



## **CryoLife, Inc. Announces Technology Acquisition And Settlement of Litigation With Colorado State University**

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ATLANTA, Aug 7, 2002 /PRNewswire-FirstCall via COMTEX/ -- CryoLife, Inc. (NYSE: CRY), a life-science company involved in the development and commercialization of cryopreserved and tissue-engineered implantable heart valves, vascular and orthopaedic grafts, and surgical adhesives, today announced that it has acquired exclusive ownership of tissue engineering technology from Colorado State University Foundation (CSURF), the technology transfer affiliate of Colorado State University.

The ownership rights were acquired as part of the settlement of a lawsuit filed by CSURF in June 2001. The lawsuit involved a dispute over the amount of royalties payable to CSURF under a 1996 technology license agreement and over ownership of certain aspects of CryoLife's SynerGraft technology.

The settlement resolves all disputes between the parties and extinguishes all CSURF ownership claims to any aspect of CryoLife's SynerGraft technology. The settlement includes an unconditional assignment to CryoLife of CSURF tissue engineering patents, trade secrets and know-how relating to tissue decellularization and recellularization. The technology assignment supercedes the 1996 technology license, which was terminated by the terms of the settlement. Payment terms include a nonrefundable advance of \$400,000 that will be applied to earned royalties as they accrue. The earned royalty rate is a maximum of 0.75% of net revenues from products utilizing the SynerGraft technology.

Steven G. Anderson, President and CEO, commented, "We think this settlement is good for both CryoLife and CSURF. CSURF obtains an advance payment and royalties while CryoLife obtains, at a favorable royalty rate, exclusive ownership of tissue engineering technology that relates to the SynerGraft product lines."

Founded in 1984, CryoLife, Inc. is the leader in the development and commercialization of implantable living human tissues for use in cardiovascular, vascular and orthopaedic surgeries throughout the United States and Canada. The Company manufactures the SynerGraft(R) heart valve and the SynerGraft vascular graft, the world's first tissue-engineered heart valve and vascular replacement, respectively, and the CryoLife-O'Brien(R) and CryoLife-Ross(R) stentless porcine heart valves, which are CE marked for distribution within the European Community. The human heart valves and vascular grafts processed by CryoLife using the SynerGraft technology are distributed in the U.S. under the trade names of CryoValve(R)SG and CryoVein(R)SG, respectively. The Company also manufactures and distributes its proprietary BioGlue(R) surgical adhesive which is FDA approved as an adjunct to sutures and staples for use in adult patients in open surgical repair of large vessels. BioGlue(R) is CE marked in the European Community and approved in Canada and Australia for use in vascular and pulmonary sealing and repair.

For additional information about the company, visit CryoLife's web site: <http://www.cryolife.com> .

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