



Healionics Receives \$244,500 Grant from the QTDP Program

Seattle, WA (November 12, 2010)—Healionics Corporation received a \$244,479 grant awarded by the Qualifying Therapeutic Discovery Project (QTDP) program for research and development of STAR Biomaterials, a next generation biomaterial scaffold designed to promote healing by enhancing biointegration and reducing fibrosis.

The QTDP program was created under the recent Healthcare Legislation and was intended to provide incentives to smaller companies focusing on innovative therapeutic discoveries. QTDP grants or tax credits are awarded to companies with fewer than 250 employees for projects related to the treatment or prevention of diseases through the conduct of pre-clinical or clinical studies.

The grant was awarded following Healionics' submission for consideration of its research and development of STAR Biomaterial to the U.S. Secretary of Health and Human Services. Funds were allocated based on those projects that show potential to produce new therapies, address unmet medical needs, and reduce the long-term growth of healthcare costs. Also taken into consideration were the potential for projects to create and sustain high-quality, high-paying U.S. jobs and to advance U.S. competitiveness in the fields of life, biological and medical sciences.

"We congratulate the team led by Healionics' CTO Dr. Max Maginness and Principal Scientist Dr. Andrew Marshall for putting this critically important package together," said CEO Michel Alvarez. "The award of this grant by the federal government reflects positively on the potential of our STAR Biomaterial."

More information about the QTDP program from the National Institutes of Health can be found at http://grants.nih.gov/grants/funding/QTDP_PIM/#qualifying

About Healionics Corporation

Healionics is a biomaterials technology company whose flagship STAR® Biomaterial aims to solve the historic "device-to-tissue" interface problem of long-term medical implants. Better healing and functioning implants are key to improving patient well-being while reducing the ballooning \$50 billion per year in global healthcare costs attributed to implant failures. STAR Biomaterial has shown promising results in reducing fibrosis, enhancing biointegration, and resisting infection, addressing several common causes for failure of long-term implants. For more information, please visit <http://www.healionics.com>.

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