering price of $2.72.. The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements should be evaluated together with the many uncertainties that affect the Company's business and its market, particularly those discussed in the risk factors and cautionary statements in the Company's filings with the Securities and Exchange Commission, including as described in "Risk Factors" contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, and in our most recent Annual Report on Form 10-K, as well as any amendments thereto reflected in subsequent filings with the SEC.

Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made, and the Company assumes no responsibility to update any forward-looking statements except as required by law.

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SUMMARY

This summary is not complete and does not contain all the information that you should consider before investing in our common stock. Before making an investment decision, you should carefully read the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein, including the risk factors described in "Risk Factors" beginning on page S-3 of this prospectus supplement, as well as the financial statements and related notes and the other information incorporated by reference herein.

Company Overview

We are a leading medical technology company dedicated to peripheral nerve repair. AxoGen's portfolio of regenerative medicine products is available in the United States, Canada and several other countries and includes Avance® Nerve Graft, the only off-the-shelf commercially available processed nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a ECM coaptation aid for tensionless repair of severed nerves, and AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments.

Peripheral nerves provide the pathways for both motor and sensory signals throughout the body and their damage can result in the loss of muscle function and/or feeling. Nerves can be damaged in a number of ways. When a nerve is cut due to a traumatic injury or surgery, functionality of the nerve may be compromised, causing the nerve to no longer carry the signals to and from the brain to the muscles and skin. This type of injury generally requires a surgical repair. The traditional gold standard has been to either suture the nerve ends together directly without tension or to bridge the gap between the nerve ends with a less important nerve surgically removed from elsewhere in the patient's own body referred to as nerve autograft. In addition, pressure on a nerve or blunt force trauma can cause nerve injuries that may require surgical intervention.

In order to improve the options available for the surgical repair and regeneration of peripheral nerves, AxoGen has developed and licensed patented and patent pending regenerative medicine technologies. AxoGen's innovative approach to regenerative medicine has resulted its first-in-class product portfolio that it believes is redefining the peripheral nerve repair market. AxoGen's product portfolio offers a full suite of surgical nerve repair solutions including Avance® Nerve Graft, AxoGuard® Nerve Connector and AxoGuard® Nerve Protector.

AxoGen's products are used by surgeons during surgical interventions to repair a wide variety of nerve injuries throughout the body. These injuries range from a simple laceration of a finger to a complex brachial plexus injury (an injury to the network of nerves that originate in the neck) as well as nerve injuries caused by dental and other surgical procedures. Avance® Nerve Graft provides surgeons bridging material with the micro-architecture of a human nerve. This structure is essential and allows for bridging nerve gaps or discontinuities up to 70mm in length. Additionally, Avance® Nerve Graft has product and sales synergies with AxoGuard® Nerve Protector and AxoGuard® Nerve Connector. AxoGuard® products provide the unique features of pliability, suturability, and translucence for visualization of the underlying nerve, while also allowing the patient's own cells to incorporate into the extracellular matrix to remodel and form a tissue similar to the outermost layer of the nerve (nerve epineurium).

We have reported a net loss of approximately $14,557,000 and $9,418,000 for the years ended December 31, 2013 and 2012, respectively, and a net loss of approximately $11,219,000 and $10,448,000 for the nine months ended September 30, 2014 and 2013, respectively.

We were incorporated under the laws of Minnesota in 1977. Our principal executive offices are located at 13631 Progress Boulevard, Suite 400, Alachua, Florida 32615 and our telephone number is (386) 462-6800. Our website address is www.axogeninc.com. We have included our website address in this prospectus supplement solely as an inactive textual reference. The information contained on, or that can be accessed through, our website is not part of this prospectus supplement.

Recent Developments

Attached hereto as Appendix A is a draft of our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 (the

"Draft Form 10-Q"). The Draft Form 10-Q contains certain information that is based on the assumption of the close of each of (i) this offering, (ii) the concurrent public offering of 643,382 of common shares to PDL, at a public offering price of $2.72 and (iii) the term loan facility under a Term Loan Agreement (the "Three Peaks Term Loan Agreement") by and among us, as borrower, our wholly-owned subsidiary AxoGen Corporation, as guarantor, the lenders party thereto and Three Peaks, as administrative and

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collateral agent for the lenders, dated November 12, 2014. Subject to the foregoing, we expect that our final Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 that we will file with the SEC will be in substantially the same form as the Draft Form 10-Q.

THE OFFERING

Common stock offered by us	1,375,969 common shares (1)
Common stock to be outstanding after this offering	18,844,148 common shares
Use of Proceeds	We intend to use the net proceeds of this offering, together with our proceeds from our $25 million term loan facility (the "Three Peaks Term Loan Facility") which will close concurrent with this offering pursuant to the Term Loan Agreement (the "Three Peaks Term Loan Agreement"), by and among us, as borrower, our wholly-owned subsidiary AxoGen Corporation , as guarantor, the lenders party thereto and Three Peaks Capital S.a.r.l., a Luxembourg company ("Three Peaks"), an indirect wholly owned subsidiary of Oberland Capital Healthcare Master Fund LP ("Oberland"), as administrative and collateral agent for the lenders, dated as of the date hereof, and $1.75 million cash from our own account, to pay off our obligations under the Revenue Interests Purchase Agreement (the "PDL Royalty Contract") by and between us and PDL BioPharma, Inc. ("PDL") dated October 5, 2012. See "Use of Proceeds" on page S-3 for further information.
Risk Factors	Before purchasing shares of our common stock, you should carefully consider the risk factors described in "Risk Factors" beginning on page S-3 of this prospectus supplement and in the documents incorporated by reference into this prospectus supplement.
NASDAQ Capital Market under the symbol	Our common stock is listed on the NASDAQ Capital Market Symbol "AXGN".

(1) The number of shares offered to Three Peaks herein and in subsequent sales (if any) pursuant to the Three Peaks Term Loan Agreement, together with the number of shares we are offering to PDL in the concurrent public offering of 643,382 of common shares at a public offering price of $2.72 per share pursuant to a Securities Purchase Agreement by and between us and PDL, dated November 12, 2014 (the "PDL Securities Purchase Agreement"), may not exceed 19.99% of the Company's outstanding common shares immediately prior to the issuances of the shares offered hereby and the shares offered to PDL in the concurrent public offering.

Except as otherwise indicated, all information in this prospectus supplement is based on 17,468,179 shares outstanding on November 11, 2014, and excludes:

- 2,374,596 common shares issuable upon the exercise of options outstanding as of November 11, 2014 at a weighted average exercise price of $2.93 per share;
- 89,686 common shares issuable upon the exercise of warrants outstanding as of November 11, 2014 at an exercise price of $2.23 per share;
- 833,187 additional common shares reserved for future issuance as of November 11, 2014 under our 2010 Stock Incentive Plan; and
- 643,382 additional common shares in a concurrent public offering to PDL of 643,382 of common shares at a public offering price of $2.72 per share.

Unless otherwise indicated, all information in this prospectus assumes no exercise of the outstanding options or the warrants described above, and excludes the additional common shares in the concurrent public offering to PDL described above.

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RISK FACTORS

An investment in our common shares involves a high degree of risk. Before deciding whether to invest in our common shares, you should consider carefully the risk factor described below, in conjunction with this entire prospectus supplement, the accompanying prospectus and in the documents incorporated by reference into this prospectus supplement, in particular, the risks and uncertainties described under "Risk Factors" in Item 1A of our most recent Annual Report on Form 10-K for the year ended December 31, 2013. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations.

Risks Related to this Offering

As a new investor, you will incur substantial dilution as a result of this offering and future equity issuances, and as a result, our share price could decline.

The offering price will be substantially higher than the net tangible book value per share of our outstanding common shares. As a result, based on our capitalization as of September 30, 2014, an investor purchasing common shares in this offering will incur immediate and substantial dilution of $2.35 per share, based on the public offering price of $2.58 per share. In addition to this offering and the concurrent offering of common shares to PDL, subject to market conditions and other factors, we likely will pursue raising additional funds in the future, as we continue to build our business. In future years, we may need to raise additional funding to finance our operations and to fund clinical trials, regulatory submissions and the development, manufacture and marketing of other products under development and new product opportunities. Accordingly, we may conduct future offerings of equity or debt securities. The exercise of outstanding options and warrants and future equity issuances, including future public offerings or future private placements of equity securities and any additional shares issued in connection with acquisitions, will also result in dilution to investors. In addition, the market price of our common shares could fall as a result of resales of any of these common shares.

USE OF PROCEEDS

We estimate that the net proceeds of this offering, after deducting the estimated offering expenses payable by us, will be approximately $3.36 million.

We intend to use the net proceeds of this offering, together with our proceeds from our $25 million Three Peaks Term Loan Facility which will close concurrent with this offering pursuant to the Three Peaks Term Loan Agreement, and $1.75 million cash from our own account, to pay off our obligations under the PDL Royalty Contract. As of November 11, 2014, our obligations under the PDL Royalty Contract included $20.8 million outstanding principal amount of long-term notes payable at a weighted average interest rate of 20%.

The Three Peak Term Loan which will close concurrent with this offering pursuant to the Three Peaks Term Loan Agreement has a term of six years and an initial principal amount of $25 million, and requires interest only payments and a final principal payment due at maturity. Interest is payable quarterly at 9.00% per annum plus the greater of LIBOR or 1.0% which, as of November 12, 2014, provided for an interest rate of 10.0%.

DIVIDEND POLICY

We currently intend to retain earnings, if any, to finance the growth and development of our business, and do not expect to pay any cash dividends to its shareholders in the foreseeable future. In additional, the Three Peaks Term Loan Agreement places certain restrictions on our ability to pay dividends.

CAPITALIZATION

The following table describes our capitalization as of September 30, 2014:

- on an actual basis;
- on an as adjusted basis to give effect to the sale of 1,375,969 of our shares in this offering at the public offering price of $2.58 per share, after deducting estimated offering expenses;
- on a pro forma as adjusted basis to give effect to the application of the estimated net proceeds of this offering as described in "Use of Proceeds;" and
- on a pro forma as further adjusted basis to give effect to (i) the application of the estimated net proceeds of this offering as described in "Use of Proceeds," and (ii) sale of 643,382 of our common shares in the concurrent public offering to PDL at the public offering price of $2.72 per share, after deducting estimated offering expenses and the application of the estimated net proceeds from that offering as described in "Use of Proceeds" in the related prospectus supplement dated November 12, 2014.

