



CryoLife, Inc. Receives \$2 Million Grant For Creation Of Bioengineered Heart Valves

October 7, 1998

ATLANTA, Oct. 7 -- CryoLife, Inc. (NYSE: CRY), a leader in human tissue and cell preservation and a manufacturer and distributor of stentless heart valves and surgical adhesives, announced that the Company has been awarded a \$1,996,545 grant from the U.S. Department of Commerce, National Institute of Standards and Technology (NIST) for the technological advancement of its SynerGraft(R) heart valve replacement program. Since its inception in 1991, and including this recent grant, the SynerGraft program has been awarded over \$3.1 million in advanced research funding.

Under the terms of the grant, CryoLife scientists will conduct advanced studies and animal testing on the feasibility of a new biologic human heart valve replacement which incorporates a porcine (pig) heart valve collagen matrix that can be "seeded" with human cells from the recipient to create a living autograft heart valve for human heart valve replacement surgery. The award will be funded to CryoLife over the next 36 months as individual studies and testing programs are completed.

Steven G. Anderson, President and Chief Executive Officer, CryoLife, Inc., noted, "The successful creation of living bioengineered replacement heart valves should provide cardiovascular surgeons with a near-permanent heart valve replacement, assuming receipt of required regulatory approvals. The SynerGraft technology holds particular promise for pediatric cardiac surgery as the bioengineered heart valve should have the capability to grow along with the normal growth of the child. Heretofore, replacement heart valves have had to be replaced every five years or so as the child grows to maturity."

"The SynerGraft technology is also being applied to creating bioengineered vascular grafts and ligaments designed to replace diseased or damaged veins, arteries, ligaments and tendons. Successful completion of these studies will allow the Company to proceed to seek FDA approval for these SynerGraft applications" said Anderson.

Founded in 1984, CryoLife, Inc., is a leader in the development and commercialization of technology for ultra-low temperature preservation ("cryopreservation") of viable human tissues for use in cardiovascular, vascular, and orthopaedic surgeries throughout the United States and Canada. The Company's BioGlue(R) Surgical Adhesive, CE marked in the European Union for use in vascular sealing and repair, is distributed throughout Europe. The Company also manufactures CryoLife-O'Brien(R) and CryoLife-Ross(TM) stentless porcine heart valves which are distributed within the European Community.

Note: Statements made in this release which look forward in time involve risks and uncertainties and are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These risks and uncertainties may cause actual results to differ materially and significantly from the Company's expectations. Such risks and uncertainties include the ability of the Company to complete its studies and testing of the new heart valve replacements and other products successfully or on a timely basis, the ability of the Company to successfully complete further research and development and obtain necessary regulatory approvals, acceptance of bioengineered products in the market place, changes in economic cycles, competition from other companies, changes in laws and governmental regulations applicable to the Company and other risk factors detailed in the Company's Securities and Exchange Commission filings, including the Company's Prospectus dated March 30, 1998 contained in its Registration Statement on Form S-3 (No. 333-46545).

The Company's Internet address: <http://www.cryolife.com>