



News Release

NeoMend Receives FDA Panel's Recommendation for Approval of ProGEL™ Surgical Sealant

IRVINE, California – June 16, 2008. NeoMend, Inc. today announced that its ProGEL™ Surgical Sealant has received a recommendation for approval from the U.S. Food and Drug Administration's (FDA) Anesthesiology and Respiratory Therapy Devices Advisory Panel.

The panel's recommendation will be considered by the FDA during completion of its review of the Premarket Approval (PMA) for ProGEL. The panel's recommendation for FDA approval was conditioned principally on NeoMend conducting a post approval study to gather more safety data.

The panel's decision was based on the results of a multi-center, prospective, randomized clinical trial which demonstrated ProGEL's success in sealing intra-operative air leaks after lung resection surgery. NeoMend estimates that over 100,000 lung resection surgeries are performed annually in the U.S., with lung cancer comprising the majority of cases.

Post-surgical air leaks represent the most common complication following lung surgery. These air leaks can lead to serious complications prolonged hospitalizations, and increased costs as a direct result of the continuous contamination of the chest cavity. To date, surgical options to control or reduce these air leaks have been limited.

During the ProGEL clinical trial 161 patients were enrolled at five of the leading lung cancer treatment centers in the U.S. At the end of surgery in which a portion of the lung is removed, the surgeon would use standard techniques, suturing or stapling, to seal any air leaks that were present. Patients were then randomized to either a control group, who received no further treatment, or they were randomized to the treatment group for application of ProGEL to the air leaks. In this study, ProGEL was not used prophylactically to prevent air leaks.

As presented to the panel, 35% of the 103 ProGEL treated patients were free of air leaks through one month follow up compared to only 14% of the 58 patients randomized to the control group. Also presented to the panel was the benefit of using ProGEL to keep patients free of air leaks, as the trial demonstrated that the mean average of hospital stay was nearly two days shorter for the ProGEL patients.

"Lung cancer is the leading cause of cancer deaths of both men and women in the U.S. Improved surgical tools and techniques to successfully treat these patients will



significantly reduce perioperative morbidity and mortality" said Garrett Walsh, M.D., Professor of Surgery at the University of Texas, MD Anderson Cancer Center and a study investigator. "The results of this trial clearly show the benefit to our patients offered by this product."

Jerry Mezger, President and CEO of NeoMend added, "The panel's decision brings us one step closer to allowing us to provide ProGEL to surgeons in the U.S."

NeoMend is a privately held company in Irvine, California developing a family of advanced wound care products. NeoMend's first product, the ProGEL™ Surgical Sealant used in this trial, is a bioabsorbable hydrogel capable of sealing challenging surgical injuries such as air leaks on the surface of a lung which is constantly expanding and contracting. NeoMend is also developing a similar product, ProGEL-AB, for sealing surgical wound sites while also helping prevent the formation of post-surgical adhesions. More information about NeoMend can be found at its web site, www.neomend.com.