You should read this capitalization table together with our consolidated financial statements and the related notes and other financial

information incorporated by reference in this prospectus supplement and the accompanying prospectus and the "Use of Proceeds" section.

	As of September 30, 2014			
	Actual	As Adjusted	Pro Forma As Adjusted	Pro Forma As Further Adjusted
	(in thousands, except share and per share data)			
Long-term debt	$ 28,174	$ 28,174	$ 25,000	$ 25,000
Shareholders' equity (deficit):				
Common Share, $.01 par value; 50,000,000 shares authorized, 17,466,381 shares issued and outstanding	175	189	189	195
Additional paid-in capital	73,264	76,613	76,613	78,324
Accumulated deficit	(83,625)	(83,625)	(83,625)	(83,625)
Total shareholders' equity (deficit)	(10,186)	(6,823)	(6,823)	(5,106)
Total capitalization	$ 17,988	$ 21,351	$ 18,177	$ 19,894

Information in the above table is based on 17,468,179 shares outstanding on November 11, 2014, and excludes:

- 2,374,596 common shares issuable upon the exercise of options outstanding as of November 11, 2014 at a weighted average exercise price of $2.93 per share;
- 89,686 common shares issuable upon the exercise of warrants outstanding as of November 11, 2014 at an exercise price of $2.23 per share; and
- 833,187 additional common shares reserved for future issuance as of November 11, 2014 under our 2010 Stock Incentive Plan.

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DILUTION

The purchaser of common shares offered by this prospectus supplement and the accompanying prospectus will suffer immediate and substantial dilution in the net tangible book value per share of common share. Our net tangible book value as of September 30, 2014 was approximately $(10.8) million, or $(0.62) per common share. Net tangible book value per share is determined by dividing our total tangible assets less total liabilities by the actual number of outstanding shares of our common shares. After giving effect to our issuance of 1,375,969 shares at the public offering price of $2.58 per share, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us, our net tangible book value as of September 30, 2014 would have been $(7.4) million or $(0.39) per common share. This represents an immediate increase in pro forma net tangible book value of $(0.23) per share to our existing shareholders and an immediate dilution of $2.35 per share to new investors in this offering. The following table illustrates this per share dilution:

Public offering price per share		$ 2.58
Net tangible book value per share as of September 30, 2014	$ (0.62)	
Increase per share attributable to this offering	$ (0.39)	
Pro forma net tangible book value per share after this offering		$ (0.23)
Dilution per share to new investor		$ 2.35

Information in the above table is based on 17,468,179 shares outstanding on November 11, 2014, and excludes:

- 2,374,596 common shares issuable upon the exercise of options outstanding as of November 11, 2014 at a weighted average exercise price of $2.93 per share;
- 89,686 common shares issuable upon the exercise of warrants outstanding as of November 11, 2014 at an exercise price of $2.23 per share;
- 833,187 additional common shares reserved for future issuance as of November 11, 2014 under our 2010 Stock Incentive Plan; and
- 643,382 additional common shares in a concurrent public offering to PDL of 643,382 of common shares at a public offering price of $2.72 per share.

If we take into account the further dilutive effect of the concurrent public offering of 643,382 common shares to PDL at the public offering price of $2.72 per share, the as adjusted net tangible book value deficit after this offering and the concurrent public offering to PDL would be $(0.29) per share, representing an increase in net tangible book value of $(0.33) per share to existing shareholders and immediate dilution in net tangible book value of $2.39 per share to Three Peaks, the purchaser in this offering at the public offering price of $2.58 per share and to PDL, the purchaser in the concurrent public offering at the public offering price of $2.72 per share.

Dilution per share to new investors is determined by subtracting pro forma net tangible book value per share after this offering from

the public offering price per share paid by a new investor. If any shares are issued in connection with outstanding options, you will experience further dilution.

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PLAN OF DISTRIBUTION

Under the equity issuance provisions in the Three Peaks Term Loan Agreement, we are selling 1,375,969 common shares to Three Peaks at a public offering price of $2.58 per share. In connection with this offering, we may distribute this prospectus supplement and the accompanying prospectus electronically.

We expect that the closing of the sale of common shares under this prospectus supplement will take place on November 13, 2014, at which time the common shares will be delivered to Three Peaks in book-entry form through The Depository Trust Company, New York, New York. No placement agent nor any broker-dealer or FINRA member has been retained for this offering.

In connection with our selling efforts in the offering, we will not register as a broker-dealer pursuant to Section 15 of the Exchange Act, but rather will rely upon the "safe harbor" provisions of SEC Rule 3a4-1, promulgated under the Exchange Act. Generally speaking, Rule 3a4-1 provides an exemption from the broker-dealer registration requirements of the Exchange Act for persons associated with an issuer that participate in an offering of the issuer' securities. Each of our officers and directors is not subject to a statutory disqualification, as that term is defined in Section 3(a)(39) of the Exchange Act. Each of our officers and directors will not be compensated in connection with his participation in the offering by payment of commissions or other remuneration based either directly or indirectly on transactions in our securities. Each of our officers and directors is not now, nor have they been within the past 12 months, a broker or dealer, and they have not been, within the past 12 months, an associated person of a broker or dealer. At the end of the offering, each of our officers and directors will continue to primarily perform substantial duties for us or on our behalf otherwise than in connection with transactions in securities. Each of our officers and directors will not and has not participated in selling an offering of securities for any issuer more than once every 12 months other than in reliance on Exchange Act Rule 3a4-1(a)(4)(i) or (iii).

In order to comply with the applicable securities laws of certain states, the securities will be offered or sold in those states only if they have been registered or qualified for sale, exempted from such registration or if a qualification requirement is available and with which we have complied. In addition, and without limiting the foregoing, we will be subject to applicable provisions, rules and regulations under the Exchange Act with regard to security transactions during the period of time when this Registration Statement is effective.

We are subject to Regulation M of the Exchange Act. Regulation M governs activities of underwriters, issuers, selling security holders and others in connection with offerings of securities. Regulation M prohibits distribution participants and their affiliated purchasers from bidding for, purchasing or attempting to induce any person to bid for or purchase the securities being distributed.

In the event that we sell any of our equity securities to a third party within twelve months after the date of this Prospectus (a "Subsequent Sale") at a lower price per share than the per share price purchased herein, or where the terms of such Subsequent Sale are otherwise more favorable, then in such case we have agreed to match the more favorable terms of such Subsequent Sale with respect to the shares purchased hereby. A Subsequent Sale does not include the issuance of securities or options to our employees, officers, directors or consultants pursuant to our approved employee option pool or any other employee stock purchase or option plan existing as of the date hereof.

The expenses directly related to this offering are estimated to be approximately $188,000 and will be paid by us. Expenses of the offering include our legal and accounting fees, printing expenses, transfer agent fees and miscellaneous fees and costs related to the offering.

Our common stock is listed on the NASDAQ Capital Market under the trading symbol "AXGN."

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LEGAL MATTERS

Certain legal matters in connection with the securities offered hereby will be passed upon for us by Morgan, Lewis & Bockius LLP, Philadelphia, Pennsylvania and Kaplan, Strangis and Kaplan, P.A., Minneapolis, Minnesota. Certain legal matters in connection with this offering will be passed upon for the investor by Morrison & Foerster LLP, San Francisco, California.

EXPERTS

The consolidated financial statements of AxoGen, Inc. and subsidiary as of December 31, 2013 and 2012, and for each of the years then ended have been incorporated by reference in this prospectus supplement in reliance upon the report of Lurie Besikof Lapidus & Company, LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

This prospectus supplement and the accompanying prospectus are only parts of a registration statement on Form S-3 (File No. 333-195588) that we filed with the SEC under the Securities Act and do not contain all the information set forth in the registration statement. Whenever a reference is made in this prospectus supplement or the accompanying prospectus to any of our contracts, agreements or other documents, the reference may not be complete and you should refer to the exhibits that are a part of the registration statement or the exhibits to the reports or other documents incorporated by reference in this prospectus supplement and the accompanying prospectus for a copy of such contract, agreement or other document.

We are a public company and file proxy statements, annual, quarterly and special reports and other information with the SEC. The registration statement, such reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC's home page on the Internet (www.sec.gov).

We make our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports available through our website, free of charge, as soon as reasonably practicable after we file such material with, or furnish it to the SEC. Our website address is www.axogeninc.com. We have included our website address in this prospectus supplement solely as an inactive textual reference. The information contained on, or that can be accessed through, our website is not part of this prospectus supplement.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to "incorporate by reference" information from other documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information contained in this prospectus supplement and the accompanying prospectus and information that we file with the SEC in the future and incorporate by reference in this prospectus supplement and the accompanying prospectus will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings (other than Current Reports on Form 8-K furnished under Item 2.02 or Item 7.01 and exhibits filed on such form that are related to such items) we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the prospectus supplement and until the termination of this offering:

- our Annual Report on Form 10-K for the year ended December 31, 2013;
- our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2014 and June 30, 2014;
- our Current Reports on Form 8-K filed with the SEC on January 8, 2014, May 12, 2014, May 18, 2014 and August 25, 2014; and
- the description of our common shares set forth in our registration statement on Form 8-A filed with the SEC on August 6, 2013, including any amendments or reports filed for the purpose of updating such description.

To receive a free copy of any of the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, other than any exhibits, unless the exhibits are specifically incorporated by reference into this prospectus, call or write us at the following address and telephone number:

AxoGen, Inc.
13631 Progress Boulevard, Suite 400
Alachua, Florida 32615
(386) 462-6800

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APPENDIX A

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2014

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: 0-16159

AxoGen, Inc.

(Exact name of registrant as specified in its charter)

Minnesota	**41-1301878**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
13631 Progress Blvd., Suite 400, Alachua, FL	**32615**
(Address of principal executive offices)	(Zip Code)

386-462-6800

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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 ☐ 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 ☐ 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 ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☐

As of November 13, 2014 the registrant had 19,487,530 shares of common stock outstanding.

