

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

**Form 8-K**

**Current Report**

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

Date of Report (Date of earliest event reported): **September 9, 2011**

**CYTORI THERAPEUTICS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**000-32501**

(Commission File  
Number)

**33-0827593**

(I.R.S. Employer Identification Number)

**3020 Callan Road, San Diego, California 92121**  
(Address of principal executive offices, with zip code)

**(858) 458-0900**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01 Entry Into a Material Definitive Agreement**

On September 9, 2011, Cytori Therapeutics, Inc. (the “*Company*”) entered into a Second Amendment (the “*Loan Amendment*”) to the Amended and Restated Loan and Security Agreement (the “*Loan Agreement*”) with General Electric Capital Corporation (“*GECC*”), Silicon Valley Bank (“*SVB*”) and Oxford Finance Corporation (together, the “*Lenders*”), pursuant to which the Lenders increased the prior term loan made to the Company to a principal amount of \$25.0 million (the “*Term Loan*”), subject to the terms and conditions set forth in the Loan Agreement, as amended (the “*Loan Facility*”). As security for its obligations under the Loan Agreement, the Company continued to grant a security interest in substantially all of its existing and after-acquired assets, excluding its intellectual property assets; provided however, that if the Company does not maintain certain cash ratios, the security interest automatically will be deemed to include the Company’s intellectual property assets.

The Loan Amendment resulted in \$8.6 million in net proceeds to the Company after fees and expenses. The Term Loan shall accrue interest at a fixed rate of 9.87% per annum. Pursuant to the Loan Amendment, the Company is required to make for the ratable benefit of the Lenders (i) twelve (12) equal consecutive monthly principal payments of approximately \$20,833 on the first day of each calendar month, commencing on October 1, 2011, (ii) twenty-nine (29) equal consecutive monthly principal payments of \$825,000 on the first day of each calendar month, commencing on October 1, 2012, and (iii) and one (1) final principal payment of \$825,000 on March 1, 2015. In addition, the maturity date of the Term Loan has been extended until March 1, 2015, and at maturity of the term loan, the Company will make an additional payment equal to \$1,250,000 in lieu of any previously agreed upon final payment fee.

The Company anticipates that the net proceeds from the Term Loan will continue to be used to support commercialization and clinical development activities in Europe, Asia and the United States.

On September 9, 2011, pursuant to the terms and conditions of the Loan Amendment, the Company issued to the Lenders new promissory notes and warrants to purchase up to an aggregate of 132,891 shares of the Company’s common stock at an exercise price equal to \$3.01 per share (the “*Warrants*”). The Warrants are immediately exercisable and will expire on September 9, 2018.

The foregoing descriptions of the Loan Amendment, the Term Loan and the Warrants do not purport to be complete and are qualified in their entirety by reference to the Loan Amendment, which is filed as Exhibit 10.80 hereto and incorporated herein by reference, the Promissory Notes issued to GECC, SVB and Oxford Financial Corporation, which are filed as Exhibit 10.81, Exhibit 10.82 and Exhibit 10.83 hereto, respectively, and incorporated herein by reference, and the Warrants, which are filed as Exhibit 10.84, Exhibit 10.85, Exhibit 10.86 and Exhibit 10.87 hereto and incorporated herein by reference. A copy of the press release announcing the Loan Facility is attached hereto as Exhibit 99.1 and incorporated herein by reference.

**Item 2.03 Creation of a Direct Financial Obligation or an Off-Balance Sheet Arrangement of Registrant**

The information set forth in Item 1.01 of this Current Report on Form 8-K that relates to the creation of a direct financial obligation of the Company is incorporated by reference into this Item 2.03.

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**Item 3.02 Unregistered Sale of Equity Securities**

The information set forth in Item 1.01 of this Current Report on Form 8-K that relates to the issuance of the Warrants is incorporated by reference into this Item 3.02.

The offer and sale of the Warrants have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"). The Warrants were offered and sold to accredited investors in reliance upon exemptions from registration under Section 4(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder.

**Item 9.01 Financial Statements and Exhibits**

**(d) Exhibits.** The following material is furnished as an exhibit to this Current Report on Form 8-K:

10.80	Second Amendment to the Amended and Restated Loan and Security Agreement, dated September 9, 2011, by and among the Company, General Electric Capital Corporation, and the other lenders signatory thereto
10.81	Promissory Note issued by the Company in favor of General Electric Capital Corporation or any subsequent holder thereof, pursuant to the Loan and Security Agreement dated September 9, 2011
10.82	Promissory Note issued by the Company in favor of Silicon Valley Bank or any subsequent holder thereof, pursuant to the Loan and Security Agreement dated September 9, 2011
10.83	Promissory Note issued by the Company in favor of Oxford Financial Corporation or any subsequent holder thereof, pursuant to the Loan and Security Agreement dated September 9, 2011
10.84	Warrant to Purchase Common Stock issued by the Company on September 9, 2011 in favor of GE Capital Equity Investments, Inc., pursuant to the Amended and Restated Loan and Security Agreement dated September 9, 2011
10.85	Warrant to Purchase Common Stock issued by the Company on September 9, 2011 in favor of Silicon Valley Bank, pursuant to the Amended and Restated Loan and Security Agreement dated September 9, 2011
10.86	Warrant to Purchase Common Stock issued by the Company on September 9, 2011 in favor of Oxford Financial Corporation, pursuant to the Amended and Restated Loan and Security Agreement dated September 9, 2011
10.87	Warrant to Purchase Common Stock issued by the Company on September 9, 2011 in favor of Oxford Financial Corporation, pursuant to the Amended and Restated Loan and Security Agreement dated September 9, 2011
99.1	Cytori Therapeutics, Inc. Press Release, dated September 12, 2011.

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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 hereunto duly authorized.

**CYTORI THERAPEUTICS, INC.**

Date: September 15, 2011

By: /s/ Mark E. Saad  
Mark E. Saad  
Chief Financial Officer

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## EXHIBIT INDEX

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**SECOND AMENDMENT TO AMENDED  
AND RESTATED LOAN AND SECURITY AGREEMENT**

**THIS SECOND AMENDMENT TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT** (this "Amendment"), dated as of September 9, 2011, by and among **CYTORI THERAPEUTICS, INC.**, a Delaware corporation ("Borrower"), the Lenders party hereto and **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, in its capacities as agent (the "Agent") and a Lender.

**WITNESSETH:**

**WHEREAS**, Borrower, the lenders signatory thereto from time to time (each a "Lender" and, collectively, the "Lenders") and Agent are parties to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011 (as further amended, supplemented, replaced and otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein have the meanings given to them in the Loan Agreement except as otherwise expressly defined herein), pursuant to which Lenders and Agent have agreed to provide to Borrower certain loans in accordance with the terms and conditions thereof; and

**WHEREAS**, the Borrower, Lenders and Agent desire to amend certain provisions of the Loan Agreement as provided herein and subject to the terms and conditions set forth herein;

**NOW, THEREFORE**, in consideration of the premises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Borrower, Lenders and Agent hereby agree as follows:

1. **AMENDMENTS TO LOAN AGREEMENT.** Subject to the terms and conditions of this Amendment, including, without limitation, Section 4 of this Amendment, the Loan Agreement is hereby amended as of the Second Amendment Effective Date as follows:

(a) Section 2.2(c) of the Loan Agreement is hereby amended by inserting the following at the end of such section:

"Borrower shall, on the Second Amendment Effective Date (as defined below), execute and deliver to each Lender a new promissory note (each a "New Term Note"), in the same form as the Term Notes executed and delivered by Borrower on the Closing Date, as follows: (1) GECC shall receive a New Term Note in the principal amount of \$15,000,000, (2) SVB shall receive a New Term Note in the principal amount of \$3,000,000, and (3) Oxford shall receive a New Term Note in the principal amount of \$2,333,332.00 (such note, the "New Oxford Note"). Upon receipt by each of GECC and SVB of its New Term Note, such Lender agrees that (i) any promissory notes issued under this Agreement prior to the Second Amendment Effective Date in favor of such Lender shall be deemed replaced by such Lender's New Term Note (without effecting a novation with respect to any "Obligations" as defined in this Agreement prior to giving effect to the Second Amendment) and (ii) such promissory notes issued under this Agreement prior to the Second Amendment Effective Date in favor of such Lender shall be marked cancelled and such Lender shall use commercially reasonable efforts to return such promissory notes within ten (10) Business Days to Borrower with a notation to that effect. The New Oxford Note shall be in addition to, and not in replacement of, the Term Note issued to Oxford Finance Corporation under this Agreement on June 22, 2010 in the original principal amount of \$6,000,000 (the "Original Oxford Note"), and the Original Oxford Note shall not be marked cancelled or returned to Borrower. The parties hereto agree and acknowledge that the unpaid principal balance of the Original Oxford Note is \$4,666,668.00 as of the Second Amendment Effective Date."

(b) Section 2.2 of the Loan Agreement is hereby amended by inserting the following new clause (d):

“(d) Second Amendment Advances. The parties hereto hereby agree that, as of September 9, 2011 (the “Second Amendment Effective Date”), the aggregate outstanding principal balance of the Term Loan of the Lenders is \$15,555,560.00. Subject to the terms and conditions of that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of the Second Amendment Effective Date, by and among Agent, Lenders and the Borrower (the “Second Amendment”), (1) GECC shall advance an additional Term Loan to Borrower on the Second Amendment Effective Date in the principal amount of \$7,222,220.00, (2) Oxford shall advance an additional Term Loan to Borrower on the Second Amendment Effective Date in the principal amount of \$2,333,332.00, and (3) the principal amount of the Term Loan of SVB shall be repaid in part on the Second Amendment Effective Date from the new Term Loan made by Oxford on such date in an amount equal to \$111,112.00, in each case as described on the “Second Amendment Effective Date Funds Flow Memorandum” attached hereto as Exhibit H. From and after the Second Amendment Effective Date, (i) “Term Loan” shall refer to the aggregate unpaid principal amount of term loans advanced by Lenders to Borrower hereunder, which, as of the Second Amendment Effective Date, shall be \$25,000,000 and (ii) the “Total Commitment” hereunder shall be \$25,000,000.”

(c) Section 2.3(a) of the Loan Agreement is hereby amended by deleting the first sentence therefrom and by inserting, in lieu thereof, the following two new sentences:

“(a) Interest. The Term Loan advanced to the Borrower on the Closing Date shall accrue interest in arrears from such date to, but not including, the Second Amendment Effective Date, at a fixed per annum rate of interest equal to 9.87%. From and after the Second Amendment Effective Date, the Term Loan shall accrue interest in arrears until the Term Loan is fully repaid at a fixed per annum rate of interest equal to 9.87 %.”

(d) Section 2.3(b) of the Loan Agreement is hereby amended by deleting clause (ii) thereof in its entirety and by inserting, in lieu thereof, the following:

“(ii) Principal Payments. The Borrower shall repay the Agent, for the ratable benefit of the Lenders, the principal amount of the Term Loan in (i) twelve (12) equal consecutive monthly principal payments of \$20,833.33 on the first day of each calendar month, commencing on October 1, 2011, (ii) twenty-nine (29) equal consecutive monthly principal payments of \$825,000.00 on the first day of each calendar month, commencing on October 1, 2012, and (iii) one (1) final principal payment of \$825,000.04 on March 1, 2015.”

(e) Section 2.3(b) of the Loan Agreement is hereby amended by deleting the date “June 1, 2013” in clause (iii) thereof and by inserting, in lieu thereof, the date “March 1, 2015”.

(f) Section 2.4 of the Loan Agreement is hereby amended by deleting such section in its entirety and by inserting, in lieu thereof, the following:

“2.4 Prepayments. Borrower can voluntarily prepay, upon five (5) Business Days’ prior written notice to Agent, the Term Loan in full, but not in part. Upon the date of (a) the voluntary prepayment of the Term Loan in accordance with the immediately preceding sentence or (b) the mandatory prepayment of the Term Loan required under this Agreement (whether by acceleration of the Obligations pursuant to Section 8.2 or otherwise, except to the extent that the sole basis for such acceleration is the occurrence of an Event of Default under Section 8.1(h)), Borrower shall pay to Agent, for the ratable benefit of the Lenders, a sum equal to (i) all outstanding principal plus accrued interest with respect to the Term Loan, plus (ii) the Final Payment Fee (as such term is defined in Section 2.7(b)) for the Term Loan, and plus (iii) a prepayment premium (as yield maintenance for the loss of a bargain and not as a penalty) equal to: (A) 4% of the prepayment amount, if such prepayment is made on or before the one year anniversary of the Second Amendment Effective Date, (B) 3% of the prepayment amount, if such prepayment is made after the one year anniversary of the Second Amendment Effective Date but on or before the two year anniversary of the Second Amendment Effective Date, and (C) 2% of the prepayment amount, if such prepayment is made after the two year anniversary of the Second Amendment Effective Date but before the Term Loan Maturity Date.”

(g) Section 2.7(b) of the Loan Agreement is hereby amended by deleting such section in its entirety and by inserting, in lieu thereof, the following:

“(b) Final Payment Fee. On the date upon which the outstanding principal amount of the Term Loan is repaid in full, or if earlier, is required to be repaid in full (whether by scheduled payment, voluntary prepayment, acceleration of the Obligations pursuant to Section 8.2 or otherwise), Borrower shall pay to Agent, for the ratable accounts of Lenders, a fee equal to \$1,250,000.00 (the “Final Payment Fee”), which amount is not to be reduced by the \$418,968.69 in fees paid to the Lenders pursuant to Section 4(k) of the Second Amendment.”



(h) Section 6.10, Further Assurances, of the Loan Agreement is hereby amended by deleting such Section and inserting, in lieu thereof, the following:

“6.10 **Further Assurances.** Each Loan Party shall, upon request of Agent or any Lender, furnish to Agent and the Lenders such further information, execute and deliver to Agent such documents and instruments (including, without limitation, UCC financing statements) and shall do such other acts and things as Agent may at any time reasonably request relating to the perfection or protection of the security interest created by this Agreement or for the purpose of carrying out the intent of this Agreement and the other Debt Documents.”

(i) Section 7.7(b) of the Loan Agreement is hereby amended by inserting the following new sentence after the first sentence:

“Notwithstanding the foregoing, the creation by Borrower of Cytori India Medical Private Limited, a Foreign Subsidiary to be organized in the country of India (the “India Subsidiary”), shall be permitted provided that: (a) the creation of the India Subsidiary is solely for the sales, marketing and distribution of the Loan Parties’ products in India; (b) Borrower shall pledge to Agent 65% of the shares of the India Subsidiary (the “Pledged India Subsidiary Shares”) in the manner set forth in Section 4.1(o) of this Agreement through the execution of an amendment to the Pledge Agreement in form and substance satisfactory to Agent in its sole discretion; (c) upon Borrower’s receipt of the certificate (the “Pledged India Subsidiary Certificate”) and certificate number representing the Pledged India Subsidiary Shares, Borrower shall promptly (i) provide to Agent such certificate number, (ii) deliver to Agent the Pledged India Subsidiary Certificate accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Agent in accordance with Section 4 of the Pledge Agreement, and (iii) execute an additional amendment to the Pledge Agreement in order to incorporate the certificate number representing the Pledged India Subsidiary Shares in the Pledge Agreement in form and substance satisfactory to Agent in its sole discretion, (iv) the aggregate amount of cash and Cash Equivalents directly or indirectly held or maintained by the India Subsidiary or deposited in a deposit account, securities account or such other similar account of the India Subsidiary shall not exceed \$250,000.00 at any time and (v) no Loan Party shall, and no Loan Party shall permit any of its Subsidiaries to, directly or indirectly, make any loan, advance or capital contribution or other investment in the India Subsidiary in excess of \$250,000 in any fiscal year.”

(j) Section 7.10 of the Loan Agreement is hereby amended by inserting the following new sentence at the end of such section:

“Notwithstanding the foregoing, the Loan Parties shall be permitted to maintain account #11256491 (Redale, North Yorkshire, England) and account #030-740732-001 (Mumbai, India) with HSBC, and account #2977100 and account #1948103 (Tokyo, Japan) with Sumitomo Mitsui Banking Corporation, and Account # IT24F 03002 02822 0000 1114 0545 (Firenze, Italy) with Unicredit Banca, and account #1614884-21 (Zurich, Switzerland) with Credit Suisse without such accounts being subject to Account Control Agreements, provided that (a) the aggregate amount on deposit in such accounts, collectively, does not exceed \$300,000 for all Loan Parties at any time and (b) such deposits consist solely of cash and Cash Equivalents.”

(k) Section 7.12 of the Loan Agreement is hereby deleted in its entirety and the following new Section 7.12 is inserted in lieu thereof:

“7.12. **Financial Covenant.**

(a) Borrower shall at all times have unrestricted balance sheet cash and Cash Equivalents in one or more deposit accounts or securities accounts over which Agent has obtained control under Section 7.10 of not less than the product of (i) negative three (-3) times (ii) the Cash Burn Amount at such time.

(b) As used in this Agreement, “Cash Burn Amount” means, with respect to Borrower and its consolidated Subsidiaries, as of any date of determination and based on the financial statements most recently delivered to Agent and the Lenders in accordance with this Agreement, the difference between:

(1) the product of (i) the sum of, without duplication, (A) net income (loss), plus (B) depreciation, amortization and other non-cash charges (excluding accruals for cash expenses made in the ordinary course of business), minus (C) non-financed capital expenditures, minus (D) non-cash revenue, in each case of clauses (A), (B), (C) and (D), for the immediately preceding six month period on a trailing basis, divided by (ii) six,

minus

(2) the product of (i) the current portion of interest bearing liabilities due and payable in the immediately succeeding six months divided by (ii) six.”

(l) Section 8.2, Lender Remedies, of the Loan Agreement is hereby amended by adding the following two new paragraphs at the end of such Section:

“Notwithstanding anything to the contrary contained in this Section 8.2, Agent (solely in its capacity as Agent) hereby agrees that, so long as Agent has not been requested or directed by the Requisite Lenders to exercise remedies under this Section 8.2, Agent will not exercise its discretionary right as Agent to exercise remedies under this Section 8.2 without the prior written consent of each Closing Date Lender (provided such Closing Date Lender shall not have assigned any of its Commitments or Loans under this Agreement to any Person (other than an assignment to any affiliate of such Closing Date Lender)), which consent shall not be unreasonably withheld; provided, however, that, (i) if Agent has not received a response from such Closing Date Lender regarding any such request for written consent made by Agent, but not later than the 5<sup>th</sup> Business Day following such request, such Closing Date Lender’s consent shall be deemed to have been granted and (ii) Agent shall not be required to obtain the consent of such Closing Date Lender in the event of any Exigent Circumstance (as defined below). “Closing Date Lender” shall mean each of GECC, Silicon Valley Bank and Oxford or any affiliate of such Lender to whom all or any portion of the Term Loans are assigned in accordance with this Agreement.

