



## NEWS RELEASE

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**Tissue Genesis Awarded \$2 Million Army Medical Research Contract**

*Company is moving research into the orthopedic field*

HONOLULU, HAWAII – Tissue Genesis, Inc., an emerging world leader in adult stem cell and regenerative medicine therapies, announced today that the U.S. Army Medical Research Command has awarded them \$2 million to extend their research into a new field. Under this new contract, Tissue Genesis will expand their point-of-care application to orthopedics by studying the beneficial effects of using adipose-derived stem cells (ASCs) in the repair of rotator cuff injuries. These funds will support the pre-clinical studies and hopefully assist in getting to FDA trials using this therapy in the treatment of patients with rotator cuff tears.

This effort will be conducted in partnership between the University of Michigan and Tissue Genesis Inc. Studies will be conducted at the University of Michigan Orthopedic Research Laboratories (ORL) under the direction of Dr. Asheesh Bedi and Dr. Christopher Mendias. The ORL occupies over 8000ft<sup>2</sup> of space in the brand new Biomedical Science Research Building at the University of Michigan. The ORL has extensive facilities for skeletal muscle contractility and mechanical testing, cell culture, a fully equipped machine shop, advanced *in vivo* bioimaging, and state of the art molecular biology and microscopy resources. Tissue Genesis' President and CEO, Anton Krucky, stated, "Not only are we excited to begin bringing regenerative medicine into a new field and application, but also to be partnered with a renowned University and team to help us achieve success. We are excited to be extending our research and achievements into a

sphere where there is a need for a regenerative medicine and the opportunities it brings with it.”

Rotator cuff disease is one of the most prevalent musculoskeletal conditions with approximately 17 million cases in the United States. The natural history of rotator cuff tears is unfavorable, in that high-grade partial-thickness and full-thickness tears do not heal spontaneously but tend to progress in size over time. Surgical techniques for the treatment of rotator cuff tears allow surgeons to achieve biomechanically strong repairs to bone through a minimally invasive approach. However, the rates of recurrent tear and structural failure remain unacceptably high for large and massive tears. While surgical repair of torn rotator cuff muscles is common, a major limitation in our ability to successfully rehabilitate these injuries post-operatively and return patients to normal function has to do with the poor quality of muscle after cuff repair. For patients with rotator cuff tears who have moderate to severe fatty atrophy, surgical repair of the tear does not reverse the fatty atrophy. The application of multipotent adult adipose-derived stem cells for the treatment of rotator cuff disease is likely to provide a promising therapy to augment the current limitation in surgical repair and rehabilitation.

### **About Tissue Genesis, Inc.**

Tissue Genesis, Inc. ([www.tissuegenesis.com](http://www.tissuegenesis.com)) is a leader in adipose (fat) derived regenerative medicine solutions addressing a wide range of therapeutic needs including vascular, cardiovascular, and other regenerative medical applications. The company expects its technology, expertise and products to isolate autologous, adipose derived regenerative cells at the point of care for immediate patient needs. Through its business partners, such as American Medical Systems, a wholly owned subsidiary of Endo Pharmaceuticals (NASDAQ: ENDP), the company is extending the development and application of its technology and platform products to reach worldwide markets in the potential use of cell therapy.

### **Safe Harbor Statement**

This press release contains statements, which may constitute "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Those statements include statements regarding the intent, belief or current expectations of Tissue Genesis, Inc., and members of its management as well as the assumptions on which such statements are based. There can be no assurance that Tissue Genesis will be able to commercially develop its therapeutic cell technology or products, that necessary regulatory approval will be obtained, that any clinical trials will be successful, or that the proposed treatments will prove to be safe and/or effective. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to management that could cause actual results to differ materially from those in forward-statements include fluctuation of operating results, the ability to compete successfully and the ability to complete before-mentioned transactions. The company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.