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Forward-Looking Statements

From time to time, in reports filed with the Securities and Exchange Commission (including this Form 10-Q), in press releases, and in other communications to shareholders or the investment community, the Company may provide forward-looking statements concerning possible or anticipated future results of operations or business developments. These statements are based on management's current expectations or predictions of future conditions, events or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "projects", "forecasts", "may", "should", variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding product development, product potential, regulatory environment, sales and marketing strategies, liquidity, capital resources or operating performance. The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements in this Form 10-Q should be evaluated together with the many uncertainties that affect the Company's business and its market, particularly those discussed in the risk factors and cautionary statements in the Company's filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made, and the Company assumes no responsibility to update any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.

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PART 1 — FINANCIAL INFORMATION

ITEM 1 — CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AxoGen, Inc.
Condensed Consolidated Balance Sheets

	September 30, 2014 (unaudited)	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	$ 11,802,608	$ 20,069,750
Accounts receivable, net of allowance for doubtful accounts of approximately $69,000 and $59,000, respectively	2,743,041	1,893,699
Inventory	3,346,115	3,398,438
Prepaid expenses and other	100,923	296,719
Total current assets	17,992,687	25,658,606
Property and equipment, net	613,174	381,689
Intangible assets	576,382	570,396
Deferred financing costs	914,931	1,073,579
	$ 20,097,174	$ 27,684,270
Liabilities and Shareholders' Equity (Deficit)		

Current liabilities:		
Accounts payable and accrued expenses	$ 2,020,091	$ 2,083,942
Current Deferred Revenue	14,118	14,118
Total current liabilities	2,034,209	2,098,060
Note Payable — Revenue Interest Purchase Agreement	28,173,877	25,363,695
Long Term Deferred Revenue	75,168	85,882
Total liabilities	30,283,254	27,547,637
Commitments and contingencies		
Shareholders' equity (deficit):		
Common stock, $.01 par value; 50,000,000 shares authorized; 17,466,381 and 17,339,561 shares issued and outstanding	174,664	173,395
Additional paid-in capital	73,264,241	72,369,016
Accumulated deficit	(83,624,985)	(72,405,778)
Total shareholders' equity (deficit)	(10,186,080)	136,633
	$ 20,097,174	$ 27,684,270

See notes to condensed consolidated financial statements.

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AxoGen, Inc.
Condensed Consolidated Statements of Operations
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Revenues	$ 4,671,340	$ 2,957,462	$ 12,023,789	$ 7,962,683
Cost of goods sold	896,178	650,212	2,485,299	1,843,748
Gross profit	3,775,162	2,307,250	9,538,490	6,118,935
Costs and expenses:				
Sales and marketing	3,250,977	2,757,241	9,326,596	7,177,170
Research and development	681,230	593,643	2,049,603	1,498,904
General and administrative	1,645,859	1,233,360	5,254,082	4,237,738
Total costs and expenses	5,578,066	4,584,244	16,630,281	12,913,812
Loss from operations	(1,802,904)	(2,276,994)	(7,091,791)	(6,794,877)
Other income (expense):				
Interest expense	(1,380,470)	(1,214,603)	(3,963,885)	(3,505,869)
Interest expense—deferred financing costs	(55,217)	(61,216)	(158,648)	(146,648)
Other income (expense)	417	32	(4,886)	(696)
Total other income (expense)	(1,435,270)	(1,275,787)	(4,127,419)	(3,653,213)
Net loss	$ (3,238,174)	$ (3,552,781)	$ (11,219,210)	$ (10,448,090)
Weighted Average Common Shares outstanding — basic and diluted	17,466,097	14,320,113	17,437,373	12,205,863
Loss Per Common share - basic and diluted	$ (0.19)	$ (0.25)	$ (0.64)	$ (0.86)

See notes to condensed consolidated financial statements.

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AxoGen, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)

	Nine Months Ended September 30,	
	2014	2013
Cash flows from operating activities:		
Net loss	$ (11,219,210)	$ (10,448,090)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation	111,390	60,869
Amortization of intangible assets	33,468	44,176
Amortization of deferred financing costs	158,648	146,648
Share-based compensation	701,697	534,673

Stock grants	60,125	—
Interest added to note	2,810,182	2,752,273
Change in assets and liabilities:		
Accounts receivable	(849,342)	(690,127)
Inventory	52,323	(308,955)
Prepaid expenses and other	195,796	9,821
Accounts payable and accrued expenses	(63,848)	(162,631)
Deferred revenue	(10,714)	—
Net cash used for operating activities	(8,019,485)	(8,061,343)
Cash flows from investing activities:		
Purchase of property and equipment	(342,875)	(66,564)
Acquisition of intangible assets	(39,454)	(50,262)
Net cash used for investing activities	(382,329)	(116,826)
Cash flows from financing activities:		
Proceeds from issuance of common stock	—	16,784,203
Proceeds from exercise of stock options	134,672	73,015
Net cash provided by financing activities	134,672	16,857,218
Net increase (decrease) in cash and cash equivalents	(8,267,142)	8,679,049
Cash and cash equivalents, beginning of year	20,069,750	13,907,401
Cash and cash equivalents, end of period	$ 11,802,608	$ 22,586,450
Supplemental disclosures of cash flow activity:		
Cash paid for interest	$ 1,154,738	$ 749,857

See notes to condensed consolidated financial statements.

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AxoGen, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Basis of Presentation

The accompanying condensed consolidated financial statements include the accounts of AxoGen, Inc. (the "Company" or "AxoGen") and its wholly owned subsidiary AxoGen Corporation ("AC") as of September 30, 2014 and December 31, 2013 and for the three month and nine month periods ended September 30, 2014 and 2013. The Company's condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2013, which are included in the Annual Report on Form 10-K as of and for the year ended December 31, 2013. The interim condensed consolidated financial statements are unaudited and in the opinion of management, reflect all adjustments necessary for a fair presentation of results for the periods presented. Results for interim periods are not necessarily indicative of results for the full year. All significant intercompany accounts and transactions have been eliminated in consolidation.

2. Organization and Business

Business Summary

The Company is a leading medical technology company dedicated to peripheral nerve repair. AxoGen's portfolio of regenerative medicine products is available in the United States, Canada and several other countries and includes Avance® Nerve Graft, the only off-the-shelf commercially available processed nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a porcine submucosa extracellular matrix ("ECM") coaptation aid for tensionless repair of severed nerves, and AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments.

Avance® Nerve Graft is processed in the United States by AxoGen. AxoGuard® Nerve Connector and AxoGuard® Nerve Protector are manufactured in the United States by Cook Biotech Incorporated, and are distributed worldwide exclusively by AxoGen. AxoGen maintains its corporate offices in Alachua, Florida and is the parent of its wholly owned operating subsidiary, AxoGen Corporation.

3. Summary of Significant Accounting Policies

Revenue Recognition

Revenue is recognized when persuasive evidence of an arrangement exists, the price is fixed and determinable, delivery has occurred and there is a reasonable assurance of collection of the sales proceeds. Revenues for manufactured products and products sold to a customer or under a distribution agreement are recognized when the product is delivered to the customer or distributor, at which time title passes to the customer or distributor, provided, however, that in the case of revenue from consigned sales, delivery is determined when the product is utilized in a surgical procedure. Once a product is delivered, the Company has no further performance obligations. Delivery is defined as delivery to a customer location or segregation of product into a contracted distribution location. At such time, this product cannot be sold to any other customer. Fees charged to customers for shipping are recognized as revenues when products are shipped to the customer, distributor or end user. Revenues from research grants are recognized in the period the associated costs are incurred.

Cash and Cash Equivalents and Concentration

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Company

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has never experienced any losses related to these balances and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are carried at the original invoice amount less an estimate made for doubtful accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

We regularly review all accounts that exceed 60 days from the invoice date and based on an assessment of current credit worthiness, estimate the portion, if any, of the balance that will not be collected. The analysis excludes certain government related receivables due to our past successful experience in collectability. Specific accounts that are deemed uncollectible are reserved at 100% of their outstanding balance. The remaining balances outstanding over 60 days have a percentage applied by aging category (5% for balances 61-90 days and 20% for balances over 90 days aged), based on a historical valuation that allows us to calculate the total reserve required. The reserve balance was determined by applying a percentage to the cumulative balance between 60 and 90 days and a higher percentage to the balance over 90 days. In the event that we exhaust all collection efforts and deem an account uncollectible, we would subsequently write off the account. The write off process involves approval by senior management based on the write off amount. The allowance for doubtful accounts reserve balance was approximately $69,000 and $59,000 at September 30, 2014 and December 31, 2013, respectively.

Concentrations of credit risk with respect to accounts receivable are limited because a large number of geographically diverse customers make up the Company's customer base, thus spreading the trade credit risk. The Company also controls credit risk through credit approvals, credit limits and monitoring procedures.

Inventories

Inventories are comprised of implantable tissue, nerve grafts, Avance® Nerve Graft, AxoGuard® Nerve Connector, AxoGuard® Nerve Protector, and supplies that are valued at the lower of cost (first-in, first-out) or market and consist of the following:

	September 30, 2014	December 31, 2013
	(unaudited)	
Finished goods	$ 2,116,046	$ 2,131,336
Work in process	221,362	235,966
Raw materials	1,008,707	1,031,136
	$ 3,346,115	$ 3,398,438

Inventories were net of reserve of approximately $383,000 and $383,000 at September 30, 2014 and December 31, 2013, respectively.

Income Taxes

The Company has not recorded current income tax expense due to the generation of net operating losses. Deferred income taxes are accounted for using the balance sheet approach which requires recognition of deferred tax assets and liabilities for the expected future consequences of temporary differences between the financial reporting basis and the tax basis of assets and liabilities. A valuation allowance is provided when it is more likely than not that a deferred tax asset will not be realized. A full valuation allowance has been

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established on the deferred tax asset as it is more likely than not that future tax benefit will not be realized. In addition, future utilization of the available net operating loss carryforward may be limited under Internal Revenue Code Section 382 as a result of changes in ownership.

The Company identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the balance sheet. The Company has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Company would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Company's remaining open tax years subject to examination by the Internal Revenue Service include the years ended December 31, 2010 through 2013; there currently are no examinations in process.

Fair Value of Financial Instruments

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash and cash equivalents, accounts receivable and accounts payable and accrued expenses. The fair value of the Company's long-term debt approximates its carrying value based upon current rates available to the Company.