As used herein, “Exigent Circumstance” means any event or circumstance that, in the reasonable judgment of Agent, imminently threatens the ability of Agent to realize upon all or any material portion of, or any material piece of, the Collateral, such as, without limitation, fraudulent removal, concealment, or abscondment thereof, destruction or material waste thereof, or failure of any Loan Party after reasonable demand to maintain or reinstate adequate casualty insurance coverage, or which, in the judgment of Agent, could result in a material diminution in value of the Collateral (including, for the avoidance of doubt and without limitation, circumstances where the Agent reasonably believes the Loan Parties’ remaining cash and cash equivalents are being, or are likely to be, significantly and imminently diminished).”

(m) Schedule A, Commitments, of the Loan Agreement is hereby amended by deleting such Schedule in its entirety and by inserting, in lieu thereof, the Schedule A attached hereto as Annex I.

(n) Schedule B, Disclosures, of the Loan Agreement is hereby amended by deleting such Schedule in its entirety and by inserting, in lieu thereof, the Schedule B attached hereto as Annex II.

(o) The Loan Agreement is hereby amended by inserting the Exhibit H (Second Amendment Effective Date Funds Flow Memorandum) attached hereto as Exhibit H.

2. **COSTS AND EXPENSES.** Borrower absolutely and unconditionally agrees to reimburse Agent and each Lender for all reasonable fees, costs and expenses incurred by Agent and each Lender in connection with this Amendment or otherwise related to the Debt Documents or the transactions contemplated hereby and thereby, including, without limitation, reasonable legal fees and costs (and without duplication, the allocated cost of in-house legal counsel), professional and consultant fees, recording fees, search fees and filing fees.

3. **AUTHORIZATION AND ISSUANCE OF WARRANTS.** In addition to (a) that certain Warrant numbered CSW-08-022, dated October 14, 2008 executed by Borrower in favor of GE Capital Equity Investments, Inc., (b) that certain Warrant numbered CSW-08-023, dated October 14, 2008 executed by Borrower in favor of Silicon Valley Bank, (c) that certain Warrant numbered CWS-10-001, dated June 11, 2010 executed by Borrower in favor of GE Capital Equity Investments, Inc., (d) that certain Warrant numbered CWS-10-003, dated June 11, 2010 executed by Borrower in favor of Silicon Valley Bank, and (e) that certain Warrant numbered CWS-10-002, dated June 11, 2010 executed by Borrower in favor of Oxford Finance Corporation, Borrower has duly authorized the issuance to Lenders (or their respective affiliates or designees) of additional stock purchase warrants substantially in the form of the warrant attached hereto as Exhibit B (collectively, the “Additional Warrants”) evidencing Lenders’ (or their respective affiliates or designees) right to acquire shares of common stock of Borrower at an exercise price of \$3.01 per share as follows: (a) Oxford Finance LLC shall receive two Additional Warrants for 15,504 shares and 7,752 shares, (b) Silicon Valley Bank shall receive one Additional Warrant for 9,967 shares and (c) GECC shall receive one Additional Warrant for 99,668 shares. The exercise period shall expire seven (7) years from the date such Additional Warrants are issued.

4. **CONDITIONS TO EFFECTIVENESS.** This Amendment shall become effective as of the date (the "Second Amendment Effective Date") upon which Agent shall notify Borrower in writing that each of the conditions specified below have been satisfied as determined in Agent's and each Lender's sole discretion:

(a) Agent shall have received one or more counterparts of this Amendment, duly executed, completed and delivered by Agent, each Lender and Borrower;

(b) Both before and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing;

(c) Each Lender shall have received new Term Loan Notes executed by Borrower, in the same form as the Term Notes executed and delivered by Borrower on the Closing Date of the Loan Agreement;

(d) Agent and the Lenders shall have received from Borrower true, correct and complete copies of an executed Officer's Certificate in substantially the form of Exhibit A attached hereto, dated as of the date hereof, certifying that (A) both before and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing and (B) all representations and warranties of Borrower stated in the Debt Documents (including, without limitation, this Amendment), as amended by this Amendment, are true and correct in all respects on and as of the Second Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all respects on and as of such earlier date;

(e) Agent and the Lenders shall have received from Borrower an updated and completed Perfection Certificate, duly executed by Borrower, a form of which Agent previously delivered to Borrower;

(f) Agent and the Lenders shall have received from Borrower a certificate executed by the Secretary or Assistant Secretary of Borrower, the form of which is attached as Exhibit B to the Loan Agreement, providing verification of incumbency and attaching (i) Borrower's board resolutions approving the transactions contemplated by this Amendment and the other Debt Documents and (ii) Borrower's governing documents;

(g) Agent and the Lenders shall have received from Borrower a certificate of good standing from the jurisdiction of Borrower's organization and a certificate of foreign qualification from each jurisdiction where Borrower's failure to be so qualified could reasonably be expected to have a Material Adverse Effect, in each case as of a recent date acceptable to Agent;

(h) Agent and the Lenders shall have received current UCC lien, judgment, bankruptcy, tax and intellectual property lien search results demonstrating that there are no other security interests or liens on the Collateral, other than Permitted Liens;

(i) Agent and the Lenders shall have received from Borrower a disbursement instruction letter, in form and substance satisfactory to Agent and the Lenders, executed by Borrower, Agent and each Lender indicating the Terms Loan to be made on the Second Amendment Effective Date;

(j) Each Lender shall have received from Borrower an Additional Warrant in favor of such Lender (or its affiliate or designee);

(k) Oxford Finance LLC, as a Lender, shall have received a fee in the amount of \$125,690.61, Silicon Valley Bank, as a Lender, shall have received a fee in the amount of \$83,793.74, and General Electric Capital Corporation, in its capacity as a Lender, shall have received a fee in the amount of \$209,484.35, each of which fees shall be fully earned and non-refundable when paid, and which fees collectively represent a portion of the "Final Payment Fee" (as provided under the Loan Agreement prior to giving effect to this Amendment) that has been amortized by the Lenders as of the date of this Amendment, and the remainder of such "Final Payment Fee" (as provided under the Loan Agreement prior to giving effect to this Amendment) is hereby waived by the Lenders. For the avoidance of doubt, and notwithstanding the payment and waiver of fees described in the immediately preceding sentence in connection with the effectiveness of this Amendment, the entire "Final Payment Fee" in the amount of \$1,250,000.00 described in Section 2.7(b) of the Loan Agreement (as amended by this Amendment) shall be due and payable in full in the manner provided in Section 2.7(b) and shall not be reduced by the fees paid or waived under this Section 4(k);

(l) Oxford Finance LLC, as a Lender, shall have received an amendment fee in the amount of \$28,000, Silicon Valley Bank, as a Lender, shall have received an amendment fee in the amount of \$12,000, and General Electric Capital Corporation, in its capacity as a Lender, shall have received an amendment fee in the amount of \$60,000, which amendment fees which fee shall be fully earned and non-refundable when paid;

(m) Agent and the Lenders shall have received payment of all unpaid fees and expenses described in Section 2 hereof that are outstanding as of the date hereof;

(n) Agent and the Lenders shall have received evidence satisfactory to Agent that Borrower has on the Second Amendment Effective Date (and prior to the receipt of the additional Term Loan to be made on the Second Amendment Effective Date) unrestricted balance sheet cash and Cash Equivalents of not less than \$30,000,000 in one or more deposit accounts or securities accounts over which Agent has obtained control in accordance with the requirements of Section 7.10 of the Loan Agreement (with trade payables being paid currently and expenses and liabilities being paid in the ordinary course of business);

(o) Agent shall have received a legal opinion of Borrower's counsel, in form and substance reasonably satisfactory to Agent and the Lenders; and

(p) Agent and the Lenders shall have received all other documents and instruments as Agent or any Lender may reasonably deem necessary or appropriate to effectuate the intent and purpose of this Amendment.

**5. NO OTHER AMENDMENTS; ACKNOWLEDGMENT OF OBLIGATIONS.**

(a) Except for the amendments set forth in Section 1 of this Amendment, the Loan Agreement and the other Debt Documents shall remain unchanged and in full force and effect. Nothing in this Amendment is intended, or shall be construed, to constitute a novation or an accord and satisfaction of Borrower's Obligations under or in connection with the Loan Agreement and any other Debt Document or to modify, affect or impair the perfection or continuity of Agent's security interest in, (on behalf of itself and Lenders) security titles to or other liens on any Collateral for the Obligations.

(b) Borrower hereby acknowledges, confirms and agrees that as of the close of business on the Second Amendment Effective Date (i) before giving effect to the advances made to Borrower pursuant to Section 2.2(d) of the Loan Agreement (as amended by this Amendment) the Borrower is indebted to the Lenders in respect of the Term Loan in an aggregate principal amount of \$15,555,560.00 and (ii) after giving effect to the advances made to Borrower pursuant to Section 2.2(d) of the Loan Agreement (as amended by this Amendment) the Borrower is indebted to the Lenders in respect of the Term Loan in an aggregate principal amount of \$25,000,000. The Term Loan, together with interest accrued and accruing thereon, and fees, costs, expenses and other charges owing by Borrower to Agent and Lenders under the Loan Agreement and the other Debt Documents, is unconditionally owing by Borrower to Agent and Lenders, without offset, defense or counterclaim of any kind, nature or description whatsoever except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditor's rights generally.

**6. REPRESENTATIONS AND WARRANTIES.** Borrower hereby represents and warrants to Lenders as follows:

(a) **Representations and Warranties.** Borrower hereby represents and warrants that, after giving effect to this Amendment, each of Borrower's representations and warranties contained in the Debt Documents is true and correct on and as of the date hereof, except for any representation and warranty that relates by its terms only to a specified date (in which case, it shall be true on and as of such date).

(b) **Binding Effect of Documents.** This Amendment and the other Debt Documents have been duly executed and delivered to Agent and Lenders by Borrower and are in full force and effect, as modified hereby.

(c) **No Conflict, Etc.** Except as described in the Note to Item 8 in Section D on Schedule B hereto, the execution, delivery and performance of this Amendment by Borrower will not violate any law, rule, regulation or order or contractual obligation or organizational document of Borrower and will not result in, or require, the creation or imposition of any lien, claim or encumbrance of any kind on any of its properties or revenues.

7. **ADVICE OF COUNSEL.** Each of the parties represents to each other party hereto that it has discussed this Amendment with its counsel.

8. **SEVERABILITY OF PROVISIONS.** In case any provision of or obligation under this Amendment shall be invalid, illegal or unenforceable in any applicable jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

9. **COUNTERPARTS.** This Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

10. **RELEASE.**

(a) In consideration of the agreements of Agent and Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges Agent and each Lender and its respective successors and assigns, and its respective present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees and other representatives (Agent, Lenders and all such other persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, which Borrower or any of its respective successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the Second Amendment Effective Date, including, without limitation, for or on account of, or in relation to, or in any way in connection with the Loan Agreement or any of the other Debt Documents or transactions thereunder or related thereto.

(b) Borrower understands, acknowledges and agrees that its release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

(c) Borrower agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

**11. GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAWS.

**12. ENTIRE AGREEMENT.** The Loan Agreement and the other Debt Documents as and when amended through this Amendment embodies the entire agreement between the parties hereto relating to the subject matter thereof and supersedes all prior agreements, representations and understandings, if any, relating to the subject matter thereof.

**13. NO STRICT CONSTRUCTION, ETC.** The parties hereto have participated jointly in the negotiation and drafting of this Amendment. In the event an ambiguity or question of intent or interpretation arises, this Amendment shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Amendment. Time is of the essence for this Amendment.

**14. CONSENT TO PARTIAL PREPAYMENT.** Notwithstanding the provisions of Sections 2.4, 8.4, 9.7 and 9.8 of the Loan Agreement to the contrary, the parties hereto hereby consent and agree to the partial prepayment of the Term Loan of SVB in the amount of \$111,112.00 as described in Exhibit H hereto and the new Section 2.2(d) to the Loan Agreement.

**[Signature Page to Follow]**



**IN WITNESS WHEREOF**, the parties hereto have caused this Second Amendment to Amended and Restated Loan and Security Agreement to be duly executed and delivered as of the day and year specified at the beginning hereof.

**BORROWER:**

**CYTORI THERAPEUTICS, INC.**

By: /s/ Mark Saad

Name: Mark Saad

Title: CFO

**AGENT AND LENDERS:**

**GENERAL ELECTRIC CAPITAL CORPORATION**, as Agent and Lender

By: /s/ Peter Gibson

Name: Peter Gibson

Title: Duly Authorized Signatory

**OXFORD FINANCE LLC**, as Lender

By: /s/ John G. Henderson

Name: John G. Henderson

Title: Vice President & General Counsel

**SILICON VALLEY BANK**, as Lender

By: /s/ Kevin Wallace

Name: Kevin Wallace

Title: Relationship Manager

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**EXHIBIT A**

**FORM OF OFFICER'S CERTIFICATE**

\_\_\_\_\_, 2011

Reference is made to (1) that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010 (as amended, restated, supplemented, replaced or otherwise modified from time to time (including, without limitation, by the Second Amendment), the "Loan Agreement"), by and among **CYTORI THERAPEUTICS, INC.**, a Delaware corporation ("Borrower"), the Lenders party thereto and **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, in its capacities as agent (the "Agent") and a Lender, and (2) that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of the date hereof, among Borrower, Lenders and Agent (the "Second Amendment"). Capitalized terms used but not defined herein are used with the meanings assigned to such terms in the Loan Agreement.

I, \_\_\_\_\_, do hereby certify to Agent and each Lender that:

(A) I am the duly elected, qualified and acting [**title**] of Borrower.

(B) As of the date hereof and after giving effect to the Second Amendment, no Default or Event of Default has occurred or is continuing.

(C) All representations and warranties of Borrower stated in the Loan Agreement and the other Debt Documents (including, without limitation, the Second Amendment), as amended by the Second Amendment, are true and correct in all respects on and as of the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all respects on and as of such earlier date.

*[Remainder of page intentionally left blank; signature page follows]*

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IN WITNESS WHEREOF, I have hereunto set my hand as of the first date written above.

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Name:

Title:

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**EXHIBIT B**

**FORM OF ADDITIONAL WARRANTS**

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ANNEX I

SCHEDULE A  
COMMITMENTS

(As amended and restated in its entirety by the Second Amendment)

<u>Name of Lender</u>	<u>Commitment of such Lender</u>	<u>Pro Rata Share</u>
General Electric Capital Corporation	\$ 15,000,000.00	60%
Silicon Valley Bank	\$ 3,000,000.00	12%
Oxford Finance LLC	\$ 7,000,000.00	28%
<b>TOTAL</b>	<b>\$ 25,000,000.00</b>	<b>100%</b>

ANNEX II

**UPDATED SCHEDULE B TO LOAN AGREEMENT**

## SECOND AMENDED AND RESTATED PROMISSORY NOTE

September 9, 2011

FOR VALUE RECEIVED, **CYTORI THERAPEUTICS, INC.**, a Delaware corporation, located at the address stated below ("Borrower"), promises to pay to the order of **GENERAL ELECTRIC CAPITAL CORPORATION** or any subsequent holder hereof (each, a "Lender"), the principal sum of FIFTEEN MILLION and 00/100 Dollars (\$15,000,000.00). All capitalized terms, unless otherwise defined herein, shall have the respective meanings assigned to such terms in the Agreement.

This Second Amended and Restated Promissory Note is issued pursuant to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, among Borrower, the guarantors from time to time party thereto, General Electric Capital Corporation, as agent, the other lenders signatory thereto, and Lender, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011, as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of September 9, 2011 (as further amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), is one of the Notes referred to therein, and is entitled to the benefit and security of the Debt Documents referred to therein, to which Agreement reference is hereby made for a statement of all of the terms and conditions under which the loans evidenced hereby were made.

The principal amount of the indebtedness evidenced hereby shall be payable in the amounts and on the dates specified in the Agreement. Interest thereon shall be paid until such principal amount is paid in full at such interest rates and at such times as are specified in the Agreement. The terms of the Agreement are hereby incorporated herein by reference.

All payments shall be applied in accordance with the Agreement. The acceptance by Lender of any payment which is less than payment in full of all amounts due and owing at such time shall not constitute a waiver of Lender's right to receive payment in full at such time or at any prior or subsequent time.

All amounts due hereunder and under the other Debt Documents are payable in the lawful currency of the United States of America. Borrower hereby expressly authorizes Lender to insert the date value as is actually given in the blank space on the face hereof and on all related documents pertaining hereto.

This Note is secured as provided in the Agreement and the other Debt Documents. Reference is hereby made to the Agreement and the other Debt Documents for a description of the properties and assets in which a security interest has been granted, the nature and extent of the security interest, the terms and conditions upon which the security interest was granted and the rights of the holder of the Note in respect thereof.

Time is of the essence hereof. If Lender does not receive from Borrower payment in full of any Scheduled Payment or any other sum due under this Note or any other Debt Document within 3 days after its due date, Borrower agrees to pay the Late Fee in accordance with the Agreement. Such Late Fee will be immediately due and payable, and is in addition to any other costs, fees and expenses that Borrower may owe as a result of such late payment.

This Note may be voluntarily prepaid only as permitted under Section 2.4 of the Agreement. After an Event of Default, this Note shall bear interest at a rate per annum equal to the Default Rate pursuant to Section 2.6 of the Agreement.

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Borrower and all parties now or hereafter liable with respect to this Note, hereby waive presentment, demand for payment, notice of nonpayment, protest, notice of protest, notice of dishonor, and all other notices in connection herewith, as well as filing of suit (if permitted by law) and diligence in collecting this Note or enforcing any of the security hereof, and agree to pay (if permitted by law) all expenses incurred in collection, including reasonable attorneys' fees and expenses, including without limitation, the allocated costs of in-house counsel.

This Note is issued in replacement of that certain Amended and Restated Promissory Note, dated June 11, 2010, issued to Lender pursuant to the Agreement (the "Original Note"). This Note does not effect any refinancing or extinguishment of the indebtedness and obligations of such Original Note and is not a novation but is a replacement of such Original Note.

**THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.**

No variation or modification of this Note, or any waiver of any of its provisions or conditions, shall be valid unless such variation or modification is made in accordance with Section 10.8 of the Agreement. Any such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

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IN WITNESS WHEREOF, Borrower has duly executed this Note as of the date first above written.

**CYTORI THERAPEUTICS, INC.**

By: /s/ Mark Saad

Name: Mark Saad

Title: CFO

Federal Tax ID #: 33-0827593

Address: 3020 Callan Road

San Diego, California 92121

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## PROMISSORY NOTE

September 9, 2011

FOR VALUE RECEIVED, **CYTORI THERAPEUTICS, INC.**, a Delaware corporation, located at the address stated below ("Borrower"), promises to pay to the order of **SILICON VALLEY BANK** or any subsequent holder hereof (each, a "Lender"), the principal sum of THREE MILLION and 00/100 Dollars (\$3,000,000.00). All capitalized terms, unless otherwise defined herein, shall have the respective meanings assigned to such terms in the Agreement.

