

CPSI Announces SmartThaw Prelaunch and Presents at ISBiotech Conference

Exhibit featuring the SmartThaw cell thawing system prelaunch and scientific presentation highlights CPSI's newest product line.

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OWEGO, NY -- CPSI Biotech recently presented and exhibited at the ISBiotech 2015 Annual Fall Meeting in Washington, DC (September 28-30). CPSI's activities included a corporate exhibit, highlighted by the prelaunch of CPSI's newly developed SmartThaw™ frozen cell product dry thawing system, as well as giving a scientific presentation on today's challenges in cell cryopreservation and next generation devices designed to improve the cryopreservation process.

CPSI's exhibit and SmartThaw™ prelaunch was spearheaded by Dr. Kristi Snyder, Director of Operations and Principal Scientist. "The *SmartThaw*™ System is a next generation device for controlled and rapid dry thawing, enabling consistent and documented thawing of cryopreserved (frozen) samples and products" said Dr. Snyder. As with sample freezing, the thawing process has critical impact on product quality and downstream utility. Today, the gold standard within the cell therapy and research community for thawing samples (whether in vials, bags, straws, or other formats) is the use of a warm (37°C) water bath. In regards to today's processes, Dr. Snyder commented "While providing adequate thawing, there are a number of issues associated with water bath thawing making it less than optimal. These issues are often not recognized by researchers and include sterility (a critical factor in clinical settings), consistency, controllability, documentation and cleanliness. As an active research scientist as well as consulting with a number of companies and research labs over the years, I have experienced the impact of these issues firsthand. Given this, CPSI has developed SmartThaw™ to fill an unmet need and enable high through-put, consistent, controlled and safe thawing of samples in support of research and clinical activities. The *SmartThaw*™ system is intended to (1) improve cell product development and production, (2) reduce sample loss, (3) increase sample quality and utility, (4) improve efficiency and (5) enable monitoring and standardization, increasing accuracy and repeatability."

During the conference, Dr. John M Baust, President and Lead Scientist, also gave a scientific podium presentation titled "*Continued development of novel freezing and thawing devices for improving cryopreservation*". This presentation focused on the issues with cell product frozen storage and handling faced by the bioprocessing and cell therapy industries. In this presentation, Dr. Baust featured a series of studies conducted by CPSI scientists using SmartThaw™. When asked to summarize the findings, Dr. Baust stated "SmartThaw™ is designed to provide a viable alternative to water baths offering a clean, dry and documentable process while delivering equivalent or better cell recovery. These studies demonstrate SmartThaw™ delivers precisely this. More importantly, SmartThaw™ was able to achieve this for cells frozen in various sample volumes and storage containers (25, 250 and 500 ml freeze bags) which are often used in the cell therapy arena. SmartThaw™, with its integrated thermosensing pad, allowed for the controlled,

consistent and documented thawing of cryopreserved samples while yielding improved cell survival in several cases.” In addition to the SmartThaw™ system, preliminary data on a prototype next generation rapid cell freezing device, SmartFreeze™, which CPSI’s engineering team is working on was also presented.

SmartThaw™ is currently slated for commercial launch in mid-2016. When asked about the potential for this device, Dr. Baust stated “we are excited about the launch of SmartThaw™. As the cultured cell has emerged as a critical link in the translation of research in various fields ranging from biopharmaceuticals, cancer research, cell and gene therapy to stem cell research, there has been an unprecedented increase in the need for cell products. As cryopreservation is an enabling tool for these industries, the demand for devices and processes to improve handling and distribution continues to grow. In 2013, over \$380 million was spent on cryopreservation equipment purchases annually in the United States alone. It is estimated that the global market has grown to >\$750 million in 2015. It is our belief that the SmartThaw™ has tremendous potential and will have a significant impact on the industry.”

About CPSI Biotech - CPSI Biotech, a private, integrative bio/medtech greenhouse company, develops and designs life science research products and cryo-medical devices for applications in cancer, cardiovascular disease treatments and cell therapy bioprocessing. Ongoing R&D and business development activities continue to produce innovative technologies, devices and intellectual property for commercialization, licensing or sales in support of diverse clinical and research applications. By leveraging the innovation, flexibility and R&D strengths of CPSI in combination with the development, commercialization, manufacturing and clinical expertise of partnering organizations, rapid and efficient product development is attainable.

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With the exception of the historical information contained in this release, this release contains materials and statements related to future business, financial performance, future events and/or developments involving CPSI which constitute forward-looking statements. The matters described herein contain forward-looking statements that involve risk and uncertainties that may individually or mutually impact the matters herein described, including but not limited to, CPSI’s ability to develop and market new products, to retain and attract key employees, to obtain regulatory clearances and approvals for its products, to effectively react to other risks and uncertainties, such as fluctuation of quarterly financial results, contract and grants acquisition, reliance on third party manufacturers and suppliers, litigation or other proceedings, economic, competitive, governmental impacts, whether pending patents will be granted or defensible, validity of intellectual property and patents, the ability to license patents, the ability to commercialize developmental products, competition from existing and new products and procedures and CPSI’s ability to raise the capital that is required to accomplish the foregoing.

Contacts

CPSI Biotech Contact:

John M Baust, Ph.D., President & Lead Scientist

Kristi Snyder, Ph.D., Director of Operations

607-687-8701

contact@cpsibiotech.com

CPSI Biotech

2 Court Street ♦ Owego, New York 13827 ♦ (607) 687-8701 ♦ Fax: (607) 348-1516