Share-Based Compensation

Stock-based compensation cost related to stock options granted under the AC 2002 Stock Option Plan and AxoGen 2010 Stock Incentive Plan is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee's requisite service period. The Company estimates the fair value of each option award issued under the Plan on the date of grant using a Black-Scholes-Merton option-pricing model that uses the assumptions noted in the table below. The Company estimates the volatility of its common stock at the date of grant based on the volatility of comparable peer companies which are publicly traded, for the periods prior to the merger, and based on the Company's common stock for periods subsequent to the merger. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future. The Company used the following weighted-average assumptions for options granted during the nine months ended September 30:

Nine months ended September 30,	2014 (unaudited)	2013 (unaudited)
Expected term (in years)	4.0	4.0
Expected volatility	79.76%	83.27%
Risk free rate	1.23%	0.71%
Expected dividends	0.0%	0.0%

The Company estimates forfeitures when recognizing compensation expense and this estimate of forfeitures is adjusted over the requisite service period based on the extent to which actual forfeitures differ, or are expected to differ, from such estimates. Changes in estimated forfeitures are recognized through a cumulative catch-up adjustment, which is recognized in the period of change, and also impact the amount of unamortized compensation expense to be recognized in future periods. The Company did not apply a forfeiture allocation to its unvested options outstanding during the nine months ended September 30, 2014 and 2013 as they were deemed insignificant.

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Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements

On May 28, 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. The core principle of the ASU is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration, or payment, to which the company expects to be entitled in exchange for those goods or services. The ASU may also result in enhanced disclosures about revenue. For public entities, the ASU is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Due to the recent date of issuance for this ASU, management is currently evaluating what impact, if any, the pronouncement will have on the Company's disclosures, its financial position or results from operations.

4. Property and Equipment

Property and equipment consist of the following:

	September 30, 2014	December 31, 2013
	(unaudited)	
Furniture and equipment	$ 825,690	$ 893,973
Leasehold improvements	285,698	53,864
Processing equipment	1,194,712	1,015,388
Less: accumulated depreciation and amortization	(1,692,926)	(1,581,536)
Property and equipment	$ 613,174	$ 381,689

5. Intangible Assets

The Company's intangible assets consist of the following:

	September 30, 2014	December 31, 2013
	(unaudited)	
License agreements	$ 838,586	$ 816,300
Patents	79,721	62,553
Less: accumulated amortization	(341,925)	(308,457)
Intangible assets, net	$ 576,382	$ 570,396

License agreements are being amortized over periods ranging from 17-20 years. Patent costs were being amortized over three years. As of December 31, 2013, the patents were fully amortized, the remaining patents of $79,721 were pending patent costs and were not amortizable. Amortization expense was approximately

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$11,000 and $15,000 for the three months and was approximately $33,000 and $44,000 for the nine months ended September 30, 2014 and 2013, respectively. As of September 30, 2014, future amortization of license agreements is expected to be approximately $15,000 for the remainder of 2014 and $48,000 for 2015 through 2018.

License Agreements

The Company has entered into multiple license agreements (the "License Agreements") with the University of Florida Research Foundation ("UFRF") and University of Texas at Austin ("UTA"). Under the terms of the License Agreements, the Company acquired exclusive worldwide licenses for underlying technology used in repairing and regenerating nerves. The licensed technologies include the rights to issued patents and patents pending in the United States and international markets. The effective term of the License Agreements extends through the term of the related patents and the agreements may be terminated by the Company with 60 days prior written notice. Additionally, in the event of default, licensors may terminate an agreement if the Company fails to cure a breach after written notice. The License Agreements contain the key terms listed below:

- AxoGen pays royalty fees ranging from 1% to 3% under the License Agreements based on net sales of licensed products. One of the agreements also contains a minimum royalty of $12,500 per quarter, which may include a credit in future quarters in the same calendar year for the amount the minimum royalty exceeds the royalty fees. Also, when AxoGen pays royalties to more than one licensor for sales of the same product, a royalty stack cap applies, capping total royalties at 3.75%;

- If AxoGen sublicenses technologies covered by the License Agreements to third parties, AxoGen would pay a percentage of sublicense fees received from the third party to the licensor. Currently, AxoGen does not sublicense any technologies covered by License Agreements. The Company is not considered a sub-licensee under the License Agreements and does not owe any sub-licensee fees for its own use of the technologies;

- AxoGen reimburses the licensors for certain legal expenses incurred for patent prosecution and defense of the technologies covered by the License Agreements; and

- Currently, under one of the License Agreements, AxoGen would owe a $15,000 milestone fee upon receiving a Phase II Small Business Innovation Research or Phase II Small Business Technology Transfer grant involving the licensed technology. The Company has not received either grant and does not owe such a milestone fee. Other milestone fees are due if AxoGen develops certain pharmaceutical or medical device products under the License Agreements. No such products are currently under development.

Royalty fees were approximately $93,000 and $64,000 for the three months and were $238,000 and $169,000 for the nine months ended September 30, 2014 and 2013, and are included in sales and marketing expense on the accompanying condensed consolidated statements of operations.

6. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses includes $182,880 and $203,380 for accrued payroll at September 30, 2014 and December 31, 2013, respectively, $512,774 and $417,825 for accrued commissions at September 30, 2014 and December 31, 2013, respectively and $154,252 and $31,176 for accrued bonuses at September 30, 2014 and December 31, 2013, respectively.

7. Notes Payable

Notes Payable consists of the following:

	September 30, 2014 (unaudited)	December 31, 2013
Revenue Interest Purchase Agreement with PDL BioPharma, Inc. ("PDL") for aggregate of $20,800,000 with amounts payable monthly at 9.95% of Net Revenues through September 2014; and the greater of (i) 9.95% of product revenue or (ii) specific quarterly amounts varying from approximately $1.3 million to $2.5 million per quarter through September 2020. The minimum annual payment amounts are as follows: 2014 - $1,250,805, 2015 - $6,781,440, 2016 - $9,232,642, 2017 and 2018 - $9,000,000, 2019 - $9,063,000 and 2020 - $6,939,000.	$ 28,173,877	$ 25,363,695
Long-term Notes Payable	$ 28,173,877	$ 25,363,695

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Note Payable

On October 5, 2012, AxoGen entered into a Revenue Interests Purchase Agreement (the "Royalty Contract") with PDL BioPharma, Inc. ("PDL"), pursuant to which the Company sold to PDL the right to receive royalties equal to 9.95% of the Company's Net Revenues (as defined in the Royalty Contract) generated by the sale, distribution or other use of AxoGen's products Avance® Nerve Graft, AxoGuard® Nerve Connector and AxoGuard® Nerve Protector. Proceeds from the PDL transaction were used to fully repay the MidCap Loan, as defined below, and extinguish AxoGen's long-term debt obligations there under. The Royalty Contract has a term of eight years. Under the Royalty Contract, PDL is to receive royalty payments based on a royalty rate of 9.95% of the Company's Net Revenues, subject to certain agreed upon minimum payment requirements, currently anticipated to be operative, of approximately $1.3 to $2.5 million per quarter which begin in the fourth quarter of 2014 through the third quarter of 2020 as provided in the Royalty Contract. The total consideration PDL paid to the Company was $20,800,000 (the "Funded Amount"), including $19,050,000 PDL paid to the Company on October 5, 2012, and $1,750,000 PDL paid to the Company on August 14, 2012 pursuant to an Interim Revenue Interest Purchase Agreement between the Company and PDL, dated August 14, 2012 (the "Interim Royalty Contract"). Upon the closing (the "Closing") of PDL's purchase of the specified royalties described above, which was concurrent with the execution of the Royalty Contract, the Interim Royalty Contract was terminated.

The Company records interest using its best estimate of the effective interest rate. Currently the Company is accruing interest using the specified internal rate of return of the put option of 20%. From time to time, the Company will reevaluate the expected cash flows and may adjust the effective interest rate. Determining the effective interest rate requires judgment and is based on significant assumptions related to estimates of the amounts and timing of future revenue streams.

Put Option

Under the Royalty Contract, on October 5, 2016, or in the event of the occurrence of a material adverse event, our transfer of revenue interest or substantially all of our interest in the products or AxoGen's bankruptcy or material breach of the Royalty Contract, PDL may require AxoGen to repurchase the Assigned Interests at the "Put Price." The Put Price is equal to the sum of (i) an amount that, when paid to PDL, would generate a specified internal rate of return to PDL of 20% on the Funded Amount, taking into consideration payments made to PDL by the Company, and (ii) any "Delinquent Assigned Interest Payment" (as defined in the Royalty Contract) the Company owed to PDL.

Change of Control; Call Option

In addition, in the event of a "Change of Control" (as defined in the Royalty Contract), the Company must repurchase the assigned Interests from PDL for a repurchase price equal to the "Change of Control Price" on or prior to the third business day after the occurrence of the Change of Control. The Change of Control Price is equal to the sum of (i) an amount that, when paid to PDL, would generate a specified internal rate of return to PDL of thirty-two and one half percent (32.5%) on the Funded Amount, taking into consideration payments made to PDL by the Company, and (ii) any "Delinquent Assigned Interest Payment" (as defined in the Royalty Contract) the Company owed to PDL. In addition, at any time after October 5, 2016, the Company, at its option, can call the Royalty Contract for a price equal to the Change of Control Price.

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Board Designee

Under the Royalty Contract, during the term of the Royalty Contract, PDL is entitled to designate, and AxoGen shall appoint an individual designated by PDL, who shall serve on the Board of Directors of the Company (the "Board"). The PDL designee was elected at the Company's 2013 Annual Meeting of Shareholders. At each annual meeting thereafter during the term of the Royalty Contract, the Board shall nominate and recommend the PDL designee as a director nominee to serve on the Board until the next annual meeting and shall include such nomination in AxoGen's proxy statement for each annual meeting thereafter, provided that the election of the PDL designee is subject to shareholders' approval.

Should at any time there become a vacancy on the Board as a result of (i) the resignation, death or removal of the PDL designee or (ii) such PDL designee failing to obtain the requisite approval of the Company's shareholders at any annual or special meeting of the Company's shareholders and where no other individual is elected to such vacancy, PDL shall have the right to designate an individual to fill such vacancy, and AxoGen shall take such actions necessary to appoint, such individual to the Board.

On August 20, 2014, John McLaughlin, the PDL designee who was serving on the Board, delivered to us notice of his resignation as a member of the Board of Directors (the "Board") of AxoGen, Inc. (the "Company") effective as of the date of the notice. The Board accepted Mr. McLaughlin's notice of resignation. The Company notes that Mr. McLaughlin's resignation was not the result of any disagreement with the Company relating to the Company's operations, policies or practices. Mr. McLaughlin had served as a member of the Board since October 2012. PDL has informed the Company that it does not intend to appoint a replacement for Mr. McLaughlin at this time.

