



FOR IMMEDIATE RELEASE

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**HemCon Medical Technologies Completes Acquisition of Alltracel
Pharmaceuticals Plc**

Innovative Companies Join Forces for New Product Development and Distribution

PORTLAND, Ore. and DUBLIN, Ireland – May 14, 2008 – HemCon Medical Technologies Inc. today announced it completed the acquisition of Dublin, Ireland-based Alltracel Pharmaceuticals Plc in a cash-for-stock deal. The purchase occurred through Castlerise Investments Limited, a newly formed wholly-owned subsidiary of HemCon Medical Technologies. Alltracel will operate as a wholly-owned subsidiary of HemCon and maintain its headquarters in Dublin. Combined projected revenues will exceed \$100 million (USD).

HemCon developed the chitosan-based hemostatic HemCon[®] Bandages and ChitoFlex[®] dressings that are used by military and medical first responders as well as health care professionals around the globe. HemCon is also the manufacturer of the high-performance consumer bandage, KytoStat[™], which launched in February 2008.

Alltracel currently licenses their proprietary technologies across a wide spectrum of industries in the cosmeceutical, nutraceutical and wound care markets. In addition Alltracel offers private-label oral care products licensed in Europe through the Butler and GUM brands. The acquisition expands distribution opportunities for HemCon's KytoStat Bandage and other products in Europe while also expanding Alltracel's oral care products and medical technologies in the U.S.

The acquisition provides HemCon access to Alltracel's joint venture with Elmarco and its proprietary nanotechnology manufacturing process called Nanospider[®]. HemCon will leverage this process to develop and aggressively grow its market share in acute wound care products.

"We look forward to combining our resources and continuing to innovate," said John W. Morgan, president and CEO of HemCon. "The acquisition further strengthens HemCon's ability to develop health care breakthroughs and life-saving technologies on a global scale."

Bank of America N.A. acted as administrative agent and led the financing of this transaction.

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About HemCon Medical Technologies Inc.

HemCon Medical Technologies Inc., founded in 2001, develops, manufactures and markets innovative technologies to control bleeding and infection 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. The HemCon[®] Bandage was developed in collaboration with the Oregon Medical Laser Center and Providence St. Vincent's Hospital. HemCon's manufacturing and corporate headquarters are located in Portland, Ore. For more information, please visit www.hemcon.com.

About Alltracel Pharmaceuticals

Alltracel, (AIM: AP.L) (www.alltracel.com) the Healthcare Innovation Group is focused on taking proprietary technology from research to commercialization in the global healthcare market. With corporate headquarters in Dublin, Ireland; Alltracel has commercial offices in London, England and Cologne, Germany; R&D subsidiary in the Czech Republic and manufacturing facilities in Shenzhen, China. Alltracel also has a wide network of research, development and manufacturing partners in Europe, Asia and North America.

Alltracel operates via two main divisions:

Alltracel Healthcare Group is focused on the commercialization effort behind proven innovative technologies and services for the global health care market. It has a range of stake holdings, joint ventures and wholly owned business units operating in healthcare categories including wound care, oral care, dermal health and cardiovascular health.

Alltracel Healthcare Technologies specializes in innovation, research, development and the deployment of proprietary technology in the global health care market. The company has established a substantial intellectual property portfolio with patents in a number of health care applications areas such as wound care, cardiovascular health and skin care.

The directors of HemCon accept responsibility for the information contained in this announcement. To the best of the knowledge and belief of the directors of HemCon (who have taken all reasonable care to ensure that such is the case), the information contained in this announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

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