

FOR IMMEDIATE RELEASE

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Two Kalamazoo County Companies Funded by Michigan Pre-Seed Capital Fund

KALAMAZOO, Mich. – EADevices and MedElute, two companies located in Kalamazoo County, were recently awarded \$250,000 each from the Michigan Pre-Seed Capital Fund via the Kalamazoo SmartZone. The Michigan Pre-Seed Capital Fund is an equity fund that invests in technology-based companies to support business formation and acceleration.

“Pre-seed money for many early stage companies is a critical component to their funding timeline,” said Sandra Cochrane, COO of the Southwest Michigan Innovation Center and the Michigan Pre-Seed Capital Fund Board Member for Kalamazoo. “Having the Fund as a financing option can benefit many companies and help them bring innovative technologies to the market place more quickly.”

Relocating from Pennsylvania earlier this year, EADevices is working on a novel tissue biopsy instrument, the EANeedle. The EANeedle will be activated by high-frequency energy so as to penetrate all tissues with improved ease of control and safety than standard biopsy needles. The EANeedle biopsy system will reduce needlestick injuries; allow an operator to focus on guiding the needle; provide a smooth and predictable path by making all tissue layers similarly penetrable; and lessen pain by reducing unpredictable needle movements.

"We're extremely delighted to receive this additional financing and the continued support of the State of Michigan, said Josh Gerlick, CEO of EADevices. EADevices is committed to improving the existing standards of healthcare, and this additional financing will help ensure our products are available to those who are most in need of improved medical device instruments."

MedElute, Inc. is a Michigan based company formed in 2005 to develop and commercialize new treatments for post-surgical adhesions utilizing a highly novel antiplatelet approach. Post-surgical adhesions form in approximately 85% of patients as a result of trauma to internal organs following routine surgical procedures. Tissues that are normally separate become adhered to each other, or to other structures in the body. The effects of excessive adhesion formation can be very debilitating and may result in small bowel obstruction, chronic pain, infertility and additional surgery.

“This matching funding from the Michigan Pre-Seed Capital Fund via the Kalamazoo SmartZone will allow MedElute to complete its proof-of-concept testing and determine if the incorporation of an anti-platelet drug into a polymeric hydrogel preparation will attenuate or eliminate post-surgical adhesions” said Ronald J. Shebuski, Ph.D., Vice-President of Research & Development and Chief Scientific Officer of MedElute. Shebuski went on to say that “Positive efficacy data, generated with this Pre-Seed funding, will allow the Company to then go out and raise its A Round of financing to continue development of this novel pharmacological approach to prevention of post-surgical adhesions.”

To be eligible to apply to the Michigan Pre-Seed Capital Fund, companies must be in the competitive edge technology sectors of life sciences, advanced automotive/manufacturing materials, homeland security/defense, or alternative energy. Award funds are directed mostly toward activities between idea generation and working prototype or proof of principle. The Fund invests in companies that successfully pass the scrutiny of the Investment Review Board, that have a matching dollar-for-dollar source of funds, and that have the ability to garner the next stage investor or become cash flow positive.

To earn its Pre-Seed Fund awards, each company was required to obtain matching funds from other investors. EADevices received funding from the Southwest Michigan First Life Science Venture Fund for \$250,000 and MedElute’s funding from individual angel investors totaled \$250,000.

Skip Simms, Administrator of the Michigan Pre-Seed Capital Fund, said, "EADevices is our fifth investment in this young program. This is the second investment where our dollars helped attract a company to Michigan. This is a win-win for the company and state in that EADevices receives capital to more rapidly grow their business with exciting new technology and adds to the medical device cluster of companies that is making Michigan a magnet for others."

About EADevices

EADevices is developing a platform technology that will address major problems with existing methods of bone entry. For more information, contact Josh Gerlick, CEO, at jgerlick@eadevices.com.

About MedElute

MedElute proposes to incorporate antiplatelet inhibitors into existing barrier products for prevention of post-surgical adhesions. For more information contact Ron Shebuski, VP of R&D, at rshebuski@hughes.net.

About Southwest Michigan Innovation Center

The Southwest Michigan Innovation Center is a 58,000-square-foot incubator/accelerator that provides wet-lab space, access to venture funding, and comprehensive business support services to emerging companies in the life science industry. The Innovation Center is a state-of-the-art facility, designed and staffed with high-tech scientific companies in mind. For more information, visit www.kazoosmic.com.