Preemptive Rights

Under the Royalty Contract, PDL has preemptive rights with respect to certain new issuances of AxoGen's equity securities and securities convertible, exchangeable or exercisable into such equity securities.

Restriction on Dividends

Under the Royalty Contract, during the period from the October 5, 2012 to December 4, 2016 (or the payment of the Put Price in the event PDL exercises its put option on or prior to December 4, 2016), AxoGen shall not, nor shall it permit any subsidiary to, declare, pay or make any dividend or distribution on any shares of the common stock or preferred stock of such entity (other than dividends or distributions payable in its stock, or split-ups or reclassifications of its stock) or apply any of its funds, property or assets to the purchase, redemption or other retirement of any common or preferred stock, or of any options to purchase or acquire any such shares of common or preferred stock of any such entity (collectively, "Restricted Payments"), except that: (i) each subsidiary may make direct or indirect Restricted Payments to the Company; and (ii) the Company and each subsidiary may purchase, redeem or otherwise acquire Equity Interests issued by it solely with the proceeds received from the substantially concurrent issue of new shares of its common stock or other common Equity Interests. For purposes of the Royalty Contract, "Equity Interests" of any person means any and all shares, rights to purchase, options, warrants, general, limited or limited liability partnership interests, member interests, participation or other equivalents of or interest in (regardless of how designated) equity of such entity, whether voting or nonvoting, including common stock, preferred stock, convertible securities or any other "equity security" (as such term is defined in Rule 3a11-1under the Securities Exchange Act of 1934, as amended).

Guarantee and Collateral Agreement

In connection with the Royalty Contract, on October 5, 2012, AxoGen and AC, entered into a Guarantee and Collateral Agreement (the "Guarantee and Collateral Agreement") with PDL, pursuant to which (i) AC unconditionally and irrevocably guarantees to PDL the prompt and complete payment and performance by AxoGen when due of the "Secured Obligations," which include the Company's obligations under the Royalty Contract, and any other obligations that AxoGen may owe to PDL under the Royalty Contract and other transaction documents; and (ii) each of the Company and AC grants to PDL a security interest in certain collateral as specified in the Guarantee and Collateral Agreement for the prompt and complete payment and

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performance when due of the Secured Obligations.

8. Stock Options

The Company granted 476,250 options to purchase shares of stock pursuant to its 2010 Stock Incentive Plan for the nine months ended September 30, 2014. Stock-based compensation expense was $227,553 and $142,200 for the three months ended September 30, 2014 and 2013, respectively and $701,697 and $534,673 for the nine months ended September 30, 2014 and 2013, respectively. Total future stock compensation expense related to nonvested awards is expected to be approximately $1,508,000 at September 30, 2014.

9. Subsequent Events

On November 12, 2014, (the "Signing Date"), AxoGen, Inc. (the "Company" or AxoGen"), as borrower, and the Company's wholly owned subsidiary AxoGen Corporation, as guarantor, entered into a term loan agreement (the "Term Loan Agreement") with Three Peaks Capital S.a.r.l. ("Three Peaks"), an indirect wholly owned subsidiary of Oberland Capital Healthcare Master Fund L.P. ("Oberland"), as administrative and collateral agent for the lenders. Under the Term Loan Agreement, Three Peaks has agreed to lend to AxoGen a term loan of $25 million (the "Initial Term Loan") which has a six year term and requires interest only payments and a final principal payment due at the end of the term. Interest is payable quarterly at 9.00% per annum plus the greater of LIBOR or 1.0% which as of November 13, 2014 ("the Initial Closing Date") resulted in a 10% rate. Under certain conditions, the Company has the option to draw an additional $7 million ("Subsequent Borrowing" and, together with the Initial Term Loan, the "Term Loan") during the period of April 1, 2016 through June 29,

2016 (the closing date of each such Subsequent Borrowing, a "Subsequent Closing Date" and, together with the Initial Closing Date, the "Closing Dates") under similar terms and conditions. The Company has to maintain certain covenants including limiting new indebtedness, restriction of the payment of dividends and maintain certain levels of revenue. Three Peaks has a first perfected security interest in the assets of the Company.

As of the Signing Date, the Company also entered into a 10 year Revenue Interest Agreement ("Revenue Interest Agreement") with Three Peaks. Royalty payments are based on a royalty rate of 3.75% of the Company's revenues up to a maximum of $30 million in revenues in any 12 month period. In the event the Subsequent Borrowing is drawn, the royalty rate increases proportionally up to a maximum of 4.80%. The Company has to maintain certain covenants including those covenants under the Term Loan.

Under the Term Loan Agreement, the Company has the option at any time to prepay the Term Loan, in whole or in part, and the Royalty Interest Agreement by making the following payment, and Three Peaks has the right to demand the following payment upon a change of control of the Company, sale of the majority of the Company's assets or a material adverse change to the Company: (i) on or prior to the first anniversary of the applicable Closing Date, 120% of the outstanding principal amount of the Term Loan or any portion being prepaid; (ii) after the first anniversary but no later than the second anniversary of the applicable Closing Date, 135% of the outstanding principal amount of the Term Loan or any portion being prepaid ; (iii)) after the second anniversary but no later than the third anniversary of the applicable Closing Date, 150% of the outstanding principal amount of the Term Loan or any portion being prepaid; or (iv)) after the third anniversary of the applicable Closing Date, an amount generating an Internal Rate of Return of 16.25% of the outstanding principal amount of the Term Loan or any portion being prepaid. In all cases, the amount due is reduced by the sum of interest and principal previously paid and all amounts received under the Revenue Interest Agreement. In each such case the Company will also owe an additional 3% of the originally advanced Term Loan amount. Upon payment to Three Peaks, the Company would have no further obligations to Three Peaks under the Term Loan or the Revenue Interest Agreement.

In addition, on the Initial Closing Date, the Company sold 1,375,969 shares of common stock to Three Peaks for a total of $3.55 million in cash ("Three Peaks Equity Sale") at a public offering price of $2.58 per share. The proceeds from the Initial Term Loan, the Three Peaks Equity Sale and $1.75 million of capital from the Company, were used to fully repay the Royalty Contract with PDL. The Company has no further obligations to PDL under the Royalty Contract.

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In connection with the Term Loan Agreement, on the Signing Date, the Company and its wholly owned subsidiary, AxoGen Corporation ("AC"), entered into a Security Agreement (the "Security Agreement") with Three Peaks, pursuant to which each of the Company and AC grants to Three Peaks a security interest in certain collateral as specified in the Security Agreement to guarantee the payment in full when due of the Secured Obligations.

Subsequent to the closing of the Term Loan, also on the Initial Closing Date, the Company sold 643,382 shares of common stock for a total of $1.75 million to PDL ("PDL Equity Sale") at a public offering price of $2.72 per share pursuant to a Securities Purchase Agreement (the "PDL Securities Purchase Agreement") by and between the Company and PDL dated the Signing Date. The Company intends to use the proceeds from the PDL Equity Sale for general corporate purposes.

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

Unless the context otherwise requires, all references in this report to "AxoGen," "the Company," "we," "us" and "our" refer to AxoGen, Inc. and its wholly owned subsidiary AxoGen Corporation ("AC").

OVERVIEW

The Company is a leading medical technology company dedicated to peripheral nerve repair. AxoGen's portfolio of regenerative medicine products is available in the United States, Canada and several other countries and includes Avance® Nerve Graft, the only off-the-shelf commercially available processed nerve allograft for bridging severed nerves without the comorbidities associated with a second surgical site, AxoGuard® Nerve Connector, a ECM coaptation aid for tensionless repair of severed nerves, and AxoGuard® Nerve Protector, a porcine submucosa ECM product used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments.

Revenue from the distribution of these products is the main contributor to AxoGen's total reported sales and has been the key component of its growth to date. AxoGen revenues increased in third quarter 2014 compared to 2013 primarily as a result of the sales strategy to focus on growing sales and increasing product usage in existing accounts. AxoGen has continued to broaden and strengthen its sales and marketing activity with a focus on the execution of its sales operations. This is expected to have a continued positive contribution to its revenue growth in the long term.

Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2014 and 2013

Revenues

Revenues for the three months ended September 30, 2014 increased 58.0% to approximately $4,671,000 as compared to approximately $2,957,000 for the three months ended September 30, 2013. Additionally, revenues for the nine months ended September 30, 2014

increased 51.0% to approximately $12,024,000 as compared to approximately $7,963,000 for the nine months ended September 30, 2013. This increase was primarily a result of the sales strategy to focus on growing sales and increasing product usage in existing accounts. In addition, AxoGen recognized approximately $57,000 and $175,000 of grant revenue for the three and nine months ended September 30, 2014, respectively, as compared to no such revenue in the corresponding time period in 2013.

Gross Profit

Gross profit for the three months ended September 30, 2014 increased 63.6% to approximately $3,775,000 as compared to approximately $2,307,000 for the three months ended September 30, 2013. Such increase in aggregate dollars was primarily attributable to the increased revenues in the third quarter of 2014. Gross margin improved to 80.8% for the three months ended September 30, 2014 as compared to 78.0% for the same period in 2013 as a result of price increases in March 2014, manufacturing efficiencies and changes in product mix.

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Gross profit for the nine months ended September 30, 2014 increased 55.9% to approximately $9,538,000 as compared to approximately $6,119,000 for the nine months ended September 30, 2013. Such increase in aggregate dollars was primarily attributable to the increased revenues in the first nine months of 2014. Gross margin improved to 79.3% for the nine months ended September 30, 2014 as compared to 76.9% for the same period in 2013 as a result of price increases in March 2014 and changes in product mix.

Costs and Expenses

Total cost and expenses increased 21.7% to approximately $5,578,000 for the three months ended September 30, 2014 as compared to approximately $4,584,000 for the three months ended September 30, 2013. These increases were primarily due to increasing sales and marketing activities as revenues increased and increases in compensation as AxoGen hired additional personnel to meet its current and expected growth.

