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HemCon Bandages Receive Expanded Indications for Antibacterial Barrier, Including MRSA

Hemostatic Dressing's Antibacterial Barrier Reduces Risk of Hospital-Acquired Infections

PORTLAND, Ore. – Aug. 11, 2008 – The Centers for Disease Control and Prevention (CDC) estimates that 1.7 million hospital patients acquire infections each year, and 103,000 die as a result. HemCon Medical Technologies Inc., a leading global medical products company focused on advanced wound care innovations, today announced new antibacterial indications cleared by the FDA, including a barrier against MRSA, for its HemCon® Bandages, ChitoFlex® dressings and KytoStat® Bandages.

The hemostatic HemCon Bandage and ChitoFlex dressing are now cleared with an antibacterial barrier indication against a wide range of harmful organisms, including the antibiotic-resistant staphylococcus aureus (MRSA), enterococcus faecalis (VRE) and acinetobacter baumannii.

Hospital-acquired infections have a significant impact on patients and health care facilities. An estimated 2.6 percent of nearly 30 million operations are complicated by surgical site infections each year according to the Institute for Healthcare Improvement. The Center for Medicare and Medicaid Services will no longer pay hospitals for additional costs associated with treating patients for certain hospital-acquired infections and medical errors. Hospital-acquired infections add an estimated \$30.5 billion annually to the nation's health care costs.

"HemCon hemostatic bandages and dressings may provide an effective way to decrease the risk of infection at wound sites. Concurrently, the bandages also provide health care professionals with a viable hemostatic solution that can advance the standard of care," said John W. Morgan, president and CEO of HemCon Medical Technologies. "This is a great step forward in improving patient care and outcomes."

HemCon's bandages, created from a natural substance in shrimp shells called chitosan, stop bleeding – including extensive arterial bleeding – within two to five minutes. The antibacterial barrier properties of the bandages may help prevent infection transmission to other patients and health care providers and also make it easier for medical professionals to help prevent infections at incision site wounds. This potentially decreases patient complications and length of hospital stay.

HemCon dressings control bleeding by becoming extremely adherent when in contact with blood. The adhesive-like action seals the wound and attracts red blood cells to the bandage, forming a seal that stops hemorrhaging independent of the body's natural clotting process. The bandages and dressings provide a barrier against harmful bacteria naturally because when in contact with the bacteria, the chitosan ruptures the cell walls of gram negative bacteria and prohibits reproduction.

HemCon products have been used by the U.S. military since 2003 and in acute care facilities since 2007.

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About HemCon Medical Technologies Inc.

HemCon Medical Technologies Inc., founded in 2001, develops, manufactures and markets innovative products and technologies to improve patient care and control infection. The flagship hemostatic HemCon dressings are used by military and civilian first responders as well as medical professionals in hospital, dental and clinical settings where rapid control of bleeding is of critical importance. In addition, HemCon develops and licenses unique technology platforms and delivery systems for use in the cosmeceutical, wound care and cardiovascular health markets. Synpart, a wholly-owned, European subsidiary of HemCon is a leading designer and manufacturer of general oral care products. HemCon corporate headquarters reside in Portland, Ore., with additional commercial operations in Ireland; England; Germany and the Czech Republic. For more information, please visit www.hemcon.com.

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