

News Release

Newark, NJ – May 30, 2014 Endomedix, Inc. announced today that the National Institute of Neurological Disorders and Stroke (NINDS) has awarded it a Phase II Small Business Innovation Research (SBIR) grant. NINDS is one of the 27 institutes and centers of the NIH. The grant, (Award Number 2R44NS070331-02A1) with a value of \$1,491,256 and titled *Hemorrhage Control during Brain Surgery*, will support the Company's program to develop a fast acting, biocompatible surgical hemostat intended for use in intracranial surgery.

NIH awards SBIR grants through a rigorous peer review process. Endomedix had previously won 6 SBIR Phase I grants with an aggregate total value of over \$1.1 million for support of its product development program. Dr. Weiliam Chen, a co-founder of Endomedix, is the Principal Investigator for this Phase II grant, as he has been for the six Phase I grants. Dr. Paul Higham, recently of Stryker, has joined the Endomedix team as a co-investigator for this program.

"We are both pleased and proud of the award of this Phase II grant", said Richard Russo, President & CEO. "The award will provide non-dilutive capital for our product development program. These funds will support, among other items, our biocompatibility and safety studies, *in vivo* performance studies, and the development of an applicator instrument".

"Based on our track record in winning these grants, we are optimistic about our prospects for obtaining additional federal grants for our device development program. The SBIR program has become an integral element of our financial strategy."

The Endomedix platform technology utilizes two processed biocompatible polysaccharides that are simultaneously mixed and sprayed onto a surgical site, forming a hydrogel device *in situ*. The Company believes that its first device, a surgical hemostat, will hit the "sweet spot" for a successful device: it will significantly reduce hospital costs per procedure while improving clinical outcomes and reducing risk. Russo noted that "our technology provides unique features for surgical hemostats, especially suitable for our first indication for use, intracranial surgery."

About Endomedix

Endomedix is a privately-held, medical device start-up corporation located in the Enterprise Development Center incubator at NJIT. For additional information, contact Endomedix CEO Richard Russo at e-mail russo@endomedix.com or telephone 848-248-1883.