This Promissory Note is issued pursuant to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, among Borrower, the guarantors from time to time party thereto, General Electric Capital Corporation, as agent, the other lenders signatory thereto, and Lender, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011, as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of September 9, 2011 (as further amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), is one of the Notes referred to therein, and is entitled to the benefit and security of the Debt Documents referred to therein, to which Agreement reference is hereby made for a statement of all of the terms and conditions under which the loans evidenced hereby were made.

The principal amount of the indebtedness evidenced hereby shall be payable in the amounts and on the dates specified in the Agreement. Interest thereon shall be paid until such principal amount is paid in full at such interest rates and at such times as are specified in the Agreement. The terms of the Agreement are hereby incorporated herein by reference.

All payments shall be applied in accordance with the Agreement. The acceptance by Lender of any payment which is less than payment in full of all amounts due and owing at such time shall not constitute a waiver of Lender's right to receive payment in full at such time or at any prior or subsequent time.

All amounts due hereunder and under the other Debt Documents are payable in the lawful currency of the United States of America. Borrower hereby expressly authorizes Lender to insert the date value as is actually given in the blank space on the face hereof and on all related documents pertaining hereto.

This Note is secured as provided in the Agreement and the other Debt Documents. Reference is hereby made to the Agreement and the other Debt Documents for a description of the properties and assets in which a security interest has been granted, the nature and extent of the security interest, the terms and conditions upon which the security interest was granted and the rights of the holder of the Note in respect thereof.

Time is of the essence hereof. If Lender does not receive from Borrower payment in full of any Scheduled Payment or any other sum due under this Note or any other Debt Document within 3 days after its due date, Borrower agrees to pay the Late Fee in accordance with the Agreement. Such Late Fee will be immediately due and payable, and is in addition to any other costs, fees and expenses that Borrower may owe as a result of such late payment.

This Note may be voluntarily prepaid only as permitted under Section 2.4 of the Agreement. After an Event of Default, this Note shall bear interest at a rate per annum equal to the Default Rate pursuant to Section 2.6 of the Agreement.

Borrower and all parties now or hereafter liable with respect to this Note, hereby waive presentment, demand for payment, notice of nonpayment, protest, notice of protest, notice of dishonor, and all other notices in connection herewith, as well as filing of suit (if permitted by law) and diligence in collecting this Note or enforcing any of the security hereof, and agree to pay (if permitted by law) all expenses incurred in collection, including reasonable attorneys' fees and expenses, including without limitation, the allocated costs of in-house counsel.

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This Note is issued to evidence the existing indebtedness owed by Borrower to Lender as evidenced by the Agreement. This Note does not effect any refinancing or extinguishment of the indebtedness and obligations set forth in the Agreement and is not a novation of the existing indebtedness owed by Borrower to Lender as evidenced by the Agreement.

**THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.**

No variation or modification of this Note, or any waiver of any of its provisions or conditions, shall be valid unless such variation or modification is made in accordance with Section 10.8 of the Agreement. Any such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

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IN WITNESS WHEREOF, Borrower has duly executed this Note as of the date first above written.

**CYTORI THERAPEUTICS, INC.**

By: /s/ Mark Saad

Name: Mark Saad

Title: CFO

Federal Tax ID #: 33-0827593

Address: 3020 Callan Road

San Diego, California 92121

## PROMISSORY NOTE

September 9, 2011

FOR VALUE RECEIVED, **CYTORI THERAPEUTICS, INC.**, a Delaware corporation, located at the address stated below ("Borrower"), promises to pay to the order of **OXFORD FINANCE LLC** or any subsequent holder hereof (each, a "Lender"), the principal sum of TWO MILLION THREE HUNDRED THIRTY-THREE THOUSAND THREE HUNDRED THIRTY-TWO and 00/100 Dollars (\$2,333,332.00). All capitalized terms, unless otherwise defined herein, shall have the respective meanings assigned to such terms in the Agreement.

This Promissory Note is issued pursuant to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, among Borrower, the guarantors from time to time party thereto, General Electric Capital Corporation, as agent, the other lenders signatory thereto, and Lender, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011, as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of September 9, 2011 (as further amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), is one of the Notes referred to therein, and is entitled to the benefit and security of the Debt Documents referred to therein, to which Agreement reference is hereby made for a statement of all of the terms and conditions under which the loans evidenced hereby were made.

The principal amount of the indebtedness evidenced hereby shall be payable in the amounts and on the dates specified in the Agreement. Interest thereon shall be paid until such principal amount is paid in full at such interest rates and at such times as are specified in the Agreement. The terms of the Agreement are hereby incorporated herein by reference.

All payments shall be applied in accordance with the Agreement. The acceptance by Lender of any payment which is less than payment in full of all amounts due and owing at such time shall not constitute a waiver of Lender's right to receive payment in full at such time or at any prior or subsequent time.

All amounts due hereunder and under the other Debt Documents are payable in the lawful currency of the United States of America. Borrower hereby expressly authorizes Lender to insert the date value as is actually given in the blank space on the face hereof and on all related documents pertaining hereto.

This Note is secured as provided in the Agreement and the other Debt Documents. Reference is hereby made to the Agreement and the other Debt Documents for a description of the properties and assets in which a security interest has been granted, the nature and extent of the security interest, the terms and conditions upon which the security interest was granted and the rights of the holder of the Note in respect thereof.

Time is of the essence hereof. If Lender does not receive from Borrower payment in full of any Scheduled Payment or any other sum due under this Note or any other Debt Document within 3 days after its due date, Borrower agrees to pay the Late Fee in accordance with the Agreement. Such Late Fee will be immediately due and payable, and is in addition to any other costs, fees and expenses that Borrower may owe as a result of such late payment.

This Note may be voluntarily prepaid only as permitted under Section 2.4 of the Agreement. After an Event of Default, this Note shall bear interest at a rate per annum equal to the Default Rate pursuant to Section 2.6 of the Agreement.

Borrower and all parties now or hereafter liable with respect to this Note, hereby waive presentment, demand for payment, notice of nonpayment, protest, notice of protest, notice of dishonor, and all other notices in connection herewith, as well as filing of suit (if permitted by law) and diligence in collecting this Note or enforcing any of the security hereof, and agree to pay (if permitted by law) all expenses incurred in collection, including reasonable attorneys' fees and expenses, including without limitation, the allocated costs of in-house counsel.

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This Note is issued in addition to, and not as a replacement of, that certain Amended and Restated Promissory Note, dated June 11, 2010 in the original principal amount of \$6,000,000, issued to Lender pursuant to the Agreement (the "June 11 Note"). This Note does not effect any refinancing or extinguishment of the indebtedness and obligations of such June 11 Note and is not a novation but is in addition to, and not as a replacement of such June 11 Note.

**THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.**

No variation or modification of this Note, or any waiver of any of its provisions or conditions, shall be valid unless such variation or modification is made in accordance with Section 10.8 of the Agreement. Any such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

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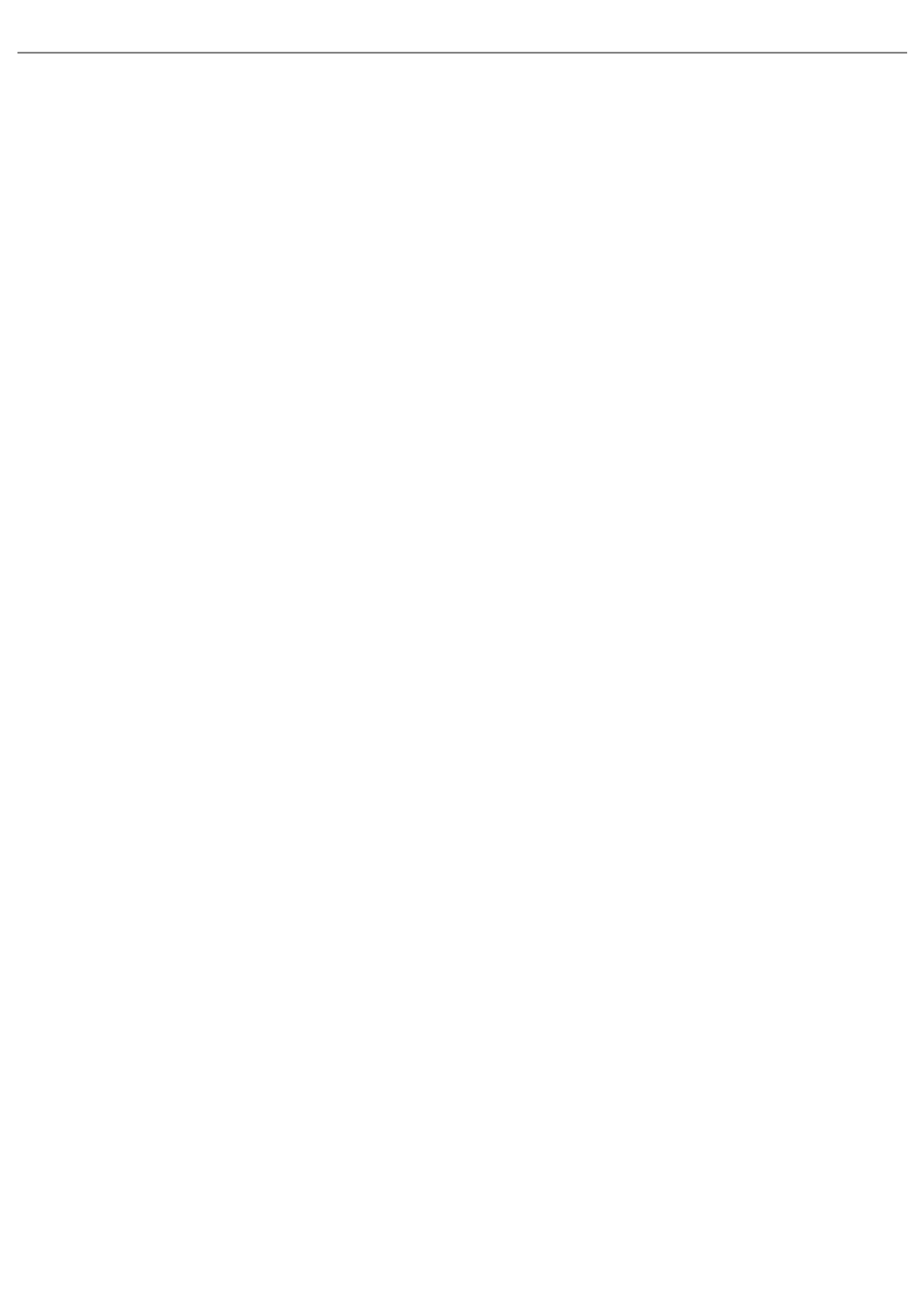
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IN WITNESS WHEREOF, Borrower has duly executed this Note as of the date first above written.

**CYTORI THERAPEUTICS, INC.**

By: /s/ Mark Saad  
Name: Mark Saad  
Title: CFO  
Federal Tax ID #: 33-0827593  
Address: 3020 Callan Road  
San Diego, California 92121





NEITHER THIS WARRANT NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO SECTION 6 BELOW, NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR HOLDER, SATISFACTORY TO COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

WARRANT TO PURCHASE 99,668 SHARES OF COMMON STOCK

Warrant No. CSW-10-  
006  
2011

September 9,

**THIS CERTIFIES THAT**, for value received, GE Capital Equity Investments, Inc. ("Holder") is entitled to subscribe for and purchase NINETY-NINE THOUSAND SIX HUNDRED SIXTY-EIGHT (99,668) shares of fully paid and nonassessable Common Stock of Cytori Therapeutics Inc., a Delaware corporation (the "Company"), at the Warrant Price (as hereinafter defined), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Common Stock" shall mean Company's presently authorized common stock, \$0.001 par value per share, and any stock into which such common stock may hereafter be converted or exchanged and the term "Warrant Shares" shall mean the shares of Common Stock which Holder may acquire pursuant to this Warrant and any other shares of stock into which such shares of Common Stock may hereafter be converted or exchanged.

1. Warrant Price. The "Warrant Price" shall initially be THREE and 01/100 dollars (\$3.01) per share, subject to adjustment as provided in Section 7 below.
2. Conditions to Exercise. The purchase right represented by this Warrant may be exercised at any time, or from time to time, in whole or in part during the term commencing on the date hereof and ending at 5:00 P.M. Pacific time on the seventh anniversary of the date of this Warrant (the "Expiration Date").
3. Method of Exercise or Conversion; Payment; Issuance of Shares; Issuance of New Warrant.
  - (a) Cash Exercise. Subject to Section 2 hereof, the purchase right represented by this Warrant may be exercised by Holder hereof, in whole or in part, by the surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto) at the principal office of Company (as set forth in Section 19 below) and by payment to Company, by certified or bank check, or wire transfer of immediately available funds, of an amount equal to the then applicable Warrant Price per share multiplied by the number of Warrant Shares then being purchased. In the event of any exercise of the rights represented by this Warrant, certificates for the shares of stock so purchased shall be in the name of, and delivered to, Holder hereof, or as such Holder may direct (subject to the terms of transfer contained herein and upon payment by such Holder hereof of any applicable transfer taxes). Such delivery shall be made within 30 days after exercise of this Warrant and at Company's expense and, unless this Warrant has been fully exercised or expired, a new Warrant having terms and conditions substantially identical to this Warrant and representing the portion of the Warrant Shares, if any, with respect to which this Warrant shall not have been exercised, shall also be issued to Holder hereof within 30 days after exercise of this Warrant.

(b) Conversion. In lieu of exercising this Warrant as specified in Section 3(a), Holder may from time to time convert this Warrant, in whole or in part, into Warrant Shares by surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto) at the principal office of Company, in which event Company shall issue to Holder the number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Warrant Shares to be issued to Holder.

Y = the number of Warrant Shares purchasable under this Warrant (at the date of such calculation).

A = the Fair Market Value of one share of Company's Common Stock (at the date of such calculation).

B = Warrant Price (as adjusted to the date of such calculation).

(c) Fair Market Value. For purposes of this Section 3, Fair Market Value of one share of Company's Common Stock shall mean:

(i) The average of the closing bid and asked prices of Common Stock quoted in the Over-The-Counter Market Summary, the last reported sale price quoted on the Nasdaq Stock Market or on any other exchange on which the Common Stock is listed, whichever is applicable, as published in the Western Edition of the Wall Street Journal for the ten (10) trading days prior to the date of determination of Fair Market Value; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which Company is not the surviving entity, the per share Fair Market Value for the Common Stock shall be the value to be received per share of Common Stock by all holders of the Common Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Common Stock shall be as determined in the reasonable good faith judgment of Company's Board of Directors.

In the event of 3(c)(ii) or 3(c)(iii), above, Company's Board of Directors shall prepare a certificate, to be signed by an authorized officer of Company, setting forth in reasonable detail the basis for and method of determination of the per share Fair Market Value of the Common Stock. The Board of Directors will also certify to Holder that this per share Fair Market Value will be applicable to all holders of Company's Common Stock. Such certification must be made to Holder at least ten (10) business days prior to the proposed effective date of the merger, consolidation, sale, or other triggering event as defined in 3(c)(ii) or 3(c)(iii).

(d) Automatic Exercise. To the extent this Warrant is not previously exercised, it shall be deemed to have been automatically converted in accordance with Sections 3(b) and 3(c) hereof (even if not surrendered) as of immediately before its expiration, involuntary termination or cancellation if the then-Fair Market Value of a Warrant Share exceeds the then-Warrant Price, unless Holder notifies Company in writing to the contrary prior to such automatic exercise.

(e) Treatment of Warrant Upon Acquisition of Company.

(i) Certain Definitions. For the purpose of this Warrant, "Acquisition" means any sale, exclusive license, or other disposition of all or substantially all of the assets of Company, or any reorganization, consolidation, or merger of Company, or sale of outstanding Company securities by holders thereof, where the holders of Company's securities before the transaction beneficially own less than a majority of the outstanding voting securities of the successor or surviving entity after the transaction. For purposes of this Section 3(e), "Affiliate" shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the voting capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable.

(ii) Cash Acquisition. In the event of an Acquisition in which the sole consideration is cash, Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to expire automatically upon the consummation of such Acquisition. Company shall provide Holder with written notice of any proposed Acquisition together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed Acquisition.

(iii) Asset Sale. In the event of an Acquisition that is an arms length sale of all or substantially all of Company's assets (and only its assets) to a third party that is not an Affiliate of Company (a "True Asset Sale"), Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to continue until the Expiration Date if Company continues as a going concern following the closing of any such True Asset Sale. Company shall provide Holder with written notice of any proposed asset sale together with such reasonable information as Holder may request in connection with such asset sale giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed asset sale.

(iv) Assumption of Warrant. Upon the closing of any Acquisition other than those particularly described in subsections (ii) and (iii) above, the successor entity shall assume the obligations of this Warrant, and this Warrant shall be exercisable for the same securities, cash, and property as would be payable for the Warrant Shares issuable upon exercise of the unexercised portion of this Warrant as if such Warrant Shares were outstanding on the record date for the Acquisition and subsequent closing. The Warrant Price and/or number of Warrant Shares shall be adjusted accordingly.

(v) Early Termination of Warrant in Certain Other Circumstances. Notwithstanding the foregoing provisions of Section 3(e)(iv), but subject to the terms of Section 3(d), in the event that the acquiror in an Acquisition does not agree to assume this Warrant at and as of the closing of such Acquisition, this Warrant, to the extent not exercised or converted on or prior to such closing, shall terminate and be of no further force or effect as of immediately following the closing of such Acquisition if all of the following conditions are met: (A) the acquiror is subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (B) the class of stock or other security of the acquiror that would be received by Holder in connection with such Acquisition were Holder to exercise or convert this Warrant on or prior to the closing thereof is listed for trading on a national securities exchange or approved for quotation on an automated inter-dealer quotation system, and (C) the value (determined as of the closing of such Acquisition in accordance with the definitive agreements therefor) of the acquiror stock and/or other securities that would be received by Holder in respect of each Warrant Share were Holder to exercise or convert this Warrant on or prior to the closing of such Acquisition is equal to or greater than three (3) times the then-effective Warrant Price.

4. Representations and Warranties of Holder and Company.

(a) Representations and Warranties by Holder. Holder represents and warrants to Company as follows:

(i) Evaluation. Holder has substantial experience in evaluating and investing in private placement transactions of securities of companies similar to Company so that Holder is capable of evaluating the merits and risks of its investment in Company and has the capacity to protect its interests.