Total cost and expenses increased 28.8% to approximately $16,630,000 for the nine months ended September 30, 2014 as compared to approximately $12,914,000 for the nine months ended September 30, 2013. These increases were primarily due to increasing sales and marketing activities and increases in compensation as AxoGen hired additional personnel to meet its current and expected growth. To a lesser extent, these increases were also attributable to expenses associated with being a public company listed on NASDAQ, facility costs and research and development costs associated with the Company's preparation for its clinical trial.

Sales and marketing expenses increased 17.9% to approximately $3,251,000 for the three months ended September 30, 2014 as compared to approximately $2,757,000 for the three months ended September 30, 2013. This increase was primarily due to increased expenses related to AxoGen's direct sales force and independent distributors, sales training and surgeon education. As a percentage of revenues, sales and marketing expenses were 69.6% for the three months ended September 30, 2014 compared to 93.2% for the three months ended September 30, 2013. Such lower sales and marketing expenses as a percentage of revenue were a result of the revenue increase outpacing increases in costs and expenses.

Sales and marketing expenses increased 30.0% to approximately $9,327,000 for the nine months ended September 30, 2014 as compared to approximately $7,177,000 for the nine months ended September 30, 2013. This increase was primarily due to expansion of the direct sales force, increased support for both AxoGen's direct sales force and independent distributors, sales training and surgeon education. As a percentage of revenues, sales and marketing expenses were 77.6% for the nine months ended September 30, 2014 compared to 90.1% for the nine months ended September 30, 2013. Such lower sales and marketing expenses as a percentage of revenue were a result of the revenue increase outpacing increases in costs and expenses.

General and administrative expenses increased 33.5% to approximately $1,646,000 for the three months ended September 30, 2014 as compared to approximately $1,233,000 for the three months ended September 30, 2013. The increase was primarily a result of increased compensation including non-cash stock option compensation of approximately $84,000 and insurance expenses. As a percentage of revenues, general and administrative expenses were 35.2% for the three months ended September 30, 2014 as compared to 41.7% for the three months ended September 30, 2013. Such lower general and administrative expenses as a percentage of revenue were a result of the revenue increase outpacing increases in costs and expenses.

General and administrative expenses increased 24.0% to approximately $5,254,000 for the nine months ended September 30, 2014 as compared to approximately $4,238,000 for the nine months ended September 30, 2013. The increase was primarily a result of increased compensation, including non-cash stock option compensation of approximately $167,000 and insurance expenses. As a percentage of revenues, general and administrative expenses were 43.7% for the nine months ended September 30, 2014 as compared to 53.2% for the nine months ended September 30, 2013. Such lower general and administrative expenses as a percentage of revenue were a result of the revenue increase outpacing increases in costs and expenses.

Research and development expenses increased approximately 14.6% to approximately $681,000 in the three months ended September 30, 2014 as compared to approximately $594,000 for the three months ended September 30, 2013. Research and development expenses increased approximately 36.8% to approximately $2,050,000 in the nine months ended September 30, 2014 as compared to approximately $1,499,000 for the

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nine months ended September 30, 2013. Development includes AxoGen's product development and clinical efforts substantially focused on its biological license application ("BLA") for the Avance® Nerve Graft. A substantial portion of the increase in research and development expenses from 2013 to 2014 is related to expenditures for such clinical activity. Although AxoGen's products are developed for sale in their current use, it does conduct limited research and product development focused on new products and new applications to existing products. AxoGen has become more active in pursuing research grants to support this research. AxoGen's product pipeline development also contributed to a portion of the research and development expense increase in 2014, with grant revenue partially offsetting a portion of this activity.

Other Income and Expenses

Interest expense increased 13.6% to approximately $1,380,000 for the three months ended September 30, 2014 as compared to approximately $1,215,000 for the three months ended September 30, 2013. Interest expense increased 13.1% to approximately $3,964,000 for the nine months ended September 30, 2014 as compared to approximately $3,506,000 for the nine months ended September 30, 2013. This increase was due to the increase in the interest related to the Royalty Contract from higher revenues and the interest accrued related to PDL. As a result of the accounting treatment for the PDL transaction, interest expense included approximately $890,000 and $923,000 for the three months ended September 30, 2014 and 2013, respectively, and approximately $2,809,000 and $2,756,000 for the nine months ended September 30, 2014 and 2013, respectively, of non-cash expense that is expected to be paid in the future based upon the terms of the PDL transaction and increases in AxoGen revenues. Other than the $2,809,000 and $2,756,000 non-cash expense, the remaining $1,155,000 and $750,000 in interest expense for the nine months ended September 30, 2014 and 2013, respectively, is related to cash paid for interest on the note payable.

Interest expense—deferred financing costs decreased 9.8% to approximately $55,000 for the three months ended September 30, 2014 as compared to approximately $61,000 for the three months ended September 30, 2013. Interest expense—deferred financing costs increased 8.2% to approximately $159,000 for the nine months ended September 30, 2014 as compared to approximately $147,000 for the nine months ended September 30, 2013. This increase is primarily due to higher deferred financing cost amortization associated with the PDL agreement from applying the effective interest rate method.

Income Taxes

The Company had no income tax expenses or income tax benefit for each of the three months and nine months ended September 30, 2014 and 2013 due to incurrence of net operating loss in each of these periods.

Effect of Inflation

Inflation has not had a significant impact on the Company's operations or cash flow.

Liquidity and Capital Resources

Note Payable

On October 5, 2012, AxoGen entered into the Royalty Contract with PDL. Proceeds from the PDL transaction were used to fully repay a prior credit facility and extinguish AxoGen's long-term debt obligations thereunder. Pursuant to the Royalty Contract the Company sold to PDL the right to receive specified royalties on the Company's Net Revenues (as defined in the Royalty Contract) generated by the sale, distribution or other use of the Company's products Avance® Nerve Graft, AxoGuard® Nerve Protector and AxoGuard® Nerve Connector (the "Acquired Revenues"). The Royalty Contract has a term of eight years. Under the Royalty Contract, PDL is to receive royalty payments currently paid weekly based on a royalty rate of 9.95% of the Company's Net Revenues (the "Assigned Interests"), subject to certain agreed upon minimum payment requirements which begin in the fourth quarter of 2014 as provided in the Royalty Contract. The total consideration PDL paid to the Company was $20,800,000 (the "Funded Amount"), including $19,050,000 PDL paid to the Company on October 5, 2012, and $1,750,000 PDL paid to the Company on August 14, 2012 pursuant to the Interim Royalty Contract. Upon the closing of PDL's purchase of the specified royalties described above, which was concurrent with the execution of the Royalty Contract, the Interim Royalty Contract was terminated. There are no financial

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covenants or other restrictions on the use of capital by AxoGen as a result of the Royalty Contract, however, PDL has a first perfected security interest in the Assigned Interests.

The Company had no material commitments for capital expenditures at September 30, 2014.

On November 12, 2014, (the "Signing Date"), AxoGen, Inc. (the "Company" or AxoGen"), as borrower, and the Company's wholly owned subsidiary AxoGen Corporation, as guarantor, entered into a term loan agreement (the "Term Loan Agreement") with Three Peaks Capital S.a.r.l. ("Three Peaks"), an indirect wholly owned subsidiary of Oberland Capital Healthcare Master Fund L.P. ("Oberland"), as administrative and collateral agent for the lenders. Under the Term Loan Agreement, Three Peaks has agreed to lend to AxoGen a term loan of $25 million (the "Initial Term Loan") which has a six year term and requires interest only payments and a final principal payment due at the end of the term. Interest is payable quarterly at 9.00% per annum plus the greater of LIBOR or 1.0% which as of November 13, 2014 ("the Initial Closing Date") resulted in a 10% rate. Under certain conditions, the Company has the option to draw an additional $7 million ("Subsequent Borrowing" and, together with the Initial Term Loan, the "Term Loan") during the period of April 1, 2016 through June 29, 2016 (the closing date of each such Subsequent Borrowing, a "Subsequent Closing Date" and, together with the Initial Closing Date, the

"Closing Dates") under similar terms and conditions. The Company has to maintain certain covenants including limiting new indebtedness, restriction of the payment of dividends and maintain certain levels of revenue. Three Peaks has a first perfected security interest in the assets of the Company.

As of the Signing Date, the Company also entered into a 10 year Revenue Interest Agreement ("Revenue Interest Agreement") with Three Peaks. Royalty payments are based on a royalty rate of 3.75% of the Company's revenues up to a maximum of $30 million in revenues in any 12 month period. In the event the Subsequent Borrowing is drawn, the royalty rate increases proportionally up to a maximum of 4.80%. The Company has to maintain certain covenants including those covenants under the Term Loan.

Under the Term Loan Agreement, the Company has the option at any time to prepay the Term Loan, in whole or in part, and the Royalty Interest Agreement by making the following payment, and Three Peaks has the right to demand the following payment upon a change of control of the Company, sale of the majority of the Company's assets or a material adverse change to the Company: (i) on or prior to the first anniversary of the applicable Closing Date, 120% of the outstanding principal amount of the Term Loan or any portion being prepaid; (ii) after the first anniversary but no later than the second anniversary of the applicable Closing Date, 135% of the outstanding principal amount of the Term Loan or any portion being prepaid ; (iii)) after the second anniversary but no later than the third anniversary of the applicable Closing Date, 150% of the outstanding principal amount of the Term Loan or any portion being prepaid; or (iv)) after the third anniversary of the applicable Closing Date, an amount generating an Internal Rate of Return of 16.25% of the outstanding principal amount of the Term Loan or any portion being prepaid. In all cases, the amount due is reduced by the sum of interest and principal previously paid and all amounts received under the Revenue Interest Agreement. In each such case the Company will also owe an additional 3% of the originally advanced Term Loan amount. Upon payment to Three Peaks, the Company would have no further obligations to Three Peaks under the Term Loan or the Revenue Interest Agreement.

In addition, on the Initial Closing Date, the Company sold 1,375,969 shares of common stock to Three Peaks for a total of $3.55 million in cash ("Three Peaks Equity Sale") at a public offering price of $2.58 per share. The proceeds from the Initial Term Loan, the Three Peaks Equity Sale and $1.75 million of capital from the Company, were used to fully repay the Royalty Contract with PDL. The Company has no further obligations to PDL under the Royalty Contract.

In connection with the Term Loan Agreement, on the Signing Date, the Company and its wholly owned subsidiary, AxoGen Corporation ("AC"), entered into a Security Agreement (the "Security Agreement") with Three Peaks, pursuant to which each of the Company and AC grants to Three Peaks a security interest in certain collateral as specified in the Security Agreement to guarantee the payment in full when due of the Secured Obligations.

