Department of Defense Awards CryoLife $1.7 million to Develop BioFoam Hemostatic Technology

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ATLANTA, April 6 /PRNewswire-FirstCall/ -- CryoLife, Inc., (NYSE: CRY) an implantable biological medical device and tissue processing company, today announced it has been awarded approximately $1.7 million under the Department of Defense (DoD) Appropriations Bill to continue further development of CryoLife's protein hydrogel technology. Preclinical studies of CryoLife's BioFoam(R) Surgical Matrix, a protein hydrogel product under development for organ sealing, are nearing completion. This grant will help fund upcoming clinical studies of BioFoam in the United States.

In December 2008, CryoLife received conditional approval from the FDA to conduct the feasibility phase of the Company's BioFoam IDE submission for liver parenchyma sealing. Before beginning the feasibility study, the Company must receive final approval of the study protocol and related documents from the FDA and an additional approval of the same from the U.S. Department of Defense. The Company is in the final review process with the Department of Defense. The Company also filed a CE Mark submission with its Notified Body in December 2008 for BioFoam's use as an adjunct in the sealing of abdominal parenchymal tissues (liver and spleen) when cessation of bleeding by ligature or other conventional methods is ineffective or impractical. The Company also continues to conduct preclinical research with BioFoam for use in wound sealing in trauma surgery.

"Over the past four fiscal years the DoD has allocated a total of approximately $5.4 million to CryoLife for the development of protein hydrogel products," said Steven G. Anderson, CryoLife president and chief executive officer. "We are excited about advancing this product through the clinical process."

BioFoam, a protein hydrogel biomaterial under development by CryoLife, contains an expansion agent which generates a mixed-cell foam. The foam creates a mechanical barrier to decrease blood flow and minimize pores for the blood to enter, leading to cellular aggregation and enhanced hemostasis. It is easily applied and could potentially be used intraoperatively to control internal organ hemorrhage, limit blood loss, and reduce the need for future operations in liver resections. BioFoam is based on the same technology as BioGlue(R), a CryoLife product approved by the U. S. Food and Drug Administration to control bleeding as an adjunct to sutures and staples in open surgical repair of large vessels. BioGlue is also CE marked in the European Community and approved in Canada and Australia for use in soft tissue repair.

About CryoLife, Inc.

Founded in 1984, CryoLife, Inc. is a leader in the processing and distribution of implantable living human tissues for use in cardiac and vascular surgeries throughout the U.S. and Canada. The Company received FDA clearance for the CryoValve(R) SG pulmonary human heart valve, processed using CryoLife's proprietary SynerGraft(R) Technology. The Company's BioGlue(R) Surgical Adhesive is FDA approved as an adjunct to sutures and staples for use in adult patients in open surgical repair of large vessels. BioGlue is also CE marked in the European Community and approved in Canada and Australia for use in soft tissue repair. CryoLife distributes Hemostase MPH, a hemostatic agent, in much of the U.S. for use in cardiac and vascular surgery and in the European Community and Canada for cardiac, vascular, and general surgery, subject to certain exclusions.

Statements made in this press release that look forward in time or that express management's beliefs, expectations or hopes are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the receipt and application of DOD funds and potential uses and applications for BioFoam. These future events may not occur as and when expected, if at all, and, together with the Company's business, are subject to various risks and uncertainties. These risks and uncertainties include that the Company may not receive all or any funds allocated under the DoD Appropriation, that BioFoam may not prove safe or effective for its intended uses, and that BioFoam development may not result in a commercial product. For additional risks impacting the Company's business, see the Risk Factors section of the Company's Annual Report on Form-10-K for the year ended December 31, 2008. The Company does not undertake to update its forward-looking statements.

For additional information about the Company, visit CryoLife's Web Site: http://www.cryolife.com.

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