(ii) Resale. Except for transfers to an affiliate of Holder, Holder is acquiring this Warrant and the Warrant Shares issuable upon exercise of this Warrant (collectively the "Securities") for investment for its own account and not with a view to, or for resale in connection with, any distribution thereof. Holder does not presently have any agreement, plan or understanding, directly or indirectly, with any person to distribute or effect the distribution of any of the Securities to or through any person. Holder understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Act") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(iii) Rule 144. Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

(iv) Accredited Investor. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

(v) Opportunity To Discuss. Holder has had an opportunity to discuss Company's business, management and financial affairs with its management and an opportunity to review Company's facilities. Holder understands that such discussions, as well as the written information issued by Company, were intended to describe the aspects of Company's business and prospects which Company believes to be material but were not necessarily a thorough or exhaustive description.

(b) Representations and Warranties by Company. Company hereby represents and warrants to Holder that the statements in the following paragraphs of this Section 4(b) are true and correct as of the date hereof.

(i) Corporate Organization and Authority. Company (a) is a corporation duly organized, validly existing, and in good standing in its jurisdiction of incorporation; (b) has the corporate power and authority to own and operate its properties and to carry on its business as now conducted and as currently proposed to be conducted; and (c) is qualified as a foreign corporation in all jurisdictions where such qualification is required.

(ii) Corporate Power. Company has all requisite corporate power and authority to execute, issue and deliver this Warrant, to issue the Warrant Shares issuable upon exercise or conversion of this Warrant, and to carry out and perform its obligations under this Warrant and any related agreements.

(iii) Authorization; Enforceability. All corporate action on the part of Company, its officers, directors and shareholders necessary for the authorization, execution, delivery and performance of its obligations under this Warrant and for the authorization, issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise of this Warrant has been taken and this Warrant constitutes the legally binding and valid obligation of Company enforceable in accordance with its terms.

(iv) Valid Issuance of Warrant and Warrant Shares. This Warrant has been validly issued and is free of restrictions on transfer other than restrictions on transfer set forth herein and under applicable state and federal securities laws. The Warrant Shares issuable upon conversion of this Warrant, when issued, sold and delivered in accordance with the terms of this Warrant for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable, and will be free of restrictions on transfer other than restrictions on transfer under this Warrant and under applicable state and federal securities laws. Subject to applicable restrictions on transfer, the issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise or conversion of this Warrant are not subject to any preemptive or other similar rights or any liens or encumbrances except as specifically set forth in Company's Certificate of Incorporation or this Warrant. Assuming the truth and accuracy of Holder's representations and warranties set forth in Section 4(a), no registration under the Act is required for the offer and sale of this Warrant or the issuance of the Warrant Shares, pursuant to the terms of this Warrant and neither Company nor any authorized agent acting on its behalf has or will take any action hereafter that would cause the loss of such exemption.

(v) No Conflict. The execution, delivery, and performance of this Warrant will not result in (a) any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice (1) any provision of Company's Certificate of Incorporation or by-laws; (2) any provision of any judgment, decree, or order to which Company is a party, by which it is bound, or to which any of its material assets are subject; (3) any contract, obligation, or commitment to which Company is a party or by which it is bound; or (4) any statute, rule, or governmental regulation applicable to Company, or (b) the creation of any lien, charge or encumbrance upon any assets of Company.

(vi) Reports. Company has previously furnished or made available to Holder complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission (the “SEC”), and (b) all other reports filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) with the SEC since December 31, 2010 (such reports are collectively referred to herein as the “Company Reports”). The Company Reports constitute all of the documents required to be filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Exchange Act with the SEC from December 31, 2010 through the date of this Warrant. The Company Reports complied in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder when filed. As of their respective dates of filing with the SEC, the Company Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Legends.

(a) Legend. Each certificate representing the Warrant Shares shall be endorsed with substantially the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED (UNLESS SUCH TRANSFER IS TO AN AFFILIATE OF HOLDER) UNLESS COVERED BY AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT, A “NO ACTION” LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO SUCH TRANSFER, A TRANSFER MEETING THE REQUIREMENTS OF RULE 144 OF THE SECURITIES AND EXCHANGE COMMISSION, OR (IF REASONABLY REQUIRED BY COMPANY) AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY SUCH TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

Company need not enter into its stock records a transfer of Warrant Shares unless the conditions specified in the foregoing legend are satisfied. Company may also instruct its transfer agent not to allow the transfer of any of the Warrant Shares unless the conditions specified in the foregoing legend are satisfied.

(b) Removal of Legend and Transfer Restrictions. The legend relating to the Act endorsed on a certificate pursuant to paragraph 5(a) of this Warrant shall be removed and Company shall issue a certificate without such legend to Holder if (i) the Securities are registered under the Act and a prospectus meeting the requirements of Section 10 of the Act is available or (ii) Holder provides to Company an opinion of counsel for Holder reasonably satisfactory to Company, a no-action letter or interpretive opinion of the staff of the SEC reasonably satisfactory to Company, or other evidence reasonably satisfactory to Company, to the effect that public sale, transfer or assignment of the Securities may be made without registration and without compliance with any restriction such as Rule 144.

6. Condition of Transfer or Exercise of Warrant. It shall be a condition to any transfer or exercise of this Warrant that at the time of such transfer or exercise, Holder shall provide Company with a representation in writing that Holder or transferee is acquiring this Warrant and the shares of Common Stock to be issued upon exercise for investment purposes only and not with a view to any sale or distribution, or will provide Company with a statement of pertinent facts covering any proposed distribution. As a further condition to any transfer of this Warrant or any or all of the shares of Common Stock issuable upon exercise of this Warrant, other than a transfer registered under the Act, Company may request a legal opinion, in form and substance satisfactory to Company and its counsel, reciting the pertinent circumstances surrounding the proposed transfer and stating that such transfer is exempt from the registration and prospectus delivery requirements of the Act. Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder, provided that any such transferee is an “accredited investor” within the meaning of Regulation D under the Act. As further condition to each transfer, at the request of Company, Holder shall surrender this Warrant to Company and the transferee shall receive and accept a Warrant, of like tenor and date, executed by Company.

7. Adjustment for Certain Events. The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification or Merger. In case of (i) any reclassification or change of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any merger of Company with or into another corporation (other than a merger with another corporation in which Company is the acquiring and the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (iii) any sale of all or substantially all of the assets of Company, subject to the provisions of Section 3(e) hereof, Company, or such successor or purchasing corporation, as the case may be, shall duly execute and deliver to Holder a new Warrant (in form and substance satisfactory to Holder of this Warrant), or Company shall make appropriate provision without the issuance of a new Warrant, so that Holder shall have the right to receive, at a total purchase price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, and in lieu of the Warrant Shares theretofore issuable upon exercise or conversion of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, merger or sale by a holder of the number of shares of Common Stock then purchasable under this Warrant, or in the case of such a merger or sale in which the consideration paid consists all or in part of assets other than securities of the successor or purchasing corporation, at the option of Holder, the securities of the successor or purchasing corporation having a value at the time of the transaction equivalent to the value of the Warrant Shares purchasable upon exercise of this Warrant at the time of the transaction. Any new Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 7. The provisions of this subparagraph (a) shall similarly apply to successive reclassifications, changes, mergers and transfers.

(b) Subdivision or Combination of Shares. If Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its outstanding shares of Common Stock, the Warrant Price shall be proportionately decreased and the number of Warrant Shares issuable hereunder shall be proportionately increased in the case of a subdivision and the Warrant Price shall be proportionately increased and the number of Warrant Shares issuable hereunder shall be proportionately decreased in the case of a combination.

(c) Stock Dividends and Other Distributions. If Company at any time while this Warrant is outstanding and unexpired shall (i) pay a dividend with respect to Common Stock payable in Common Stock, then the Warrant Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Warrant Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution; or (ii) make any other distribution with respect to Common Stock (except any distribution specifically provided for in Sections 7(a) and 7(b)), then, in each such case, provision shall be made by Company such that Holder shall receive upon exercise of this Warrant a proportionate share of any such dividend or distribution as though it were Holder of the Warrant Shares as of the record date fixed for the determination of the shareholders of Company entitled to receive such dividend or distribution.



(d) Adjustment of Number of Shares. Upon each adjustment in the Warrant Price pursuant to clause (i) of Section 7(c), the number of Warrant Shares purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of Warrant Shares purchasable immediately prior to such adjustment in the Warrant Price by a fraction, the numerator of which shall be the Warrant Price immediately prior to such adjustment and the denominator of which shall be the Warrant Price immediately thereafter.

8. Notice of Adjustments. Whenever any Warrant Price or the kind or number of securities issuable under this Warrant shall be adjusted pursuant to Section 7 hereof, Company shall prepare a certificate signed by an officer of Company setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Warrant Price and number or kind of shares issuable upon exercise of this Warrant after giving effect to such adjustment, and shall cause copies of such certificate to be mailed (by certified or registered mail, return receipt required, postage prepaid) within thirty (30) days of such adjustment to Holder as set forth in Section 19 hereof.

9. Financial and Other Reports. If at any time prior to the earlier of the Expiration Date and the complete exercise of this Warrant, Company is no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, Company shall furnish to Holder (a) quarterly unaudited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements within 45 days of each fiscal quarter end, in a form acceptable to Holder and certified by Company's president or chief financial officer, and (b) annual audited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements certified by an independent certified public accountant selected by Company and reasonably satisfactory to Holder within 120 days of the fiscal year end or, if sooner, promptly after such time as Company's Board of Directors receives the audit; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such reports.

10. Transferability of Warrant. This Warrant is transferable on the books of Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed, subject to compliance with Section 6 and applicable federal and state securities laws. Company shall issue and deliver to the transferee a new Warrant representing the Warrant so transferred. Upon any partial transfer, Company will issue and deliver to Holder a new Warrant with respect to the portion of the Warrant not so transferred. Holder shall not have any right to transfer any portion of this Warrant to any direct competitor of Company.

11. Reserved.

12. No Fractional Shares. No fractional share of Common Stock will be issued in connection with any exercise or conversion hereunder, but in lieu of such fractional share Company shall make a cash payment therefor upon the basis of the Warrant Price then in effect.

13. Charges, Taxes and Expenses. Issuance of certificates for shares of Common Stock upon the exercise or conversion of this Warrant shall be made without charge to Holder for any United States or state of the United States documentary stamp tax or other incidental expense with respect to the issuance of such certificate, all of which taxes and expenses shall be paid by Company, and such certificates shall be issued in the name of Holder.

14. No Shareholder Rights Until Exercise. Except as expressly provided herein, this Warrant does not entitle Holder to any voting rights or other rights as a shareholder of Company prior to the exercise hereof.

15. Registry of Warrant. Company shall maintain a registry showing the name and address of the registered Holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at such office or agency of Company, and Company and Holder shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

16. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft, or destruction, on delivery of an indemnity reasonably satisfactory to Company in form and amount, and, if mutilated, upon surrender and cancellation of this Warrant, Company will execute and deliver a new Warrant, having terms and conditions substantially identical to this Warrant, in lieu hereof.

17. Miscellaneous.

(a) Issue Date. The provisions of this Warrant shall be construed and shall be given effect in all respect as if it had been issued and delivered by Company on the date hereof.

(b) Successors. This Warrant shall be binding upon any successors or assigns of Company.

(c) Headings. The headings used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

(d) Saturdays, Sundays, Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of New York, then such action may be taken or such right may be exercised on the next succeeding day not a legal holiday.

(e) Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorney's fees.

18. No Impairment. Company will not, by amendment of its Certificate of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Holder hereof against impairment; provided, however, that notwithstanding the foregoing, nothing in this Warrant shall restrict or impair Company's right to effect changes to the rights, preferences, and privileges associated with the Warrant Shares with the requisite consent of the stockholders as may be required to amend its Certificate of Incorporation from time to time so long as such amendment affects the rights, preferences, and privileges granted to Holder associated with the Warrant Shares in the same manner as the other holders of outstanding shares of the same class.

19. Addresses. Any notice required or permitted hereunder shall be in writing and shall be mailed by overnight courier, registered or certified mail, return receipt requested, and postage prepaid, or otherwise delivered by hand or by messenger, addressed as set forth below, or at such other address as Company or Holder hereof shall have furnished to the other party in accordance with the delivery instructions set forth in this Section 19.

If to Company: Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

With a copy to: Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: In-House Counsel

If to Holder: GE Capital Equity Investments, Inc.  
201 Merritt 7, 1st Floor  
Norwalk, Connecticut 06851  
Facsimile: (203) 205-2192  
Attn: General Counsel

With copies to: General Electric Capital Corporation  
c/o GE Healthcare Financial Services, Inc.  
Two Bethesda Metro Center, Suite 600  
Bethesda, Maryland 20814  
Facsimile: (301) 664-9891  
Attn: Senior Managing Director and  
Senior Vice President of Risk

If mailed by registered or certified mail, return receipt requested, and postage prepaid, notice shall be deemed to be given five (5) days after being sent, and if sent by overnight courier, by hand or by messenger, notice shall be deemed to be given when delivered (if on a business day, and if not, on the next business day), and if sent by facsimile transmission to the facsimile number provided in this Section 19, on the date of transmission, provided that the sender receives a machine-generated confirmation of successful transmission completed before 5:00 p.m. Pacific time (if on a business day, and if not, on the next business day).

20. Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon any of its stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for sale any shares of the Company's capital stock (or other securities convertible into such capital stock), other than (i) pursuant to the Company's stock option or other compensatory plans, (ii) in connection with commercial credit arrangements or equipment financings, (iii) in connection with strategic transactions for purposes other than capital raising, or (iv) the issuance of any shares of the Company's capital stock upon the exercise of any warrants outstanding as of the date hereof; (c) to effect any reclassification or recapitalization of any of its stock; or (d) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder: (1) at least 10 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above; and (2) in the case of the matters referred to in (c) and (d) above at least 10 days prior written notice of the date when the same will take place (and specifying the date on which the holders of common stock will be entitled to exchange their common stock for securities or other property deliverable upon the occurrence of such event). Company will also provide information requested by Holder reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such information.

21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT OR THE WARRANT SHARES.

22. GOVERNING LAW. THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of page intentionally blank; signature page follows]

IN WITNESS WHEREOF, Company has caused this Warrant to be executed by its officer thereunto duly authorized on the date specified above.

**CYTORI THERAPEUTICS INC.**

By: /s/ Mark Saad

Name: Mark Saad

Title: CFO

ACCEPTED AND AGREED TO:

**GE CAPITAL EQUITY INVESTMENTS, INC.**

By: /s/ Peter Gibson

Name: Peter Gibson

Title: Its Duly Authorized Signatory

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NOTICE OF EXERCISE

To:

Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

1. The undersigned Warrantholder ("Holder") elects to acquire shares of the Common Stock (the "Common Stock") of Cytori Therapeutics Inc. (the "Company"), pursuant to the terms of the Stock Purchase Warrant dated September 9, 2011 (the "Warrant").
2. Holder exercises its rights under the Warrant as set forth below (check one):  
  

Holder elects to purchase \_\_\_\_\_ shares of Common Stock as provided in Section 3(a) and tenders herewith a check in the amount of \$ \_\_\_\_\_ as payment of the purchase price.

Holder elects to convert the purchase rights into shares of Common Stock as provided in Section 3(b) of the Warrant.
3. Holder surrenders the Warrant with this Notice of Exercise.

Holder represents that it is acquiring the aforesaid shares of Common Stock for investment and not with a view to or for resale in connection with distribution and that Holder has no present intention of distributing or reselling the shares.

Please issue a certificate representing the shares of the Common Stock in the name of Holder or in such other name as is specified below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Taxpayer I.D.: \_\_\_\_\_

[NAME OF HOLDER]

By:  
Name:  
Title:

Date: \_\_\_\_\_, 20\_\_\_\_



NEITHER THIS WARRANT NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO SECTION 6 BELOW, NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR HOLDER, SATISFACTORY TO COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

WARRANT TO PURCHASE 9,967 SHARES OF COMMON STOCK

Warrant No. CSW-10-007  
9, 2011

September

**THIS CERTIFIES THAT**, for value received, Silicon Valley Bank ("**Holder**") is entitled to subscribe for and purchase NINE THOUSAND NINE HUNDRED SIXTY-SEVEN (9,967) shares of fully paid and nonassessable Common Stock of Cytori Therapeutics Inc., a Delaware corporation (the "**Company**"), at the Warrant Price (as hereinafter defined), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Common Stock" shall mean Company's presently authorized common stock, \$0.001 par value per share, and any stock into which such common stock may hereafter be converted or exchanged and the term "Warrant Shares" shall mean the shares of Common Stock which Holder may acquire pursuant to this Warrant and any other shares of stock into which such shares of Common Stock may hereafter be converted or exchanged.

1. **Warrant Price.** The "Warrant Price" shall initially be THREE and 01/100 dollars (\$3.01) per share, subject to adjustment as provided in Section 7 below.
2. **Conditions to Exercise.** The purchase right represented by this Warrant may be exercised at any time, or from time to time, in whole or in part during the term commencing on the date hereof and ending at 5:00 P.M. Pacific time on the seventh anniversary of the date of this Warrant (the "**Expiration Date**").
3. **Method of Exercise or Conversion; Payment; Issuance of Shares; Issuance of New Warrant.**
  - (a) **Cash Exercise.** Subject to Section 2 hereof, the purchase right represented by this Warrant may be exercised by Holder hereof, in whole or in part, by the surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto) at the principal office of Company (as set forth in Section 19 below) and by payment to Company, by certified or bank check, or wire transfer of immediately available funds, of an amount equal to the then applicable Warrant Price per share multiplied by the number of Warrant Shares then being purchased. In the event of any exercise of the rights represented by this Warrant, certificates for the shares of stock so purchased shall be in the name of, and delivered to, Holder hereof, or as such Holder may direct (subject to the terms of transfer contained herein and upon payment by such Holder hereof of any applicable transfer taxes). Such delivery shall be made within 30 days after exercise of this Warrant and at Company's expense and, unless this Warrant has been fully exercised or expired, a new Warrant having terms and conditions substantially identical to this Warrant and representing the portion of the Warrant Shares, if any, with respect to which this Warrant shall not have been exercised, shall also be issued to Holder hereof within 30 days after exercise of this Warrant.



(b) Conversion. In lieu of exercising this Warrant as specified in Section 3(a), Holder may from time to time convert this Warrant, in whole or in part, into Warrant Shares by surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto) at the principal office of Company, in which event Company shall issue to Holder the number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Warrant Shares to be issued to Holder.

Y = the number of Warrant Shares purchasable under this Warrant (at the date of such calculation).

A = the Fair Market Value of one share of Company's Common Stock (at the date of such calculation).

B = Warrant Price (as adjusted to the date of such calculation).

