



Healionics Named as Collaborating Organization in the Life Sciences Discovery Fund (LSDF) Award for Catheter Research

Redmond, WA (September 2, 2009)—The Life Sciences Discovery Fund (LSDF) recently awarded Dr. Philip Fleckman of the University of Washington a \$150,000 research grant, and Healionics Corporation was named the collaborating organization in this award.

Dr. Fleckman was one of two recipients of the LSDF 2009 Winter Commercialization Grant Competition, which was created to provide funding for studies focused on validating the commercial merit of novel technologies. Dr. Fleckman's study will focus on the prevention of catheter-related infections. The research calls on a new approach which uses new material for skin healing. He will utilize STAR® Biomaterial, which is exclusively licensed to Healionics Corporation from the University of Washington.

STAR Biomaterial is designed to allow a patient's own tissue to grow into it and heal, providing a natural skin seal to help prevent bacteria and other sources of infection from entering the body along the outside of the catheter. Healionics' STARCuff™ was developed to address bacterial infections from skin penetrating devices such as vascular access catheters, glucose sensors and feeding tubes.

It has been estimated that about 250,000 patients are infected resulting in 30,000 deaths each year. Patient deaths from hospital-acquired infections are often associated with long-term catheter use. In addition, catheter-related infections are an enormous burden to the health care system and cost on the average of \$25,000 to treat a patient per each occurrence.

In July of this year, Healionics was also named one of the company partners awarded state funding from the Washington Technology Center (WTC). The University of Washington will receive Phase II of the research and technology development funding from the WTC for research to reduce infection from skin-breaching devices such as catheters. The commercialization of this technology can result in Healionics capturing a significant part of a \$100-200 million market.

More information about the Life Sciences Discovery Fund can be found at http://www.lifesciencesdiscoveryfund.org/grants/09-03_awards.html

About Healionics Corporation

Healionics is a privately held biomaterials company whose mission is to be the leading provider of tissue regeneration and device biointegration solutions to healthcare manufacturers. The Company's flagship STAR® - Sphere Templated Angiogenic Regeneration – biomaterial scaffold is a next generation biomaterial scaffold designed to enhance biointegration and promote healing of implanted medical devices. Healionics Corporation is headquartered in Redmond, Washington. For more information, please visit <http://www.healionics.com>.

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