



For Immediate Release

**Arterioocyte receives \$1 Million award from Ohio Third Frontier Program to advance its NANEX™ technology toward clinical use.**

**Cleveland, OH, July 20th, 2011**

Arterioocyte®, a leading clinical stage biotechnology company with offices in Cleveland, Ohio and Hopkinton, Massachusetts that develops proprietary stem cell and tissue engineering based therapies announced today that the Ohio Department of Development's Third Frontier Commission awarded a \$1 million grant to the company for its "Development and Commercialization of Hematopoietic Stem Cell Expansion for Clinical Applications" as part of the Ohio Third Frontier Biomedical Program to accelerate the company's Good Manufacturing Practices (GMP) manufacturing of its NANEX™ technology for clinical use under the product name HemaEx.

The NANEX™ technology is a biofunctional nanofiber-based 3D scaffold designed to mimic the bone marrow environment, permitting rapid *ex vivo* proliferation of hematopoietic stem cells with minimal differentiation. This technology was licensed from John Hopkins University to enhance proprietary stem cell therapies targeting cardiovascular disease and cancer. Arterioocyte launched the technology commercially as a research-use "NANEX™ Hematopoietic stem cell expansion kit" in December 2010. This kit, combining NANEX™ culture ware with proprietary culture medium and growth factors, enables scientists to rapidly expand HSCs for their preclinical research.

Arterioocyte will deploy the current funding to rapidly scale its Cleveland-based NANEX™ production facility to manufacture GMP-compliant, "clinic-ready" HemaEx culture ware. The company anticipates working closely with clinical partners at the Ohio State University to validate use of the HemaEx system during treatment of blood born cancers. Additionally, this award will enable Arterioocyte to expand its strategic partnership with Miltenyi Biotec to include GMP-grade media additives that are safe for human use. The company anticipates launch of its first GMP NANEX™ product for clinical research use within the next year, followed closely by regulatory submittal to allow clinical cell therapy production by 2013.

"The Third Frontier Program is eager to invest in innovative technologies like Arterioocyte's that advance the biomedical industry in the state," said Norm Chagnon, Executive Director for the Ohio Third Frontier for the Ohio Third Frontier. "The company has a proven track record of developing world-class technologies and growing the talent-base in the region, while creating jobs and revenue for the State of Ohio."

Arterioocyte CEO Don Brown said, "Ohio's Third Frontier Program has been one of Arterioocyte's earliest and most consistent investment partners. Their support has been a driving force contributing to the growth of our company and rapid development of these novel technologies. Today's award will enable Arterioocyte to advance our Nanex products forward to clinically relevant cellular therapy products here in Northeast Ohio."

**About Arterioocyte**

Arterioocyte, a leading clinical stage biotechnology company, is dedicated in developing novel stem cell products and medical devices for unmet clinical needs. Arterioocyte leverages its expertise in stem cell and tissue engineering in order to develop a broad portfolio of cell based therapeutics to improve patient outcomes. In October of 2007, Arterioocyte partnered with DW Healthcare Partners and Comerica to create Arterioocyte Medical Systems Inc., in order to commercialize and distribute novel medical devices and point of care surgical solutions to address serious unmet medical needs in cardiac, orthopedic and



vascular surgeries. Arterioocyte Medical Systems manufactures and distributes the Magellan<sup>®</sup> Autologous Platelet Separator System.

### **Contact Information**

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