(c) Fair Market Value. For purposes of this Section 3, Fair Market Value of one share of Company's Common Stock shall mean:

(i) The average of the closing bid and asked prices of Common Stock quoted in the Over-The-Counter Market Summary, the last reported sale price quoted on the Nasdaq Stock Market or on any other exchange on which the Common Stock is listed, whichever is applicable, as published in the Western Edition of the Wall Street Journal for the ten (10) trading days prior to the date of determination of Fair Market Value; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which Company is not the surviving entity, the per share Fair Market Value for the Common Stock shall be the value to be received per share of Common Stock by all holders of the Common Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Common Stock shall be as determined in the reasonable good faith judgment of Company's Board of Directors.

In the event of 3(c)(ii) or 3(c)(iii), above, Company's Board of Directors shall prepare a certificate, to be signed by an authorized officer of Company, setting forth in reasonable detail the basis for and method of determination of the per share Fair Market Value of the Common Stock. The Board of Directors will also certify to Holder that this per share Fair Market Value will be applicable to all holders of Company's Common Stock. Such certification must be made to Holder at least ten (10) business days prior to the proposed effective date of the merger, consolidation, sale, or other triggering event as defined in 3(c)(ii) or 3(c)(iii).

(d) Automatic Exercise. To the extent this Warrant is not previously exercised, it shall be deemed to have been automatically converted in accordance with Sections 3(b) and 3(c) hereof (even if not surrendered) as of immediately before its expiration, involuntary termination or cancellation if the then-Fair Market Value of a Warrant Share exceeds the then-Warrant Price, unless Holder notifies Company in writing to the contrary prior to such automatic exercise.

(e) Treatment of Warrant Upon Acquisition of Company.

(i) Certain Definitions. For the purpose of this Warrant, "Acquisition" means any sale, exclusive license, or other disposition of all or substantially all of the assets of Company, or any reorganization, consolidation, or merger of Company, or sale of outstanding Company securities by holders thereof, where the holders of Company's securities before the transaction beneficially own less than a majority of the outstanding voting securities of the successor or surviving entity after the transaction. For purposes of this Section 3(e), "Affiliate" shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the voting capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable.

(ii) Cash Acquisition. In the event of an Acquisition in which the sole consideration is cash, Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to expire automatically upon the consummation of such Acquisition. Company shall provide Holder with written notice of any proposed Acquisition together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed Acquisition.

(iii) Asset Sale. In the event of an Acquisition that is an arms length sale of all or substantially all of Company's assets (and only its assets) to a third party that is not an Affiliate of Company (a "True Asset Sale"), Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to continue until the Expiration Date if Company continues as a going concern following the closing of any such True Asset Sale. Company shall provide Holder with written notice of any proposed asset sale together with such reasonable information as Holder may request in connection with such asset sale giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed asset sale.

(iv) Assumption of Warrant. Upon the closing of any Acquisition other than those particularly described in subsections (ii) and (iii) above, the successor entity shall assume the obligations of this Warrant, and this Warrant shall be exercisable for the same securities, cash, and property as would be payable for the Warrant Shares issuable upon exercise of the unexercised portion of this Warrant as if such Warrant Shares were outstanding on the record date for the Acquisition and subsequent closing. The Warrant Price and/or number of Warrant Shares shall be adjusted accordingly.

(v) Early Termination of Warrant in Certain Other Circumstances. Notwithstanding the foregoing provisions of Section 3(e)(iv), but subject to the terms of Section 3(d), in the event that the acquiror in an Acquisition does not agree to assume this Warrant at and as of the closing of such Acquisition, this Warrant, to the extent not exercised or converted on or prior to such closing, shall terminate and be of no further force or effect as of immediately following the closing of such Acquisition if all of the following conditions are met: (A) the acquiror is subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (B) the class of stock or other security of the acquiror that would be received by Holder in connection with such Acquisition were Holder to exercise or convert this Warrant on or prior to the closing thereof is listed for trading on a national securities exchange or approved for quotation on an automated inter-dealer quotation system, and (C) the value (determined as of the closing of such Acquisition in accordance with the definitive agreements therefor) of the acquiror stock and/or other securities that would be received by Holder in respect of each Warrant Share were Holder to exercise or convert this Warrant on or prior to the closing of such Acquisition is equal to or greater than three (3) times the then-effective Warrant Price.

4. Representations and Warranties of Holder and Company.

(a) Representations and Warranties by Holder. Holder represents and warrants to Company as follows:

(i) Evaluation. Holder has substantial experience in evaluating and investing in private placement transactions of securities of companies similar to Company so that Holder is capable of evaluating the merits and risks of its investment in Company and has the capacity to protect its interests.

(ii) Resale. Except for transfers to an affiliate of Holder, Holder is acquiring this Warrant and the Warrant Shares issuable upon exercise of this Warrant (collectively the "Securities") for investment for its own account and not with a view to, or for resale in connection with, any distribution thereof. Holder does not presently have any agreement, plan or understanding, directly or indirectly, with any person to distribute or effect the distribution of any of the Securities to or through any person. Holder understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Act") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(iii) Rule 144. Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

(iv) Accredited Investor. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

(v) Opportunity To Discuss. Holder has had an opportunity to discuss Company's business, management and financial affairs with its management and an opportunity to review Company's facilities. Holder understands that such discussions, as well as the written information issued by Company, were intended to describe the aspects of Company's business and prospects which Company believes to be material but were not necessarily a thorough or exhaustive description.

(b) Representations and Warranties by Company. Company hereby represents and warrants to Holder that the statements in the following paragraphs of this Section 4(b) are true and correct as of the date hereof.

(i) Corporate Organization and Authority. Company (a) is a corporation duly organized, validly existing, and in good standing in its jurisdiction of incorporation; (b) has the corporate power and authority to own and operate its properties and to carry on its business as now conducted and as currently proposed to be conducted; and (c) is qualified as a foreign corporation in all jurisdictions where such qualification is required.

(ii) Corporate Power. Company has all requisite corporate power and authority to execute, issue and deliver this Warrant, to issue the Warrant Shares issuable upon exercise or conversion of this Warrant, and to carry out and perform its obligations under this Warrant and any related agreements.

(iii) Authorization; Enforceability. All corporate action on the part of Company, its officers, directors and shareholders necessary for the authorization, execution, delivery and performance of its obligations under this Warrant and for the authorization, issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise of this Warrant has been taken and this Warrant constitutes the legally binding and valid obligation of Company enforceable in accordance with its terms.

(iv) Valid Issuance of Warrant and Warrant Shares. This Warrant has been validly issued and is free of restrictions on transfer other than restrictions on transfer set forth herein and under applicable state and federal securities laws. The Warrant Shares issuable upon conversion of this Warrant, when issued, sold and delivered in accordance with the terms of this Warrant for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable, and will be free of restrictions on transfer other than restrictions on transfer under this Warrant and under applicable state and federal securities laws. Subject to applicable restrictions on transfer, the issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise or conversion of this Warrant are not subject to any preemptive or other similar rights or any liens or encumbrances except as specifically set forth in Company's Certificate of Incorporation or this Warrant. Assuming the truth and accuracy of Holder's representations and warranties set forth in Section 4(a), no registration under the Act is required for the offer and sale of this Warrant or the issuance of the Warrant Shares, pursuant to the terms of this Warrant and neither Company nor any authorized agent acting on its behalf has or will take any action hereafter that would cause the loss of such exemption.

(v) No Conflict. The execution, delivery, and performance of this Warrant will not result in (a) any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice (1) any provision of Company's Certificate of Incorporation or by-laws; (2) any provision of any judgment, decree, or order to which Company is a party, by which it is bound, or to which any of its material assets are subject; (3) any contract, obligation, or commitment to which Company is a party or by which it is bound; or (4) any statute, rule, or governmental regulation applicable to Company, or (b) the creation of any lien, charge or encumbrance upon any assets of Company.

(vi) Reports. Company has previously furnished or made available to Holder complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission (the “SEC”), and (b) all other reports filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) with the SEC since December 31, 2010 (such reports are collectively referred to herein as the “Company Reports”). The Company Reports constitute all of the documents required to be filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Exchange Act with the SEC from December 31, 2010 through the date of this Warrant. The Company Reports complied in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder when filed. As of their respective dates of filing with the SEC, the Company Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Legends.

- (a) Legend. Each certificate representing the Warrant Shares shall be endorsed with substantially the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED (UNLESS SUCH TRANSFER IS TO AN AFFILIATE OF HOLDER) UNLESS COVERED BY AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT, A “NO ACTION” LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO SUCH TRANSFER, A TRANSFER MEETING THE REQUIREMENTS OF RULE 144 OF THE SECURITIES AND EXCHANGE COMMISSION, OR (IF REASONABLY REQUIRED BY COMPANY) AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY SUCH TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

Company need not enter into its stock records a transfer of Warrant Shares unless the conditions specified in the foregoing legend are satisfied. Company may also instruct its transfer agent not to allow the transfer of any of the Warrant Shares unless the conditions specified in the foregoing legend are satisfied.

- (b) Removal of Legend and Transfer Restrictions. The legend relating to the Act endorsed on a certificate pursuant to paragraph 5(a) of this Warrant shall be removed and Company shall issue a certificate without such legend to Holder if (i) the Securities are registered under the Act and a prospectus meeting the requirements of Section 10 of the Act is available or (ii) Holder provides to Company an opinion of counsel for Holder reasonably satisfactory to Company, a no-action letter or interpretive opinion of the staff of the SEC reasonably satisfactory to Company, or other evidence reasonably satisfactory to Company, to the effect that public sale, transfer or assignment of the Securities may be made without registration and without compliance with any restriction such as Rule 144.

6. Condition of Transfer or Exercise of Warrant. It shall be a condition to any transfer or exercise of this Warrant that at the time of such transfer or exercise, Holder shall provide Company with a representation in writing that Holder or transferee is acquiring this Warrant and the shares of Common Stock to be issued upon exercise for investment purposes only and not with a view to any sale or distribution, or will provide Company with a statement of pertinent facts covering any proposed distribution. As a further condition to any transfer of this Warrant or any or all of the shares of Common Stock issuable upon exercise of this Warrant, other than a transfer registered under the Act, Company may request a legal opinion, in form and substance satisfactory to Company and its counsel, reciting the pertinent circumstances surrounding the proposed transfer and stating that such transfer is exempt from the registration and prospectus delivery requirements of the Act. Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder, provided that any such transferee is an “accredited investor” within the meaning of Regulation D under the Act. As further condition to each transfer, at the request of Company, Holder shall surrender this Warrant to Company and the transferee shall receive and accept a Warrant, of like tenor and date, executed by Company. Notwithstanding anything to the contrary herein, after receipt by Silicon Valley Bank (“Bank”) of this executed Warrant, Bank will transfer all of this Warrant to SVB Financial Group, an Affiliate of Bank (as the term Affiliate is defined under the Securities Act of 1933, as amended). By accepting transfer of this Warrant and as a condition to the effectiveness of such transfer, SVB Financial Group shall be deemed to have made to Company the representations and warranties set forth in Section 4(a) hereof.

7. Adjustment for Certain Events. The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification or Merger. In case of (i) any reclassification or change of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any merger of Company with or into another corporation (other than a merger with another corporation in which Company is the acquiring and the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (iii) any sale of all or substantially all of the assets of Company, subject to the provisions of Section 3(e) hereof, Company, or such successor or purchasing corporation, as the case may be, shall duly execute and deliver to Holder a new Warrant (in form and substance satisfactory to Holder of this Warrant), or Company shall make appropriate provision without the issuance of a new Warrant, so that Holder shall have the right to receive, at a total purchase price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, and in lieu of the Warrant Shares theretofore issuable upon exercise or conversion of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, merger or sale by a holder of the number of shares of Common Stock then purchasable under this Warrant, or in the case of such a merger or sale in which the consideration paid consists all or in part of assets other than securities of the successor or purchasing corporation, at the option of Holder, the securities of the successor or purchasing corporation having a value at the time of the transaction equivalent to the value of the Warrant Shares purchasable upon exercise of this Warrant at the time of the transaction. Any new Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 7. The provisions of this subparagraph (a) shall similarly apply to successive reclassifications, changes, mergers and transfers.

(b) Subdivision or Combination of Shares. If Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its outstanding shares of Common Stock, the Warrant Price shall be proportionately decreased and the number of Warrant Shares issuable hereunder shall be proportionately increased in the case of a subdivision and the Warrant Price shall be proportionately increased and the number of Warrant Shares issuable hereunder shall be proportionately decreased in the case of a combination.

(c) Stock Dividends and Other Distributions. If Company at any time while this Warrant is outstanding and unexpired shall (i) pay a dividend with respect to Common Stock payable in Common Stock, then the Warrant Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Warrant Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution; or (ii) make any other distribution with respect to Common Stock (except any distribution specifically provided for in Sections 7(a) and 7(b)), then, in each such case, provision shall be made by Company such that Holder shall receive upon exercise of this Warrant a proportionate share of any such dividend or distribution as though it were Holder of the Warrant Shares as of the record date fixed for the determination of the shareholders of Company entitled to receive such dividend or distribution.

(d) Adjustment of Number of Shares. Upon each adjustment in the Warrant Price pursuant to clause (i) of Section 7(c), the number of Warrant Shares purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of Warrant Shares purchasable immediately prior to such adjustment in the Warrant Price by a fraction, the numerator of which shall be the Warrant Price immediately prior to such adjustment and the denominator of which shall be the Warrant Price immediately thereafter.

8. Notice of Adjustments. Whenever any Warrant Price or the kind or number of securities issuable under this Warrant shall be adjusted pursuant to Section 7 hereof, Company shall prepare a certificate signed by an officer of Company setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Warrant Price and number or kind of shares issuable upon exercise of this Warrant after giving effect to such adjustment, and shall cause copies of such certificate to be mailed (by certified or registered mail, return receipt required, postage prepaid) within thirty (30) days of such adjustment to Holder as set forth in Section 19 hereof.

9. Financial and Other Reports. If at any time prior to the earlier of the Expiration Date and the complete exercise of this Warrant, Company is no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, Company shall furnish to Holder (a) quarterly unaudited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements within 45 days of each fiscal quarter end, in a form acceptable to Holder and certified by Company's president or chief financial officer, and (b) annual audited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements certified by an independent certified public accountant selected by Company and reasonably satisfactory to Holder within 120 days of the fiscal year end or, if sooner, promptly after such time as Company's Board of Directors receives the audit; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such reports.

10. Transferability of Warrant. This Warrant is transferable on the books of Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed, subject to compliance with Section 6 and applicable federal and state securities laws. Company shall issue and deliver to the transferee a new Warrant representing the Warrant so transferred. Upon any partial transfer, Company will issue and deliver to Holder a new Warrant with respect to the portion of the Warrant not so transferred. Holder shall not have any right to transfer any portion of this Warrant to any direct competitor of Company.

11. Reserved.

12. No Fractional Shares. No fractional share of Common Stock will be issued in connection with any exercise or conversion hereunder, but in lieu of such fractional share Company shall make a cash payment therefor upon the basis of the Warrant Price then in effect.

13. Charges, Taxes and Expenses. Issuance of certificates for shares of Common Stock upon the exercise or conversion of this Warrant shall be made without charge to Holder for any United States or state of the United States documentary stamp tax or other incidental expense with respect to the issuance of such certificate, all of which taxes and expenses shall be paid by Company, and such certificates shall be issued in the name of Holder.

14. No Shareholder Rights Until Exercise. Except as expressly provided herein, this Warrant does not entitle Holder to any voting rights or other rights as a shareholder of Company prior to the exercise hereof.

15. Registry of Warrant. Company shall maintain a registry showing the name and address of the registered Holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at such office or agency of Company, and Company and Holder shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

16. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft, or destruction, on delivery of an indemnity reasonably satisfactory to Company in form and amount, and, if mutilated, upon surrender and cancellation of this Warrant, Company will execute and deliver a new Warrant, having terms and conditions substantially identical to this Warrant, in lieu hereof.

17. Miscellaneous.

(a) Issue Date. The provisions of this Warrant shall be construed and shall be given effect in all respect as if it had been issued and delivered by Company on the date hereof.

(b) Successors. This Warrant shall be binding upon any successors or assigns of Company.

(c) Headings. The headings used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

(d) Saturdays, Sundays, Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of New York, then such action may be taken or such right may be exercised on the next succeeding day not a legal holiday.

(e) Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorney's fees.

18. No Impairment. Company will not, by amendment of its Certificate of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Holder hereof against impairment; provided, however, that notwithstanding the foregoing, nothing in this Warrant shall restrict or impair Company's right to effect changes to the rights, preferences, and privileges associated with the Warrant Shares with the requisite consent of the stockholders as may be required to amend its Certificate of Incorporation from time to time so long as such amendment affects the rights, preferences, and privileges granted to Holder associated with the Warrant Shares in the same manner as the other holders of outstanding shares of the same class.



19. Addresses. Any notice required or permitted hereunder shall be in writing and shall be mailed by overnight courier, registered or certified mail, return receipt requested, and postage prepaid, or otherwise delivered by hand or by messenger, addressed as set forth below, or at such other address as Company or Holder hereof shall have furnished to the other party in accordance with the delivery instructions set forth in this Section 19.

If to Company: Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

With a copy to: Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: In-House Counsel

If to Holder: Silicon Valley Bank  
4370 La Jolla Village Drive, Ste. 860  
San Diego, CA 92122  
Facsimile: 858-622-1424  
Attention: Kevin Wallace

If mailed by registered or certified mail, return receipt requested, and postage prepaid, notice shall be deemed to be given five (5) days after being sent, and if sent by overnight courier, by hand or by messenger, notice shall be deemed to be given when delivered (if on a business day, and if not, on the next business day), and if sent by facsimile transmission to the facsimile number provided in this Section 19, on the date of transmission, provided that the sender receives a machine-generated confirmation of successful transmission completed before 5:00 p.m. Pacific time (if on a business day, and if not, on the next business day).

20. Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon any of its stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for sale any shares of the Company's capital stock (or other securities convertible into such capital stock), other than (i) pursuant to the Company's stock option or other compensatory plans, (ii) in connection with commercial credit arrangements or equipment financings, (iii) in connection with strategic transactions for purposes other than capital raising, or (iv) the issuance of any shares of the Company's capital stock upon the exercise of any warrants outstanding as of the date hereof; (c) to effect any reclassification or recapitalization of any of its stock; or (d) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder: (1) at least 10 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above; and (2) in the case of the matters referred to in (c) and (d) above at least 10 days prior written notice of the date when the same will take place (and specifying the date on which the holders of common stock will be entitled to exchange their common stock for securities or other property deliverable upon the occurrence of such event). Company will also provide information requested by Holder reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such information.

21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT OR THE WARRANT SHARES.

22. GOVERNING LAW. THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of page intentionally blank; signature page follows]

IN WITNESS WHEREOF, Company has caused this Warrant to be executed by its officer thereunto duly authorized on the date specified above.