Subsequent to the closing of the Term Loan, also on the Initial Closing Date, the Company sold 643,382 shares of common stock for a total of $1.75 million to PDL ("PDL Equity Sale") at a public offering price of $2.72 per

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share pursuant to a Securities Purchase Agreement (the "PDL Securities Purchase Agreement") by and between the Company and PDL dated the Signing Date. The Company intends to use the proceeds from the PDL Equity Sale for general corporate purposes.

Cash Flow Information

AxoGen had working capital of approximately $15.96 million and a current ratio of 8.85 at September 30, 2014, compared to working capital of $23.56 million and a current ratio of 12.23 at December 31, 2013. The decrease in working capital and the current ratio at September 30, 2014 as compared to December 31, 2013 was primarily due to the use of working capital for operations. The Company believes it has sufficient cash resources to meet its liquidity requirements for at least the next 12 months.

AxoGen's future capital requirements depend on a number of factors, including, without limitation, revenue increases consistent with its business plan, and pursuant to AxoGen's licensing agreements in connection with Avance® Nerve Graft, cost of products and acquisition and/or development of new products. AxoGen could face increasing capital needs. Such capital needs could be substantial depending on the extent to which AxoGen is unable to increase revenue.

If AxoGen needs additional capital in the future, it may raise additional funds through public or private equity offerings, debt financings or from other sources. The sale of additional equity would result in dilution to AxoGen's shareholders. There is no assurance that AxoGen will be able to secure funding on terms acceptable to it, or at all. The increasing need for capital could also make it more difficult to obtain funding through either equity or debt. Should additional capital not become available to AxoGen as needed, AxoGen may be required to take certain action, such as, slowing sales and marketing expansion, delaying regulatory approvals or reducing headcount.

During the nine months ended September 30, 2014, the Company had a net decrease in cash and cash equivalents of approximately $8,267,000 as compared to a net increase of cash and cash equivalents of approximately $8,679,000 in the nine months ended September 30, 2013. The Company's principal sources and uses of funds are explained below:

Cash used in operating activities

The Company used approximately $8,019,000 of cash for operating activities in the nine months ended September 30, 2014, as compared to using approximately $8,061,000 of cash for operating activities in the nine months ended September 30, 2013. This decrease in cash used in operating activities is primarily attributed to the decrease in inventory offset by an increase in our accounts receivable associated with increased revenues.

Cash used for investing activities

Investing activities for the nine months ended September 30, 2014 used approximately $382,000 of cash as compared to using approximately $117,000 of cash in the nine months ended September 30, 2013. This increase in use is principally attributable to the purchase of certain fixed assets for the expansion of the headquarters office and the opening of the worldwide distribution facility in Burleson, Texas.

Cash provided by financing activities

Financing activities in the nine months ended September 30, 2014 provided approximately $135,000 of cash as compared to providing approximately $16,857,000 of cash in the nine months ended September 30, 2013. The cash provided in 2014 was due to proceeds received from the exercise of stock options whereas the cash provide in 2013 was attributable to the underwritten public offering of our common shares completed in September 2013.

Off-Balance Sheet Arrangements

AxoGen does not have any off-balance sheet arrangements.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains "disclosure controls and procedures" as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, and Board of Directors, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance of achieving the desired objectives, and we necessarily are required to apply our judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures.

Our management, including our principal executive officer and principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2014 and concluded that our disclosure controls and procedures were effective.

Changes in Internal Controls Over Financial Reporting

During the nine months ended September 30, 2014, there were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d—15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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UNITED STATES
PART II —OTHER INFORMATION

ITEM 1 – Legal Proceedings

The Company is not a party to any material litigation as of September 30, 2014.

ITEM 1A - RISK FACTORS

The Company faces a number of risks and uncertainties. In addition to the other information in this report and the Company's other filings with the Securities and Exchange Commission, readers should consider carefully the risk factors discussed in Part I "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2013. There have been no material changes to these risk factors. If any of these risks actually occur, the Company's business, results of operations or financial condition could be materially adversely affected.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5 - OTHER INFORMATION

None.

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ITEM 6 - EXHIBITS

Exhibit Number	Description
3.1	Amended and Restated Articles of Incorporation of AxoGen, Inc. (incorporated by reference to Appendix B to the Proxy Statement/Prospectus included as part of LecTec Corporation's Amendment No. 2 to Registration Statement on Form S-4 filed on August 29, 2011)
3.2	AxoGen, Inc. Amended and Restated Bylaws (incorporated by reference to Appendix C to the Proxy Statement/Prospectus included as part of LecTec Corporation's Amendment No. 2 to Registration Statement on Form S-4 filed on August 29, 2011).
*10.4.3	Fourth Amendment to Amended and Restated Nerve Tissue Processing Agreement, dated as of September 8, 2014, by and between AxoGen Corporation and LifeNet Health
31.1†	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2†	Certification of Principle Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32††	Certification Pursuant to 18 U.S.C. §1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS†	XBRL Instance Document.
101.SCH†	XBRL Taxonomy Extension Schema Document.
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB†	XBRL Extension Labels Linkbase.
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document.

† Filed herewith.

†† Furnished herewith.

* Confidential treatment has been requested as to certain portions, which portions have been omitted and filed separately with the Securities and Exchange Commission.

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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.

AXOGEN, INC.

Dated November 13, 2014

Karen Zaderej
Chief Executive Officer
(Principal Executive Officer)

Lee R. Johnston, Jr.
Chief Financial Officer
(Principal Financial and Accounting Officer)

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PROSPECTUS

$35,000,000

Common Stock

This prospectus relates to offers and resales of up to $35,000,000 of our common shares. We will bear all costs, expenses and fees in connection with the registration of these securities.

We will provide the specific terms of these offerings in one or more supplements to this prospectus. We may also authorize one or more free writing prospectuses to be provided to you in connection with these offerings. The prospectus supplement and any related free writing prospectus may also add, update or change information contained in this prospectus. You should carefully read this prospectus, the applicable prospectus supplement and any related free writing prospectus, as well as any documents incorporated by reference, before buying any of the common shares being offered.

Our common shares trade on the NASDAQ Capital Market under the symbol “AXGN.” On April 29, 2014, the last reported sale price of our common shares on the NASDAQ Capital Market was $2.56 per share.

As of April 29, 2014, the aggregate market value of our outstanding common stock held by non-affiliates, or public float, was approximately $27,487,823 based on 17,466,091 shares of outstanding common stock, of which approximately 6,728,660 shares were held by affiliates, and a price of $2.56 per share, which was the last reported sale price of our common stock on The NASDAQ Capital Market on April 29, 2014. We have not offered any securities pursuant to General Instruction I.B.6 of Form S-3 during the prior 12 calendar month period that ends on and includes the date of this prospectus. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell securities registered on this registration statement in a public primary offering with a value exceeding more than one-third of our public float in any 12-month period so long as our public float remains below $75.0 million.

Investing in our securities involves a high degree of risk. You should carefully review and consider the risks and uncertainties described under the heading “Risk Factors” on page 3 of this prospectus and in any applicable prospectus supplement, any free writing prospectus or any documents incorporated by reference.

This prospectus may not be used to offer or sell any securities unless accompanied by a prospectus supplement.

The securities described in this prospectus may be sold directly by us to investors, through agents designated from time to time or to or through underwriters or dealers, on a continuous or delayed basis. For additional information on the methods of sale, you should refer to the section entitled “Plan of Distribution” in this prospectus and in the applicable prospectus supplement. If any agents or underwriters are involved in the sale of any securities with respect to which this prospectus is being delivered, the names of such agents or underwriters and any applicable fees, commissions, discounts and over-allotment options will be set forth in a prospectus supplement. The price to the public of such securities and the net proceeds that we expect to receive from such sale will also be set forth in a prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated May 9, 2014.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or the SEC, utilizing a "shelf" registration process. Under this shelf registration process, we may offer our common shares in one or more offerings, up to a total dollar amount of $35,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we offer common shares under this prospectus, we will provide a prospectus supplement that will contain more specific information about the terms of the offering. We may also add, update or change in the prospectus supplement any of the information contained in this prospectus or in the documents that we have incorporated by reference into this prospectus. We urge you to carefully read this prospectus and any applicable prospectus supplement, together with the information incorporated by reference herein as described under the headings "Where You Can Find More Information" and "Information Incorporated by Reference" before buying any of the securities being offered. **THIS PROSPECTUS MAY NOT BE USED TO OFFER OR SELL SECURITIES UNLESS IT IS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.**

You should rely only on the information that we have provided or incorporated by reference in this prospectus, any applicable prospectus supplement and any related free writing prospectus that we may authorize to be provided to you. We have not authorized anyone to provide you with different information. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus that we may authorize to be provided to you. You must not rely on any unauthorized information or representation. This prospectus is an offer to sell only the securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information in this prospectus, any applicable prospectus supplement or any related free writing prospectus is accurate only as of the date on the front of the document and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus, any applicable prospectus supplement or any related free writing prospectus, or any sale of a security.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed, will be filed or will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under the heading "Where You Can Find Additional Information." In this prospectus, unless the context specifically indicates otherwise, the terms "the Company," "AxoGen," "we," "us" and "our" refer to AxoGen, Inc. and its subsidiaries.

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ABOUT AXOGEN, INC.

We are a leading medical technology company dedicated to advancing the science and commercialization of peripheral nerve repair solutions. Peripheral nerves provide the pathways for both motor and sensory signals throughout the body and their damage can result in the loss of muscle function and/or feeling.

Nerves can be damaged in a number of ways. When a nerve is cut due to a traumatic injury or surgery, functionality of the nerve may be compromised, causing the nerve to no longer carry the signals to and from the brain to the muscles and skin. This type of injury generally requires a surgical repair. The traditional gold standard has been to either suture the nerve ends together directly without tension or to bridge the gap between the nerve ends with a less important nerve surgically removed from elsewhere in the patient's own body referred to as nerve autograft. In addition, pressure on a nerve or blunt force trauma can cause nerve injuries that may require surgical intervention.

