

## FOR IMMEDIATE RELEASE

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## HemCon Medical Technologies, Inc. Files for Chapter 11 Business Reorganization

*Flow of Life-Saving Products and Customer Service Levels to Continue Globally;  
European Subsidiary Is Not Included in U.S. Filing.*

**PORTLAND, Ore. (April 10, 2012)** – HemCon Medical Technologies, Inc. (“HemCon”) announced today that it filed a voluntary petition for Chapter 11 reorganization in U.S. Bankruptcy Court.

The filing comes following the U.S. Court of Appeals for the Federal Circuit (CAFC) *en banc* decision on March 15, 2012 which affirmed an award of \$34.2 million in damages to Marine Polymer Technologies, Inc. in a patent infringement case initiated in 2006.

“Chapter 11 gives us the best opportunities to maximize the value of HemCon and to continue to conduct business operations while we restructure debt, costs and other obligations,” said Nick Hart, HemCon's President and Chief Financial Officer. “In addition, HemCon is planning on filing a petition to request that the CAFC rehear its 5-5 decision on claim construction, in the patent infringement case.”

During the past year, HemCon reformulated its chitosan-derived product line, branded as HemCon<sup>®</sup> PRO products. The HemCon PRO chitosan-derived product line has been successfully introduced in the U.S. and is approved for European and Japanese distribution, allowing for uninterrupted supply of product. Similarly, HemCon will continue supporting the recently introduced [GuardaCare<sup>®</sup> XR Surgical](#) product, as well as all of its other product lines including [HemCon Patch<sup>®</sup> PRO](#) and [ChitoGauze<sup>®</sup> PRO](#).

HemCon anticipates commencing Phase II clinical trials in June for its U.S. Army-funded Lyophilized Plasma product (LyP). The U.S. military believes that early administration of plasma has an important role in reducing battlefield mortality rates, and sees this program as a top research and development priority.

HemCon's European subsidiary is not subject to the Chapter 11 proceedings and will continue to operate as previously, selling its oxidized cellulose-based products including [GuardIVa<sup>®</sup> Antimicrobial Hemostatic IV Dressing](#), [Synaero<sup>™</sup> Hemostatic Gel](#), and the [consumer products line](#).

**HemCon Medical Technologies, Inc.** ([www.hemcon.com](http://www.hemcon.com)) founded in 2001, develops, manufactures, and markets innovative technologies that control bleeding resulting from trauma or surgery. HemCon products are designed for use 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. HemCon is headquartered in Portland, Ore., with additional commercial operations in Ireland and the Czech Republic.

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