**CYTORI THERAPEUTICS INC.**

By: /s/ Mark Saad  
Name: Mark Saad  
Title: CFO

ACCEPTED AND AGREED TO:

**SILICON VALLEY BANK**

By: /s/ Kevin Wallace  
Name: Kevin Wallace  
Title: Relationship Manager

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NOTICE OF EXERCISE

To:

Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

1. The undersigned Warrantholder ("Holder") elects to acquire shares of the Common Stock (the "Common Stock") of Cytori Therapeutics Inc. (the "Company"), pursuant to the terms of the Stock Purchase Warrant dated September 9, 2011 (the "Warrant").
2. Holder exercises its rights under the Warrant as set forth below (check one):  
  

Holder elects to purchase \_\_\_\_\_ shares of Common Stock as provided in Section 3(a) and tenders herewith a check in the amount of \$ \_\_\_\_\_ as payment of the purchase price.

Holder elects to convert the purchase rights into shares of Common Stock as provided in Section 3(b) of the Warrant.
3. Holder surrenders the Warrant with this Notice of Exercise.

Holder represents that it is acquiring the aforesaid shares of Common Stock for investment and not with a view to or for resale in connection with distribution and that Holder has no present intention of distributing or reselling the shares.

Please issue a certificate representing the shares of the Common Stock in the name of Holder or in such other name as is specified below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Taxpayer I.D.: \_\_\_\_\_

[NAME OF HOLDER]

By:  
Name:  
Title:

Date: \_\_\_\_\_, 20\_\_



NEITHER THIS WARRANT NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO SECTION 6 BELOW, NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR HOLDER, SATISFACTORY TO COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

### WARRANT TO PURCHASE 15,504 SHARES OF COMMON STOCK

Warrant No. CSW-10-008  
9, 2011

September

**THIS CERTIFIES THAT**, for value received, Oxford Finance LLC ("Holder") is entitled to subscribe for and purchase FIFTEEN THOUSAND FIVE HUNDRED FOUR (15,504) shares of fully paid and nonassessable Common Stock of Cytori Therapeutics Inc., a Delaware corporation (the "Company"), at the Warrant Price (as hereinafter defined), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Common Stock" shall mean Company's presently authorized common stock, \$0.001 par value per share, and any stock into which such common stock may hereafter be converted or exchanged and the term "Warrant Shares" shall mean the shares of Common Stock which Holder may acquire pursuant to this Warrant and any other shares of stock into which such shares of Common Stock may hereafter be converted or exchanged.

This Warrant is issued pursuant to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, by and among Company, the other entities or persons signatory thereto as loan parties, General Electric Capital Corporation, a Delaware corporation, as agent and lender, and the other financial institutions signatory thereto from time to time as enders, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011, and as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of the date hereof in connection with that certain existing Amended and Restated Promissory Note in the original principal amount of \$6,000,000.00, dated as of June 11, 2010 executed by Company in favor of Holder, in which the unpaid principal balance of such note is \$4,666,668.00 as of the date hereof.

1. Warrant Price. The "Warrant Price" shall initially be THREE and 01/100 dollars (\$3.01) per share, subject to adjustment as provided in Section 7 below.
2. Conditions to Exercise. The purchase right represented by this Warrant may be exercised at any time, or from time to time, in whole or in part during the term commencing on the date hereof and ending at 5:00 P.M. Pacific time on the seventh anniversary of the date of this Warrant (the "Expiration Date").
3. Method of Exercise or Conversion; Payment; Issuance of Shares; Issuance of New Warrant.
  - (a) Cash Exercise. Subject to Section 2 hereof, the purchase right represented by this Warrant may be exercised by Holder hereof, in whole or in part, by the surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto as Exhibit A) at the principal office of Company (as set forth in Section 19 below) and by payment to Company, by certified or bank check, or wire transfer of immediately available funds, of an amount equal to the then applicable Warrant Price per share multiplied by the number of Warrant Shares then being purchased. In the event of any exercise of the rights represented by this Warrant, certificates for the shares of stock so purchased shall be in the name of, and delivered to, Holder hereof, or as such Holder may direct (subject to the terms of transfer contained herein and upon payment by such Holder hereof of any applicable transfer taxes). Such delivery shall be made within 30 days after exercise of this Warrant and at Company's expense and, unless this Warrant has been fully exercised or expired, a new Warrant having terms and conditions substantially identical to this Warrant and representing the portion of the Warrant Shares, if any, with respect to which this Warrant shall not have been exercised, shall also be issued to Holder hereof within 30 days after exercise of this Warrant.

(b) Conversion. In lieu of exercising this Warrant as specified in Section 3(a), Holder may from time to time convert this Warrant, in whole or in part, into Warrant Shares by surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto as Exhibit A) at the principal office of Company, in which event Company shall issue to Holder the number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Warrant Shares to be issued to Holder.

Y = the number of Warrant Shares purchasable under this Warrant (at the date of such calculation).

A = the Fair Market Value of one share of Company's Common Stock (at the date of such calculation).

B = Warrant Price (as adjusted to the date of such calculation).

(c) Fair Market Value. For purposes of this Section 3, Fair Market Value of one share of Company's Common Stock shall mean:

(i) The average of the closing bid and asked prices of Common Stock quoted in the Over-The-Counter Market Summary, the last reported sale price quoted on the Nasdaq Stock Market or on any other exchange on which the Common Stock is listed, whichever is applicable, as published in the Western Edition of the Wall Street Journal for the ten (10) trading days prior to the date of determination of Fair Market Value; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which Company is not the surviving entity, the per share Fair Market Value for the Common Stock shall be the value to be received per share of Common Stock by all holders of the Common Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Common Stock shall be as determined in the reasonable good faith judgment of Company's Board of Directors.

In the event of 3(c)(ii) or 3(c)(iii), above, Company's Board of Directors shall prepare a certificate, to be signed by an authorized officer of Company, setting forth in reasonable detail the basis for and method of determination of the per share Fair Market Value of the Common Stock. The Board of Directors will also certify to Holder that this per share Fair Market Value will be applicable to all holders of Company's Common Stock. Such certification must be made to Holder at least ten (10) business days prior to the proposed effective date of the merger, consolidation, sale, or other triggering event as defined in 3(c)(ii) or 3(c)(iii).

(d) Automatic Exercise. To the extent this Warrant is not previously exercised, it shall be deemed to have been automatically converted in accordance with Sections 3(b) and 3(c) hereof (even if not surrendered) as of immediately before its expiration, involuntary termination or cancellation if the then-Fair Market Value of a Warrant Share exceeds the then-Warrant Price, unless Holder notifies Company in writing to the contrary prior to such automatic exercise.

(e) Treatment of Warrant Upon Acquisition of Company.

(i) Certain Definitions. For the purpose of this Warrant, "Acquisition" means any sale, exclusive license, or other disposition of all or substantially all of the assets of Company, or any reorganization, consolidation, or merger of Company, or sale of outstanding Company securities by holders thereof, where the holders of Company's securities before the transaction beneficially own less than a majority of the outstanding voting securities of the successor or surviving entity after the transaction. For purposes of this Section 3(e), "Affiliate" shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the voting capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable.

(ii) Cash Acquisition. In the event of an Acquisition in which the sole consideration is cash, Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to expire automatically upon the consummation of such Acquisition. Company shall provide Holder with written notice of any proposed Acquisition together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed Acquisition.

(iii) Asset Sale. In the event of an Acquisition that is an arms length sale of all or substantially all of Company's assets (and only its assets) to a third party that is not an Affiliate of Company (a "True Asset Sale"), Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to continue until the Expiration Date if Company continues as a going concern following the closing of any such True Asset Sale. Company shall provide Holder with written notice of any proposed asset sale together with such reasonable information as Holder may request in connection with such asset sale giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed asset sale.

(iv) Assumption of Warrant. Upon the closing of any Acquisition other than those particularly described in subsections (ii) and (iii) above, the successor entity shall assume the obligations of this Warrant, and this Warrant shall be exercisable for the same securities, cash, and property as would be payable for the Warrant Shares issuable upon exercise of the unexercised portion of this Warrant as if such Warrant Shares were outstanding on the record date for the Acquisition and subsequent closing. The Warrant Price and/or number of Warrant Shares shall be adjusted accordingly.



(v) Early Termination of Warrant in Certain Other Circumstances. Notwithstanding the foregoing provisions of Section 3(e)(iv), but subject to the terms of Section 3(d), in the event that the acquiror in an Acquisition does not agree to assume this Warrant at and as of the closing of such Acquisition, this Warrant, to the extent not exercised or converted on or prior to such closing, shall terminate and be of no further force or effect as of immediately following the closing of such Acquisition if all of the following conditions are met: (A) the acquiror is subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (B) the class of stock or other security of the acquiror that would be received by Holder in connection with such Acquisition were Holder to exercise or convert this Warrant on or prior to the closing thereof is listed for trading on a national securities exchange or approved for quotation on an automated inter-dealer quotation system, and (C) the value (determined as of the closing of such Acquisition in accordance with the definitive agreements therefor) of the acquiror stock and/or other securities that would be received by Holder in respect of each Warrant Share were Holder to exercise or convert this Warrant on or prior to the closing of such Acquisition is equal to or greater than three (3) times the then-effective Warrant Price.

4. Representations and Warranties of Holder and Company.

(a) Representations and Warranties by Holder. Holder represents and warrants to Company as follows:

(i) Evaluation. Holder has substantial experience in evaluating and investing in private placement transactions of securities of companies similar to Company so that Holder is capable of evaluating the merits and risks of its investment in Company and has the capacity to protect its interests.

(ii) Resale. Except for transfers to an affiliate of Holder, Holder is acquiring this Warrant and the Warrant Shares issuable upon exercise of this Warrant (collectively the "Securities") for investment for its own account and not with a view to, or for resale in connection with, any distribution thereof. Holder does not presently have any agreement, plan or understanding, directly or indirectly, with any person to distribute or effect the distribution of any of the Securities to or through any person. Holder understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Act") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(iii) Rule 144. Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

(iv) Accredited Investor. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

(v) Opportunity To Discuss. Holder has had an opportunity to discuss Company's business, management and financial affairs with its management and an opportunity to review Company's facilities. Holder understands that such discussions, as well as the written information issued by Company, were intended to describe the aspects of Company's business and prospects which Company believes to be material but were not necessarily a thorough or exhaustive description.

(b) Representations and Warranties by Company. Company hereby represents and warrants to Holder that the statements in the following paragraphs of this Section 4(b) are true and correct as of the date hereof.

(i) Corporate Organization and Authority. Company (a) is a corporation duly organized, validly existing, and in good standing in its jurisdiction of incorporation; (b) has the corporate power and authority to own and operate its properties and to carry on its business as now conducted and as currently proposed to be conducted; and (c) is qualified as a foreign corporation in all jurisdictions where such qualification is required.

(ii) Corporate Power. Company has all requisite corporate power and authority to execute, issue and deliver this Warrant, to issue the Warrant Shares issuable upon exercise or conversion of this Warrant, and to carry out and perform its obligations under this Warrant and any related agreements.

(iii) Authorization; Enforceability. All corporate action on the part of Company, its officers, directors and shareholders necessary for the authorization, execution, delivery and performance of its obligations under this Warrant and for the authorization, issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise of this Warrant has been taken and this Warrant constitutes the legally binding and valid obligation of Company enforceable in accordance with its terms.

(iv) Valid Issuance of Warrant and Warrant Shares. This Warrant has been validly issued and is free of restrictions on transfer other than restrictions on transfer set forth herein and under applicable state and federal securities laws. The Warrant Shares issuable upon conversion of this Warrant, when issued, sold and delivered in accordance with the terms of this Warrant for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable, and will be free of restrictions on transfer other than restrictions on transfer under this Warrant and under applicable state and federal securities laws. Subject to applicable restrictions on transfer, the issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise or conversion of this Warrant are not subject to any preemptive or other similar rights or any liens or encumbrances except as specifically set forth in Company's Certificate of Incorporation or this Warrant. Assuming the truth and accuracy of Holder's representations and warranties set forth in Section 4(a), no registration under the Act is required for the offer and sale of this Warrant or the issuance of the Warrant Shares, pursuant to the terms of this Warrant and neither Company nor any authorized agent acting on its behalf has or will take any action hereafter that would cause the loss of such exemption.

(v) No Conflict. The execution, delivery, and performance of this Warrant will not result in (a) any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice (1) any provision of Company's Certificate of Incorporation or by-laws; (2) any provision of any judgment, decree, or order to which Company is a party, by which it is bound, or to which any of its material assets are subject; (3) any contract, obligation, or commitment to which Company is a party or by which it is bound; or (4) any statute, rule, or governmental regulation applicable to Company, or (b) the creation of any lien, charge or encumbrance upon any assets of Company.

(vi) Reports. Company has previously furnished or made available to Holder complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission (the “SEC”), and (b) all other reports filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) with the SEC since December 31, 2010 (such reports are collectively referred to herein as the “Company Reports”). The Company Reports constitute all of the documents required to be filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Exchange Act with the SEC from December 31, 2010 through the date of this Warrant. The Company Reports complied in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder when filed. As of their respective dates of filing with the SEC, the Company Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Legends.

- (a) Legend. Each certificate representing the Warrant Shares shall be endorsed with substantially the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED (UNLESS SUCH TRANSFER IS TO AN AFFILIATE OF HOLDER) UNLESS COVERED BY AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT, A “NO ACTION” LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO SUCH TRANSFER, A TRANSFER MEETING THE REQUIREMENTS OF RULE 144 OF THE SECURITIES AND EXCHANGE COMMISSION, OR (IF REASONABLY REQUIRED BY COMPANY) AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY SUCH TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

Company need not enter into its stock records a transfer of Warrant Shares unless the conditions specified in the foregoing legend are satisfied. Company may also instruct its transfer agent not to allow the transfer of any of the Warrant Shares unless the conditions specified in the foregoing legend are satisfied.

- (b) Removal of Legend and Transfer Restrictions. The legend relating to the Act endorsed on a certificate pursuant to paragraph 5(a) of this Warrant shall be removed and Company shall issue a certificate without such legend to Holder if (i) the Securities are registered under the Act and a prospectus meeting the requirements of Section 10 of the Act is available or (ii) Holder provides to Company an opinion of counsel for Holder reasonably satisfactory to Company, a no-action letter or interpretive opinion of the staff of the SEC reasonably satisfactory to Company, or other evidence reasonably satisfactory to Company, to the effect that public sale, transfer or assignment of the Securities may be made without registration and without compliance with any restriction such as Rule 144.

6. Condition of Transfer or Exercise of Warrant. It shall be a condition to any transfer or exercise of this Warrant that at the time of such transfer or exercise, Holder shall provide Company with a representation in writing that Holder or transferee is acquiring this Warrant and the shares of Common Stock to be issued upon exercise for investment purposes only and not with a view to any sale or distribution, or will provide Company with a statement of pertinent facts covering any proposed distribution; provided, that in the case of a transfer of this Warrant, such requirement shall be deemed satisfied by the execution and delivery to the Company by Holder and the transferee of an Assignment in substantially the form attached hereto as Exhibit B. As a further condition to any transfer of this Warrant or any or all of the shares of Common Stock issuable upon exercise of this Warrant, other than a transfer registered under the Act, Company may request a legal opinion, in form and substance satisfactory to Company and its counsel, reciting the pertinent circumstances surrounding the proposed transfer and stating that such transfer is exempt from the registration and prospectus delivery requirements of the Act. Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder, provided that any such transferee is an “accredited investor” within the meaning of Regulation D under the Act. As further condition to each transfer, at the request of Company, Holder shall surrender this Warrant to Company and the transferee shall receive and accept a Warrant, of like tenor and date, executed by Company. Notwithstanding anything to the contrary herein, after receipt by Oxford Finance LLC (“Oxford”) of this executed Warrant, Oxford may transfer this Warrant to Oxford Finance Funding I, LLC, an Affiliate of Oxford (as the term Affiliate is defined under the Securities Act of 1933, as amended). In the event of such transfer, by accepting transfer of this Warrant and as a condition to the effectiveness of such transfer, Oxford Finance Funding I, LLC shall be deemed to have made to Company the representations and warranties set forth in Section 4(a) hereof.

7. Adjustment for Certain Events. The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification or Merger. In case of (i) any reclassification or change of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any merger of Company with or into another corporation (other than a merger with another corporation in which Company is the acquiring and the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (iii) any sale of all or substantially all of the assets of Company, subject to the provisions of Section 3(e) hereof, Company, or such successor or purchasing corporation, as the case may be, shall duly execute and deliver to Holder a new Warrant (in form and substance satisfactory to Holder of this Warrant), or Company shall make appropriate provision without the issuance of a new Warrant, so that Holder shall have the right to receive, at a total purchase price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, and in lieu of the Warrant Shares theretofore issuable upon exercise or conversion of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, merger or sale by a holder of the number of shares of Common Stock then purchasable under this Warrant, or in the case of such a merger or sale in which the consideration paid consists all or in part of assets other than securities of the successor or purchasing corporation, at the option of Holder, the securities of the successor or purchasing corporation having a value at the time of the transaction equivalent to the value of the Warrant Shares purchasable upon exercise of this Warrant at the time of the transaction. Any new Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 7. The provisions of this subparagraph (a) shall similarly apply to successive reclassifications, changes, mergers and transfers.

(b) Subdivision or Combination of Shares. If Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its outstanding shares of Common Stock, the Warrant Price shall be proportionately decreased and the number of Warrant Shares issuable hereunder shall be proportionately increased in the case of a subdivision and the Warrant Price shall be proportionately increased and the number of Warrant Shares issuable hereunder shall be proportionately decreased in the case of a combination.

(c) Stock Dividends and Other Distributions. If Company at any time while this Warrant is outstanding and unexpired shall (i) pay a dividend with respect to Common Stock payable in Common Stock, then the Warrant Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Warrant Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution; or (ii) make any other distribution with respect to Common Stock (except any distribution specifically provided for in Sections 7(a) and 7(b)), then, in each such case, provision shall be made by Company such that Holder shall receive upon exercise of this Warrant a proportionate share of any such dividend or distribution as though it were Holder of the Warrant Shares as of the record date fixed for the determination of the shareholders of Company entitled to receive such dividend or distribution.

(d) Adjustment of Number of Shares. Upon each adjustment in the Warrant Price pursuant to clause (i) of Section 7(c), the number of Warrant Shares purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of Warrant Shares purchasable immediately prior to such adjustment in the Warrant Price by a fraction, the numerator of which shall be the Warrant Price immediately prior to such adjustment and the denominator of which shall be the Warrant Price immediately thereafter.

8. Notice of Adjustments. Whenever any Warrant Price or the kind or number of securities issuable under this Warrant shall be adjusted pursuant to Section 7 hereof, Company shall prepare a certificate signed by an officer of Company setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Warrant Price and number or kind of shares issuable upon exercise of this Warrant after giving effect to such adjustment, and shall cause copies of such certificate to be mailed (by certified or registered mail, return receipt required, postage prepaid) within thirty (30) days of such adjustment to Holder as set forth in Section 19 hereof.