In order to improve the options available for the surgical repair and regeneration of peripheral nerves, AxoGen has developed and licensed patented and patent pending regenerative medicine technologies. AxoGen's innovative approach to regenerative medicine has resulted in first-in-class products that it believes are redefining the peripheral nerve repair market. AxoGen's products offer a full suite of

surgical nerve repair solutions including Avance® Nerve Graft, the only off-the-shelf commercially available processed nerve allograft, human nerve tissue obtained from a donor, for bridging severed nerves without the comorbidities of a nerve autograft second surgical site, such as loss of feeling where the nerve was removed and potential pain at the donor site. The Company's AxoGuard® line of products are a natural scaffold ExtraCellular Matrix, or ECM, derived from pig tissue. AxoGuard® Nerve Connector is used as a coaptation aid to facilitate the tensionless repair of severed nerves, and AxoGuard® Nerve Protector is used to wrap and protect injured peripheral nerves and reinforce the nerve reconstruction while preventing soft tissue attachments.

AxoGen's products are used by surgeons during surgical interventions to repair a wide variety of nerve injuries throughout the body. These injuries range from a simple laceration of a finger to a complex brachial plexus injury (an injury to the network of nerves that originate in the neck) as well as nerve injuries caused by dental and other surgical procedures. Avance® Nerve Graft provides surgeons bridging material with the micro-architecture of a human nerve. This structure is essential and allows for bridging nerve gaps or discontinuities up to 70mm in length. Additionally, Avance® Nerve Graft has product and sales synergies with AxoGuard® Nerve Protector and AxoGuard® Nerve Connector. AxoGuard® products provide the unique features of pliability, suturability, and translucence for visualization of the underlying nerve, while also allowing the patient's own cells to incorporate into the extracellular matrix to remodel and form a tissue similar to the outermost layer of the nerve (nerve epineurium).

We have reported a net loss of approximately $14,557,000 and $9,418,000 for the years ended December 31, 2013 and 2012, respectively, and a net loss of approximately $4,240,000 and $3,434,000 for the three months ended March 31, 2014 and 2013, respectively.

We were incorporated under the laws of Minnesota in 1977. Our principal executive offices are located at 13631 Progress Boulevard, Suite 400, Alachua, Florida 32615 and our telephone number is (386) 462-6800. Our website address is www.axogeninc.com. We have included our website address in this prospectus solely as an inactive textual reference. The information contained on, or that can be accessed through, our website is not part of this prospectus.

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RISK FACTORS

Investing in our securities involves a high degree of risk. Before purchasing our securities, you should carefully consider the risks and uncertainties described under "Risk Factors" in Item 1A of our most recent Annual Report on Form 10-K for the year ended December 31, 2013 and filed with the SEC on March 6, 2014, as well as information incorporated by reference into this prospectus, any applicable prospectus supplement or any free writing prospectus. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference into this prospectus, any applicable prospectus supplement and any free writing prospectus, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Securities Exchange Act. These forward-looking statements may concern possible or anticipated future results of operations or business developments. These statements are based on management's current expectations or predictions of future conditions, events or results based on various assumptions and management's estimates of trends and economic factors in the markets in which we are active, as well as our business plans. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "projects", "forecasts", "may", "should", variations of such words and similar expressions are intended to identify such forward-looking statements. The forward-looking statements may include, without limitation, statements regarding product development, product potential, regulatory environment, sales and marketing strategies, capital resources or operating performance. The forward-looking statements are subject to risks and uncertainties, which may cause results to differ materially from those set forth in the statements. Forward-looking statements should be evaluated together with the many uncertainties that affect the Company's business and its market, particularly those discussed in the risk factors and cautionary statements in the Company's filings with the Securities and Exchange Commission, including as described in "Risk Factors" contained or incorporated by reference in this prospectus and in any related free writing prospectus and any applicable prospectus supplement, and in our most recent Annual Report on Form 10-K, as well as any amendments thereto reflected in subsequent filings with the SEC.

Forward-looking statements are not guarantees of future performance, and actual results may differ materially from those projected. The forward-looking statements are representative only as of the date they are made, and the Company assumes no responsibility to update any forward-looking statements except as required by law.

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USE OF PROCEEDS

Except as described in any prospectus supplement or in any related free writing prospectus that we may authorize to be provided to you, we currently intend to use the net proceeds from the sale of the securities offered hereby for continued product commercialization and marketing efforts, development of product pipeline, including product line extension, and for general corporate purposes , including working capital, acquisitions, capital expenditures and repayment of indebtedness.

Our management will retain broad discretion over the allocation of the net proceeds from the sale of the securities. We have no current understandings, agreements or commitments for any material acquisitions.

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PLAN OF DISTRIBUTION

We may sell the securities, from time to time, to or through underwriters, dealers or agents, or directly to one or more purchasers pursuant to:

- underwritten public offerings;
- negotiated transactions;
- block trades;
- "at the market offerings," within the meaning of Rule 415(a)(4) of the Securities Act, to or through a market maker or into an existing trading market, on an exchange or otherwise, at prevailing market prices; or
- through a combination of these methods.

We may distribute securities from time to time in one or more transactions:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to such prevailing market prices; or
- at negotiated prices.

A prospectus supplement or supplements will describe the terms of the offering of the securities, including:

- the name or names of the underwriters, if any;
- if the securities are to be offered through the selling efforts of brokers or dealers, the plan of distribution and the terms of any agreement, arrangement, or understanding entered into with broker(s) or dealer(s) prior to the effective date of the registration statement, and, if known, the identity of any broker(s) or dealer(s) who will participate in the offering and the amount to be offered through each;
- the purchase price of the securities and the proceeds we will receive from the sale;
- if any of the securities being registered are to be offered otherwise than for cash, the general purposes of the distribution, the basis upon which the securities are to be offered, the amount of compensation and other expenses of distribution, and by whom they are to be borne;
- any delayed delivery arrangements;
- any over-allotment options under which underwriters may purchase additional securities from us;
- any agency fees or underwriting discounts and other items constituting agents' or underwriters' compensation;
- any public offering price;
- any discounts, commissions or commissions allowed or reallowed or paid to dealers;
- the identity and relationships of any finders, if applicable; and
- any securities exchange or market on which the securities may be listed.

Only underwriters named in the prospectus supplement will be underwriters of the securities offered by the prospectus supplement.

If underwriters are used in the sale, the obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. We may offer the securities to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. Unless otherwise indicated in the prospectus supplement, subject to certain conditions, the underwriters will be obligated to purchase all of the securities offered by the prospectus supplement, other than securities covered by any over-allotment option. The securities will be acquired by the underwriters for their own accounts and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

The securities may be sold to a dealer as principal. The dealer may resell the securities to the public at varying prices to be determined by the dealer at the time of resale. Any such dealer may be deemed to be an underwriter of the securities offered and sold.

We may sell securities directly or through agents we designate from time to time. We will name any agent involved in the offering and sale of securities and we will describe any commissions we will pay the agent in the prospectus

supplement. Unless the prospectus supplement states otherwise, our agent will act on a best-efforts basis for the period of its appointment.

We may sell securities directly to one or more purchasers without using underwriters or agents. Underwriters, dealers and agents that participate in the distribution of the securities may be underwriters as defined in the Securities Act, and any discounts or commissions they receive from us and any profit on their resale of the securities may be treated as underwriting discounts and commissions under the Securities Act.

If indicated in the applicable prospectus supplement, we may authorize underwriters or their other agents to solicit offers by certain institutional investors to purchase securities from us pursuant to contracts providing for payment and delivery at a future date. Institutional investors with which these contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others. In all cases, these purchasers must be approved by us. The obligations of any purchaser under any of these contracts will not be subject to any conditions except that (a) the purchase of the securities must not at the time of delivery be prohibited under the laws of any jurisdiction to which that purchaser is subject and (b) if the securities are also being sold to underwriters, the issuer(s) must have sold to these underwriters the securities not subject to delayed delivery. Underwriters and other agents will not have any responsibility in respect of the validity or performance of these contracts.

Agents, underwriters, dealers and remarketing firms may be entitled under relevant agreements entered into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act or to contribution with respect to payments which the agents, underwriters or dealers may be required to make.

Our common shares are listed on the NASDAQ Capital Market under the symbol “AXGN.”

In connection with an offering, the underwriters may purchase and sell the offered securities in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of offered securities than they are required to purchase in an offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the offered securities while an offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the underwriters have repurchased offered securities sold by or for the account of that underwriter in stabilizing or short-covering transactions.

These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the offered securities. As a result, the price of the offered securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time.

Underwriters, dealers and agents, or their affiliates, may be customers of, engage in transactions with, or perform services for, us and our subsidiaries in the ordinary course of business.

LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, the validity of the securities offered by this prospectus will be passed upon for us by Kaplan, Strangis and Kaplan, P.A., Minneapolis, Minnesota.

EXPERTS

The consolidated financial statements of AxoGen, Inc. and subsidiary as of December 31, 2013 and 2012, and for each of the years then ended have been incorporated by reference in this registration statement in reliance upon the report of Lurie Besikof Lapidus & Company, LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement that we filed with the SEC. Certain information in the registration statement has been omitted from this prospectus in accordance with the rules of the SEC. We are a public company and file proxy statements, annual, quarterly and special reports and other information with the SEC. The registration statement, such reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC’s home page on the Internet (www.sec.gov).

You should rely only on the information provided in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information in this document is accurate as of any date other than that on the front cover of this prospectus.

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INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with it, which means that we can disclose important information to you by referring to those documents. The information incorporated by reference is an important part of this prospectus. Any statement contained in a document which is incorporated by reference in this prospectus is automatically updated and superseded if information contained in this prospectus, or information that we later file with the SEC, modifies or replaces this information. We incorporate by reference the documents listed below and any future documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act (other than information furnished to, and not filed with, the SEC) prior to the termination of this offering:

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2013;
- our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2014;
- our Current Report on Form 8-K filed with the SEC on January 8, 2014; and
- the description of our common stock our registration statement on Form 8-A filed with the SEC on August 6, 2013, including any amendments or reports filed for the purpose of updating such description.

To receive a free copy of any of the documents incorporated by reference in this prospectus, other than any exhibits, unless the exhibits are specifically incorporated by reference into this prospectus, *call* or *write* us at the following address and telephone number:

AxoGen, Inc.
13631 Progress Boulevard, Suite 400
Alachua, Florida 32615
(386) 462-6800

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1,375,969 Shares

AXOGEN, INC.

Common Shares

PROSPECTUS SUPPLEMENT

November 12, 2014