

HemCon Expands Hemostatic Product Line to Enter the Surgical Market *Introducing GuardaCare®XR Temporary Surgical Dressing*

FOR IMMEDIATE RELEASE

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PORTLAND, OR – August 24, 2011 – HemCon Medical Technologies Inc. (HemCon) announced today that it has recently obtained FDA regulatory clearance for their latest product innovation, GuardaCare®XR Temporary Surgical Hemostatic Dressing. GuardaCareXR Surgical is a hemostatic dressing intended for the temporary control of severely bleeding wounds such as surgical wounds and traumatic injuries.

The clearance of the GuardaCareXR Surgical product marks a significant milestone for HemCon. The company will now be able to compete in the surgical hemostat market, valued at \$850 million in 2011¹, making this the largest single market HemCon aims to serve with its life-saving products. Based on the company's ChitoGauze platform, which is being used to control hemorrhage in acute care and military settings worldwide, the GuardaCareXR Surgical product is one of the first advanced hemostatic agents developed for the battlefield to obtain a surgical clearance and available for use to improve the standard of care in the operating room.

GuardaCareXR Surgical is a chitosan-coated gauze dressing with a radiopaque element for improved patient safety and reduced adverse surgical incidents. The dressing actively controls strong internal and external bleeding where many other products often fail. The product is anticipated to compete, for temporary surgical bleeding control with hemostats like Surgicel by Ethicon, Gelfoam by Pfizer and fibrin sealants and glues; while also reducing the need for passive blood-absorbing lap-pads and dressings that can be challenging to track during surgical procedures. Most frequently, surgeons want to be able to maintain a clear visible surgical field without troublesome bleeding obstructing access and visibility. "Uncontrolled bleeding in general surgery is not a frequent occurrence, but when it does occur; surgeons want to be prepared with a trusted, superior performing hemostatic product" said William Wiesmann M.D., co-founder of HemCon, "GuardaCareXR Surgical is an effective and reliable hemostat for surgical and trauma situations."

HemCon Medical Technologies Inc. (www.hemcon.com) founded in 2001, is a leading global developer of advanced medical products designed to improve the standard of patient care. The company develops, manufactures, and markets innovative technologies to control bleeding and infection. HemCon products are designed for use by military and civilian medical professionals and are changing wound care best practices in hospital, dental and clinical settings. In addition, HemCon continues to develop unique, life-saving medical advances including Lyophilized Human Plasma. HemCon is headquartered in Portland, Ore., with additional commercial operations in Ireland and the Czech Republic.

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¹ Worldwide Surgical Sealants, Glues and Wound Closure Market," MedMarket Diligence, LLC, February 2007