9. Financial and Other Reports. If at any time prior to the earlier of the Expiration Date and the complete exercise of this Warrant, Company is no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, Company shall furnish to Holder (a) quarterly unaudited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements within 45 days of each fiscal quarter end, in a form acceptable to Holder and certified by Company's president or chief financial officer, and (b) annual audited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements certified by an independent certified public accountant selected by Company and reasonably satisfactory to Holder within 120 days of the fiscal year end or, if sooner, promptly after such time as Company's Board of Directors receives the audit; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such reports.

10. Transferability of Warrant. This Warrant is transferable on the books of Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed, subject to compliance with Section 6 and applicable federal and state securities laws. Company shall issue and deliver to the transferee a new Warrant representing the Warrant so transferred. Upon any partial transfer, Company will issue and deliver to Holder a new Warrant with respect to the portion of the Warrant not so transferred. Holder shall not have any right to transfer any portion of this Warrant to any direct competitor of Company.

11. Reserved.

12. No Fractional Shares. No fractional share of Common Stock will be issued in connection with any exercise or conversion hereunder, but in lieu of such fractional share Company shall make a cash payment therefor upon the basis of the Warrant Price then in effect.

13. Charges, Taxes and Expenses. Issuance of certificates for shares of Common Stock upon the exercise or conversion of this Warrant shall be made without charge to Holder for any United States or state of the United States documentary stamp tax or other incidental expense with respect to the issuance of such certificate, all of which taxes and expenses shall be paid by Company, and such certificates shall be issued in the name of Holder.

14. No Shareholder Rights Until Exercise. Except as expressly provided herein, this Warrant does not entitle Holder to any voting rights or other rights as a shareholder of Company prior to the exercise hereof.

15. Registry of Warrant. Company shall maintain a registry showing the name and address of the registered Holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at such office or agency of Company, and Company and Holder shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

16. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft, or destruction, on delivery of an indemnity reasonably satisfactory to Company in form and amount, and, if mutilated, upon surrender and cancellation of this Warrant, Company will execute and deliver a new Warrant, having terms and conditions substantially identical to this Warrant, in lieu hereof.

17. Miscellaneous.

(a) Issue Date. The provisions of this Warrant shall be construed and shall be given effect in all respect as if it had been issued and delivered by Company on the date hereof.

(b) Successors. This Warrant shall be binding upon any successors or assigns of Company.

(c) Headings. The headings used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

(d) Saturdays, Sundays, Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of New York, then such action may be taken or such right may be exercised on the next succeeding day not a legal holiday.

(e) Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorney's fees.

18. No Impairment. Company will not, by amendment of its Certificate of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Holder hereof against impairment; provided, however, that notwithstanding the foregoing, nothing in this Warrant shall restrict or impair Company's right to effect changes to the rights, preferences, and privileges associated with the Warrant Shares with the requisite consent of the stockholders as may be required to amend its Certificate of Incorporation from time to time so long as such amendment affects the rights, preferences, and privileges granted to Holder associated with the Warrant Shares in the same manner as the other holders of outstanding shares of the same class.

19. Addresses. Any notice required or permitted hereunder shall be in writing and shall be mailed by overnight courier, registered or certified mail, return receipt requested, and postage prepaid, or otherwise delivered by hand or by messenger, addressed as set forth below, or at such other address as Company or Holder hereof shall have furnished to the other party in accordance with the delivery instructions set forth in this Section 19.

If to Company:                   Cytori Therapeutics Inc.  
  3020 Callan Road  
  San Diego, California 92121  
  Phone: (858) 458-0900  
  Facsimile: (858) 450-4335  
  Attn: Chief Financial Officer

With a copy to:                 Cytori Therapeutics Inc.  
  3020 Callan Road  
  San Diego, California 92121  
  Phone: (858) 458-0900  
  Facsimile: (858) 450-4335  
  Attn: In-House Counsel

If to Holder:                     Oxford Finance LLC  
  133 North Fairfax Street  
  Alexandria, VA 22314  
  Attention: Chief Operating Officer  
  Facsimile: (703) 519-6010

If mailed by registered or certified mail, return receipt requested, and postage prepaid, notice shall be deemed to be given five (5) days after being sent, and if sent by overnight courier, by hand or by messenger, notice shall be deemed to be given when delivered (if on a business day, and if not, on the next business day), and if sent by facsimile transmission to the facsimile number provided in this Section 19, on the date of transmission, provided that the sender receives a machine-generated confirmation of successful transmission completed before 5:00 p.m. Pacific time (if on a business day, and if not, on the next business day).

20. Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon any of its stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for sale any shares of the Company's capital stock (or other securities convertible into such capital stock), other than (i) pursuant to the Company's stock option or other compensatory plans, (ii) in connection with commercial credit arrangements or equipment financings, (iii) in connection with strategic transactions for purposes other than capital raising, or (iv) the issuance of any shares of the Company's capital stock upon the exercise of any warrants outstanding as of the date hereof; (c) to effect any reclassification or recapitalization of any of its stock; or (d) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder: (1) at least 10 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above; and (2) in the case of the matters referred to in (c) and (d) above at least 10 days prior written notice of the date when the same will take place (and specifying the date on which the holders of common stock will be entitled to exchange their common stock for securities or other property deliverable upon the occurrence of such event). Company will also provide information requested by Holder reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such information.

21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT OR THE WARRANT SHARES.

22. GOVERNING LAW. THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of page intentionally blank; signature page follows]



IN WITNESS WHEREOF, Company has caused this Warrant to be executed by its officer thereunto duly authorized on the date specified above.

**CYTORI THERAPEUTICS INC.**

By: /s/ Mark Saad  
Name: Mark Saad  
Title: CFO

ACCEPTED AND AGREED TO:

**OXFORD FINANCE LLC**

By: /s/ John G. Henderson  
Name: John G. Henderson  
Title: Vice President & General Counsel

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EXHIBIT A  
NOTICE OF EXERCISE

To:

Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

1. The undersigned Warrantholder ("Holder") elects to acquire shares of the Common Stock (the "Common Stock") of Cytori Therapeutics Inc. (the "Company"), pursuant to the terms of the Stock Purchase Warrant dated September 9, 2011 (the "Warrant").

2. Holder exercises its rights under the Warrant as set forth below (check one):

(     )     Holder elects to purchase \_\_\_\_\_ shares of Common Stock as provided in Section 3(a) and tenders herewith a check in the amount of \$ \_\_\_\_\_ as payment of the purchase price.

(     )     Holder elects to convert the purchase rights into shares of Common Stock as provided in Section 3(b) of the Warrant.

3. Holder surrenders the Warrant with this Notice of Exercise.

Holder represents that it is acquiring the aforesaid shares of Common Stock for investment and not with a view to or for resale in connection with distribution and that Holder has no present intention of distributing or reselling the shares.

Please issue a certificate representing the shares of the Common Stock in the name of Holder or in such other name as is specified below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Taxpayer I.D.: \_\_\_\_\_

[NAME OF HOLDER]

By:  
Name:  
Title:

Date: \_\_\_\_\_, 20\_\_\_\_

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EXHIBIT B

ASSIGNMENT

For value received, Oxford Finance LLC hereby sells, assigns and transfers unto

Name: [ASSIGNEE]  
Address:  
Tax ID:

that certain Warrant to Purchase Shares of Common Stock issued by Cytori Therapeutics Inc. (the "Company"), on [September 9, 2011] (the "Warrant") together with all rights, title and interest therein.

OXFORD FINANCE LLC

By:  
Name:  
Title:

Date:

By its execution below, and for the benefit of the Company, [ASSIGNEE] makes each of the representations and warranties set forth in Section 4(a) of the Warrant and agrees to all other provisions of the Warrant as of the date hereof.

[ASSIGNEE]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



NEITHER THIS WARRANT NOR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO SECTION 6 BELOW, NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR HOLDER, SATISFACTORY TO COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

### WARRANT TO PURCHASE 7,752 SHARES OF COMMON STOCK

Warrant No. CSW-10-009  
2011

September 9,

**THIS CERTIFIES THAT**, for value received, Oxford Finance LLC ("Holder") is entitled to subscribe for and purchase SEVEN THOUSAND SEVEN HUNDRED FIFTY-TWO (7,752) shares of fully paid and nonassessable Common Stock of Cytora Therapeutics Inc., a Delaware corporation (the "Company"), at the Warrant Price (as hereinafter defined), subject to the provisions and upon the terms and conditions hereinafter set forth. As used herein, the term "Common Stock" shall mean Company's presently authorized common stock, \$0.001 par value per share, and any stock into which such common stock may hereafter be converted or exchanged and the term "Warrant Shares" shall mean the shares of Common Stock which Holder may acquire pursuant to this Warrant and any other shares of stock into which such shares of Common Stock may hereafter be converted or exchanged.

This Warrant is issued pursuant to that certain Amended and Restated Loan and Security Agreement, dated as of June 11, 2010, by and among Company, the other entities or persons signatory thereto as loan parties, General Electric Capital Corporation, a Delaware corporation, as agent and lender, and the other financial institutions signatory thereto from time to time as enders, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement, dated as of June 23, 2011, and as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement, dated as of the date hereof in connection with that certain Promissory Note in the original principal amount of \$2,333,332.00, dated as of the date hereof executed by Company in favor of Holder.

1. Warrant Price. The "Warrant Price" shall initially be THREE and 01/100 dollars (\$3.01) per share, subject to adjustment as provided in Section 7 below.
2. Conditions to Exercise. The purchase right represented by this Warrant may be exercised at any time, or from time to time, in whole or in part during the term commencing on the date hereof and ending at 5:00 P.M. Pacific time on the seventh anniversary of the date of this Warrant (the "Expiration Date").
3. Method of Exercise or Conversion; Payment; Issuance of Shares; Issuance of New Warrant.
  - (a) Cash Exercise. Subject to Section 2 hereof, the purchase right represented by this Warrant may be exercised by Holder hereof, in whole or in part, by the surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto as Exhibit A) at the principal office of Company (as set forth in Section 19 below) and by payment to Company, by certified or bank check, or wire transfer of immediately available funds, of an amount equal to the then applicable Warrant Price per share multiplied by the number of Warrant Shares then being purchased. In the event of any exercise of the rights represented by this Warrant, certificates for the shares of stock so purchased shall be in the name of, and delivered to, Holder hereof, or as such Holder may direct (subject to the terms of transfer contained herein and upon payment by such Holder hereof of any applicable transfer taxes). Such delivery shall be made within 30 days after exercise of this Warrant and at Company's expense and, unless this Warrant has been fully exercised or expired, a new Warrant having terms and conditions substantially identical to this Warrant and representing the portion of the Warrant Shares, if any, with respect to which this Warrant shall not have been exercised, shall also be issued to Holder hereof within 30 days after exercise of this Warrant.

(b) Conversion. In lieu of exercising this Warrant as specified in Section 3(a), Holder may from time to time convert this Warrant, in whole or in part, into Warrant Shares by surrender of the original of this Warrant (together with a duly executed Notice of Exercise in substantially the form attached hereto as Exhibit A) at the principal office of Company, in which event Company shall issue to Holder the number of Warrant Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Warrant Shares to be issued to Holder.

Y = the number of Warrant Shares purchasable under this Warrant (at the date of such calculation).

A = the Fair Market Value of one share of Company's Common Stock (at the date of such calculation).

B = Warrant Price (as adjusted to the date of such calculation).

(c) Fair Market Value. For purposes of this Section 3, Fair Market Value of one share of Company's Common Stock shall mean:

(i) The average of the closing bid and asked prices of Common Stock quoted in the Over-The-Counter Market Summary, the last reported sale price quoted on the Nasdaq Stock Market or on any other exchange on which the Common Stock is listed, whichever is applicable, as published in the Western Edition of the Wall Street Journal for the ten (10) trading days prior to the date of determination of Fair Market Value; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which Company is not the surviving entity, the per share Fair Market Value for the Common Stock shall be the value to be received per share of Common Stock by all holders of the Common Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Common Stock shall be as determined in the reasonable good faith judgment of Company's Board of Directors.

In the event of 3(c)(ii) or 3(c)(iii), above, Company's Board of Directors shall prepare a certificate, to be signed by an authorized officer of Company, setting forth in reasonable detail the basis for and method of determination of the per share Fair Market Value of the Common Stock. The Board of Directors will also certify to Holder that this per share Fair Market Value will be applicable to all holders of Company's Common Stock. Such certification must be made to Holder at least ten (10) business days prior to the proposed effective date of the merger, consolidation, sale, or other triggering event as defined in 3(c)(ii) or 3(c)(iii).

(d) Automatic Exercise. To the extent this Warrant is not previously exercised, it shall be deemed to have been automatically converted in accordance with Sections 3(b) and 3(c) hereof (even if not surrendered) as of immediately before its expiration, involuntary termination or cancellation if the then-Fair Market Value of a Warrant Share exceeds the then-Warrant Price, unless Holder notifies Company in writing to the contrary prior to such automatic exercise.

(e) Treatment of Warrant Upon Acquisition of Company.

(i) Certain Definitions. For the purpose of this Warrant, "Acquisition" means any sale, exclusive license, or other disposition of all or substantially all of the assets of Company, or any reorganization, consolidation, or merger of Company, or sale of outstanding Company securities by holders thereof, where the holders of Company's securities before the transaction beneficially own less than a majority of the outstanding voting securities of the successor or surviving entity after the transaction. For purposes of this Section 3(e), "Affiliate" shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the voting capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable.

(ii) Cash Acquisition. In the event of an Acquisition in which the sole consideration is cash, Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to expire automatically upon the consummation of such Acquisition. Company shall provide Holder with written notice of any proposed Acquisition together with such reasonable information as Holder may request in connection with such contemplated Acquisition giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed Acquisition.

(iii) Asset Sale. In the event of an Acquisition that is an arms length sale of all or substantially all of Company's assets (and only its assets) to a third party that is not an Affiliate of Company (a "True Asset Sale"), Holder may either (a) exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) permit the Warrant to continue until the Expiration Date if Company continues as a going concern following the closing of any such True Asset Sale. Company shall provide Holder with written notice of any proposed asset sale together with such reasonable information as Holder may request in connection with such asset sale giving rise to such notice, which is to be delivered to Holder not less than ten (10) business days prior to the closing of the proposed asset sale.

(iv) Assumption of Warrant. Upon the closing of any Acquisition other than those particularly described in subsections (ii) and (iii) above, the successor entity shall assume the obligations of this Warrant, and this Warrant shall be exercisable for the same securities, cash, and property as would be payable for the Warrant Shares issuable upon exercise of the unexercised portion of this Warrant as if such Warrant Shares were outstanding on the record date for the Acquisition and subsequent closing. The Warrant Price and/or number of Warrant Shares shall be adjusted accordingly.

(v) Early Termination of Warrant in Certain Other Circumstances. Notwithstanding the foregoing provisions of Section 3(e)(iv), but subject to the terms of Section 3(d), in the event that the acquiror in an Acquisition does not agree to assume this Warrant at and as of the closing of such Acquisition, this Warrant, to the extent not exercised or converted on or prior to such closing, shall terminate and be of no further force or effect as of immediately following the closing of such Acquisition if all of the following conditions are met: (A) the acquiror is subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (B) the class of stock or other security of the acquiror that would be received by Holder in connection with such Acquisition were Holder to exercise or convert this Warrant on or prior to the closing thereof is listed for trading on a national securities exchange or approved for quotation on an automated inter-dealer quotation system, and (C) the value (determined as of the closing of such Acquisition in accordance with the definitive agreements therefor) of the acquiror stock and/or other securities that would be received by Holder in respect of each Warrant Share were Holder to exercise or convert this Warrant on or prior to the closing of such Acquisition is equal to or greater than three (3) times the then-effective Warrant Price.

4. Representations and Warranties of Holder and Company.

(a) Representations and Warranties by Holder. Holder represents and warrants to Company as follows:

(i) Evaluation. Holder has substantial experience in evaluating and investing in private placement transactions of securities of companies similar to Company so that Holder is capable of evaluating the merits and risks of its investment in Company and has the capacity to protect its interests.

(ii) Resale. Except for transfers to an affiliate of Holder, Holder is acquiring this Warrant and the Warrant Shares issuable upon exercise of this Warrant (collectively the "Securities") for investment for its own account and not with a view to, or for resale in connection with, any distribution thereof. Holder does not presently have any agreement, plan or understanding, directly or indirectly, with any person to distribute or effect the distribution of any of the Securities to or through any person. Holder understands that the Securities have not been registered under the Securities Act of 1933, as amended (the "Act") by reason of a specific exemption from the registration provisions of the Act which depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(iii) Rule 144. Holder acknowledges that the Securities must be held indefinitely unless subsequently registered under the Act or an exemption from such registration is available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

(iv) Accredited Investor. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

(v) Opportunity To Discuss. Holder has had an opportunity to discuss Company's business, management and financial affairs with its management and an opportunity to review Company's facilities. Holder understands that such discussions, as well as the written information issued by Company, were intended to describe the aspects of Company's business and prospects which Company believes to be material but were not necessarily a thorough or exhaustive description.



(b) Representations and Warranties by Company. Company hereby represents and warrants to Holder that the statements in the following paragraphs of this Section 4(b) are true and correct as of the date hereof.

(i) Corporate Organization and Authority. Company (a) is a corporation duly organized, validly existing, and in good standing in its jurisdiction of incorporation; (b) has the corporate power and authority to own and operate its properties and to carry on its business as now conducted and as currently proposed to be conducted; and (c) is qualified as a foreign corporation in all jurisdictions where such qualification is required.

(ii) Corporate Power. Company has all requisite corporate power and authority to execute, issue and deliver this Warrant, to issue the Warrant Shares issuable upon exercise or conversion of this Warrant, and to carry out and perform its obligations under this Warrant and any related agreements.

(iii) Authorization; Enforceability. All corporate action on the part of Company, its officers, directors and shareholders necessary for the authorization, execution, delivery and performance of its obligations under this Warrant and for the authorization, issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise of this Warrant has been taken and this Warrant constitutes the legally binding and valid obligation of Company enforceable in accordance with its terms.

(iv) Valid Issuance of Warrant and Warrant Shares. This Warrant has been validly issued and is free of restrictions on transfer other than restrictions on transfer set forth herein and under applicable state and federal securities laws. The Warrant Shares issuable upon conversion of this Warrant, when issued, sold and delivered in accordance with the terms of this Warrant for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable, and will be free of restrictions on transfer other than restrictions on transfer under this Warrant and under applicable state and federal securities laws. Subject to applicable restrictions on transfer, the issuance and delivery of this Warrant and the Warrant Shares issuable upon exercise or conversion of this Warrant are not subject to any preemptive or other similar rights or any liens or encumbrances except as specifically set forth in Company's Certificate of Incorporation or this Warrant. Assuming the truth and accuracy of Holder's representations and warranties set forth in Section 4(a), no registration under the Act is required for the offer and sale of this Warrant or the issuance of the Warrant Shares, pursuant to the terms of this Warrant and neither Company nor any authorized agent acting on its behalf has or will take any action hereafter that would cause the loss of such exemption.

(v) No Conflict. The execution, delivery, and performance of this Warrant will not result in (a) any violation of, be in conflict with, or constitute a default under, with or without the passage of time or the giving of notice (1) any provision of Company's Certificate of Incorporation or by-laws; (2) any provision of any judgment, decree, or order to which Company is a party, by which it is bound, or to which any of its material assets are subject; (3) any contract, obligation, or commitment to which Company is a party or by which it is bound; or (4) any statute, rule, or governmental regulation applicable to Company, or (b) the creation of any lien, charge or encumbrance upon any assets of Company.

(vi) Reports. Company has previously furnished or made available to Holder complete and accurate copies, as amended or supplemented, of its (a) Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission (the “SEC”), and (b) all other reports filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”) with the SEC since December 31, 2010 (such reports are collectively referred to herein as the “Company Reports”). The Company Reports constitute all of the documents required to be filed by Company under Section 13 or subsections (a) or (c) of Section 14 of the Exchange Act with the SEC from December 31, 2010 through the date of this Warrant. The Company Reports complied in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder when filed. As of their respective dates of filing with the SEC, the Company Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. Legends.

- (a) Legend. Each certificate representing the Warrant Shares shall be endorsed with substantially the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED (UNLESS SUCH TRANSFER IS TO AN AFFILIATE OF HOLDER) UNLESS COVERED BY AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT, A “NO ACTION” LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION WITH RESPECT TO SUCH TRANSFER, A TRANSFER MEETING THE REQUIREMENTS OF RULE 144 OF THE SECURITIES AND EXCHANGE COMMISSION, OR (IF REASONABLY REQUIRED BY COMPANY) AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY SUCH TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

Company need not enter into its stock records a transfer of Warrant Shares unless the conditions specified in the foregoing legend are satisfied. Company may also instruct its transfer agent not to allow the transfer of any of the Warrant Shares unless the conditions specified in the foregoing legend are satisfied.

- (b) Removal of Legend and Transfer Restrictions. The legend relating to the Act endorsed on a certificate pursuant to paragraph 5(a) of this Warrant shall be removed and Company shall issue a certificate without such legend to Holder if (i) the Securities are registered under the Act and a prospectus meeting the requirements of Section 10 of the Act is available or (ii) Holder provides to Company an opinion of counsel for Holder reasonably satisfactory to Company, a no-action letter or interpretive opinion of the staff of the SEC reasonably satisfactory to Company, or other evidence reasonably satisfactory to Company, to the effect that public sale, transfer or assignment of the Securities may be made without registration and without compliance with any restriction such as Rule 144.

6. Condition of Transfer or Exercise of Warrant. It shall be a condition to any transfer or exercise of this Warrant that at the time of such transfer or exercise, Holder shall provide Company with a representation in writing that Holder or transferee is acquiring this Warrant and the shares of Common Stock to be issued upon exercise for investment purposes only and not with a view to any sale or distribution, or will provide Company with a statement of pertinent facts covering any proposed distribution; provided, that in the case of a transfer of this Warrant, such requirement shall be deemed satisfied by the execution and delivery to the Company by Holder and the transferee of an Assignment in substantially the form attached hereto as Exhibit B. As a further condition to any transfer of this Warrant or any or all of the shares of Common Stock issuable upon exercise of this Warrant, other than a transfer registered under the Act, Company may request a legal opinion, in form and substance satisfactory to Company and its counsel, reciting the pertinent circumstances surrounding the proposed transfer and stating that such transfer is exempt from the registration and prospectus delivery requirements of the Act. Company shall not require Holder to provide an opinion of counsel if the transfer is to an affiliate of Holder, provided that any such transferee is an “accredited investor” within the meaning of Regulation D under the Act. As further condition to each transfer, at the request of Company, Holder shall surrender this Warrant to Company and the transferee shall receive and accept a Warrant, of like tenor and date, executed by Company. Notwithstanding anything to the contrary herein, after receipt by Oxford Finance LLC (“Oxford”) of this executed Warrant, Oxford may transfer this Warrant to Oxford Finance Funding I, LLC, an Affiliate of Oxford (as the term Affiliate is defined under the Securities Act of 1933, as amended). In the event of such transfer, by accepting transfer of this Warrant and as a condition to the effectiveness of such transfer, Oxford Finance Funding I, LLC shall be deemed to have made to Company the representations and warranties set forth in Section 4(a) hereof.

7. Adjustment for Certain Events. The number and kind of securities purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

(a) Reclassification or Merger. In case of (i) any reclassification or change of securities of the class issuable upon exercise of this Warrant (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any merger of Company with or into another corporation (other than a merger with another corporation in which Company is the acquiring and the surviving corporation and which does not result in any reclassification or change of outstanding securities issuable upon exercise of this Warrant), or (iii) any sale of all or substantially all of the assets of Company, subject to the provisions of Section 3(e) hereof, Company, or such successor or purchasing corporation, as the case may be, shall duly execute and deliver to Holder a new Warrant (in form and substance satisfactory to Holder of this Warrant), or Company shall make appropriate provision without the issuance of a new Warrant, so that Holder shall have the right to receive, at a total purchase price not to exceed that payable upon the exercise of the unexercised portion of this Warrant, and in lieu of the Warrant Shares theretofore issuable upon exercise or conversion of this Warrant, the kind and amount of shares of stock, other securities, money and property receivable upon such reclassification, change, merger or sale by a holder of the number of shares of Common Stock then purchasable under this Warrant, or in the case of such a merger or sale in which the consideration paid consists all or in part of assets other than securities of the successor or purchasing corporation, at the option of Holder, the securities of the successor or purchasing corporation having a value at the time of the transaction equivalent to the value of the Warrant Shares purchasable upon exercise of this Warrant at the time of the transaction. Any new Warrant shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 7. The provisions of this subparagraph (a) shall similarly apply to successive reclassifications, changes, mergers and transfers.

(b) Subdivision or Combination of Shares. If Company at any time while this Warrant remains outstanding and unexpired shall subdivide or combine its outstanding shares of Common Stock, the Warrant Price shall be proportionately decreased and the number of Warrant Shares issuable hereunder shall be proportionately increased in the case of a subdivision and the Warrant Price shall be proportionately increased and the number of Warrant Shares issuable hereunder shall be proportionately decreased in the case of a combination.

(c) Stock Dividends and Other Distributions. If Company at any time while this Warrant is outstanding and unexpired shall (i) pay a dividend with respect to Common Stock payable in Common Stock, then the Warrant Price shall be adjusted, from and after the date of determination of shareholders entitled to receive such dividend or distribution, to that price determined by multiplying the Warrant Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution; or (ii) make any other distribution with respect to Common Stock (except any distribution specifically provided for in Sections 7(a) and 7(b)), then, in each such case, provision shall be made by Company such that Holder shall receive upon exercise of this Warrant a proportionate share of any such dividend or distribution as though it were Holder of the Warrant Shares as of the record date fixed for the determination of the shareholders of Company entitled to receive such dividend or distribution.

(d) Adjustment of Number of Shares. Upon each adjustment in the Warrant Price pursuant to clause (i) of Section 7(c), the number of Warrant Shares purchasable hereunder shall be adjusted, to the nearest whole share, to the product obtained by multiplying the number of Warrant Shares purchasable immediately prior to such adjustment in the Warrant Price by a fraction, the numerator of which shall be the Warrant Price immediately prior to such adjustment and the denominator of which shall be the Warrant Price immediately thereafter.

8. Notice of Adjustments. Whenever any Warrant Price or the kind or number of securities issuable under this Warrant shall be adjusted pursuant to Section 7 hereof, Company shall prepare a certificate signed by an officer of Company setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the Warrant Price and number or kind of shares issuable upon exercise of this Warrant after giving effect to such adjustment, and shall cause copies of such certificate to be mailed (by certified or registered mail, return receipt required, postage prepaid) within thirty (30) days of such adjustment to Holder as set forth in Section 19 hereof.

9. Financial and Other Reports. If at any time prior to the earlier of the Expiration Date and the complete exercise of this Warrant, Company is no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, Company shall furnish to Holder (a) quarterly unaudited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements within 45 days of each fiscal quarter end, in a form acceptable to Holder and certified by Company's president or chief financial officer, and (b) annual audited consolidated and, if available, consolidating balance sheets, statements of operations and cash flow statements certified by an independent certified public accountant selected by Company and reasonably satisfactory to Holder within 120 days of the fiscal year end or, if sooner, promptly after such time as Company's Board of Directors receives the audit; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such reports.

10. Transferability of Warrant. This Warrant is transferable on the books of Company at its principal office by the registered Holder hereof upon surrender of this Warrant properly endorsed, subject to compliance with Section 6 and applicable federal and state securities laws. Company shall issue and deliver to the transferee a new Warrant representing the Warrant so transferred. Upon any partial transfer, Company will issue and deliver to Holder a new Warrant with respect to the portion of the Warrant not so transferred. Holder shall not have any right to transfer any portion of this Warrant to any direct competitor of Company.

11. Reserved.

12. No Fractional Shares. No fractional share of Common Stock will be issued in connection with any exercise or conversion hereunder, but in lieu of such fractional share Company shall make a cash payment therefor upon the basis of the Warrant Price then in effect.

13. Charges, Taxes and Expenses. Issuance of certificates for shares of Common Stock upon the exercise or conversion of this Warrant shall be made without charge to Holder for any United States or state of the United States documentary stamp tax or other incidental expense with respect to the issuance of such certificate, all of which taxes and expenses shall be paid by Company, and such certificates shall be issued in the name of Holder.

14. No Shareholder Rights Until Exercise. Except as expressly provided herein, this Warrant does not entitle Holder to any voting rights or other rights as a shareholder of Company prior to the exercise hereof.

15. Registry of Warrant. Company shall maintain a registry showing the name and address of the registered Holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at such office or agency of Company, and Company and Holder shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

16. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft, or destruction, on delivery of an indemnity reasonably satisfactory to Company in form and amount, and, if mutilated, upon surrender and cancellation of this Warrant, Company will execute and deliver a new Warrant, having terms and conditions substantially identical to this Warrant, in lieu hereof.

17. Miscellaneous.

(a) Issue Date. The provisions of this Warrant shall be construed and shall be given effect in all respect as if it had been issued and delivered by Company on the date hereof.

(b) Successors. This Warrant shall be binding upon any successors or assigns of Company.

(c) Headings. The headings used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

(d) Saturdays, Sundays, Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday in the State of New York, then such action may be taken or such right may be exercised on the next succeeding day not a legal holiday.

(e) Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorney's fees.

18. No Impairment. Company will not, by amendment of its Certificate of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Holder hereof against impairment; provided, however, that notwithstanding the foregoing, nothing in this Warrant shall restrict or impair Company's right to effect changes to the rights, preferences, and privileges associated with the Warrant Shares with the requisite consent of the stockholders as may be required to amend its Certificate of Incorporation from time to time so long as such amendment affects the rights, preferences, and privileges granted to Holder associated with the Warrant Shares in the same manner as the other holders of outstanding shares of the same class.

19. Addresses. Any notice required or permitted hereunder shall be in writing and shall be mailed by overnight courier, registered or certified mail, return receipt requested, and postage prepaid, or otherwise delivered by hand or by messenger, addressed as set forth below, or at such other address as Company or Holder hereof shall have furnished to the other party in accordance with the delivery instructions set forth in this Section 19.

If to Company:                   Cytori Therapeutics Inc.  
  3020 Callan Road  
  San Diego, California 92121  
  Phone: (858) 458-0900  
  Facsimile: (858) 450-4335  
  Attn: Chief Financial Officer

With a copy to:                 Cytori Therapeutics Inc.  
  3020 Callan Road  
  San Diego, California 92121  
  Phone: (858) 458-0900  
  Facsimile: (858) 450-4335  
  Attn: In-House Counsel

If to Holder:                     Oxford Finance LLC  
  133 North Fairfax Street  
  Alexandria, VA 22314  
  Attention: Chief Operating Officer  
  Facsimile: (703) 519-6010

If mailed by registered or certified mail, return receipt requested, and postage prepaid, notice shall be deemed to be given five (5) days after being sent, and if sent by overnight courier, by hand or by messenger, notice shall be deemed to be given when delivered (if on a business day, and if not, on the next business day), and if sent by facsimile transmission to the facsimile number provided in this Section 19, on the date of transmission, provided that the sender receives a machine-generated confirmation of successful transmission completed before 5:00 p.m. Pacific time (if on a business day, and if not, on the next business day).

20. Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon any of its stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for sale any shares of the Company's capital stock (or other securities convertible into such capital stock), other than (i) pursuant to the Company's stock option or other compensatory plans, (ii) in connection with commercial credit arrangements or equipment financings, (iii) in connection with strategic transactions for purposes other than capital raising, or (iv) the issuance of any shares of the Company's capital stock upon the exercise of any warrants outstanding as of the date hereof; (c) to effect any reclassification or recapitalization of any of its stock; or (d) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder: (1) at least 10 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above; and (2) in the case of the matters referred to in (c) and (d) above at least 10 days prior written notice of the date when the same will take place (and specifying the date on which the holders of common stock will be entitled to exchange their common stock for securities or other property deliverable upon the occurrence of such event). Company will also provide information requested by Holder reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements; provided, however, that Holder execute and deliver to Company a nondisclosure agreement in a form reasonably acceptable to Company prior to receipt of any such information.

21. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT OR THE WARRANT SHARES.

22. GOVERNING LAW. THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Remainder of page intentionally blank; signature page follows]

IN WITNESS WHEREOF, Company has caused this Warrant to be executed by its officer thereunto duly authorized on the date specified above.

**CYTORI THERAPEUTICS INC.**

By: /s/ Mark Saad

Name: Mark Saad

Title: CFO

ACCEPTED AND AGREED TO:

**OXFORD FINANCE LLC**

By: /s/ John G. Henderson

Name: John G. Henderson

Title: Vice President & General Counsel

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EXHIBIT A  
NOTICE OF EXERCISE

To:

Cytori Therapeutics Inc.  
3020 Callan Road  
San Diego, California 92121  
Phone: (858) 458-0900  
Facsimile: (858) 450-4335  
Attn: Chief Financial Officer

1. The undersigned Warrantholder ("Holder") elects to acquire shares of the Common Stock (the "Common Stock") of Cytori Therapeutics Inc. (the "Company"), pursuant to the terms of the Stock Purchase Warrant dated September 9, 2011 (the "Warrant").
2. Holder exercises its rights under the Warrant as set forth below (check one):  
  

Holder elects to purchase \_\_\_\_\_ shares of Common Stock as provided in Section 3(a) and tenders herewith a check in the amount of \$ \_\_\_\_\_ as payment of the purchase price.

Holder elects to convert the purchase rights into shares of Common Stock as provided in Section 3(b) of the Warrant.
3. Holder surrenders the Warrant with this Notice of Exercise.

Holder represents that it is acquiring the aforesaid shares of Common Stock for investment and not with a view to or for resale in connection with distribution and that Holder has no present intention of distributing or reselling the shares.

Please issue a certificate representing the shares of the Common Stock in the name of Holder or in such other name as is specified below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Taxpayer I.D.: \_\_\_\_\_

[NAME OF HOLDER]

By:  
Name:  
Title:

Date: \_\_\_\_\_, 20\_\_\_\_

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EXHIBIT B

ASSIGNMENT

For value received, Oxford Finance LLC hereby sells, assigns and transfers unto

Name: [ASSIGNEE]  
Address:  
Tax ID:

that certain Warrant to Purchase Shares of Common Stock issued by Cytora Therapeutics Inc. (the "Company"), on September 9, 2011 (the "Warrant") together with all rights, title and interest therein.

OXFORD FINANCE LLC

By:  
Name:  
Title:

Date:

By its execution below, and for the benefit of the Company, [ASSIGNEE] makes each of the representations and warranties set forth in Section 4(a) of the Warrant and agrees to all other provisions of the Warrant as of the date hereof.

[ASSIGNEE]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

September 12, 2011

### **Cytori Amends and Expands Credit Facility led by GE Capital, Healthcare Financial Services**

SAN DIEGO - Cytori Therapeutics (NASDAQ: CYTX) amended its loan facility with GE Capital, Healthcare Financial Services, Oxford Finance Corporation and Silicon Valley Bank by extending the maturity date from June 2013 to March 2015 and by increasing the funded facility from \$20 million to \$25 million. In addition, as part of the amendment, substantially all principal payments will begin September 2012, and there are no changes to the rates or covenants of the facility.

"This amendment has a favorable financial effect to Cytori in two ways," said Mark Saad, Chief Financial Officer for Cytori. "First, it increases cash reserves and, secondly, it significantly reduces our near-term cash obligations by deferring principal repayments for the next twelve months. This represents the second time that the lending group has upsized and extended our agreement which was originally structured in 2008."

The funds will be used to support Cytori's clinical development and commercialization activities in the U.S., Europe, and Asia. The term is 3.5 years at 9.9% with an additional \$1.25 million due at final maturity. As part of the amendment, Cytori will issue warrants to the lenders to purchase 132,891 shares of Cytori's common stock exercisable at \$3.01 per share.

#### **About Cytori**

Cytori is a leader in cell therapy, providing patients and physicians around the world with medical technologies that harness the potential of adult regenerative cells from adipose tissue. The Celution® System family of medical devices and instruments is being sold into the European and Asian cosmetic and reconstructive surgery markets but is not yet available in the United States. Our StemSource® product line is sold globally for cell banking and research applications. Our PureGraft™ products are available in North America and Europe for fat grafting procedures. [www.cytori.com](http://www.cytori.com)

#### **Cautionary Statement Regarding Forward-Looking Statements**

This press release includes forward-looking statements regarding events, trends and business prospects, which may affect our future operating results and financial position. Such statements are all subject to risks and uncertainties that could cause our actual results and financial position to differ materially. Some of these risks and uncertainties include, but are not limited to, risks related to our history of operating losses, the need for further financing and our ability to access the necessary additional capital for our business, inherent risk and uncertainty in the protection intellectual property rights, regulatory uncertainties regarding the collection and results of, clinical data, dependence on third party performance, as well as other risks and uncertainties described under the "Risk Factors" in Cytori's Securities and Exchange Commission Filings on Form 10-K and Form 10-Q. We assume no responsibility to update or revise any forward-looking statements to reflect events, trends or circumstances after the date they are made.

#### **Contact:**

Tom Baker  
+1.858.875.5258  
[tbaker@cytori.com](mailto:tbaker@cytori.com)

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