

## Press Information

### AOI Medical, Inc.

("AOI Medical" or "the Company")

#### AOI Commences Clinical Trial for Ascendx™ VCF Reduction System

London, UK, 3 June 2008 - AOI Medical Inc. (the "Company" or "AOI") (AIM: AOI), the medical device company focusing on innovative orthopaedic medical devices for the spine and trauma markets, announces that surgical procedures have been completed on the first three patients as part of the FDA approved clinical trial for its Ascendx™ VCF Reduction System ("Ascendx™").

On 23 April 2008, AOI received final approval from the FDA to commence a clinical trial for its Ascendx™ technology. The clinical trial is expected to complete its last patient enrolment within approximately two months and will be used as clinical support for the Company's 510(k) submission to the FDA. As stated in the Company's Preliminary Results announcement on 30 April 2008, whilst the Company remains hopeful of obtaining FDA regulatory approval in time to launch Ascendx™ commercially before the end of Q4 2008 it is possible that commercial launch might be delayed into early 2009 based on response time from the FDA.

The single arm study of Ascendx™ will involve sixty subjects in eight centres. The primary end point will be acute procedural success defined as successful device deployment, cement delivery, device withdrawal and no serious device-related adverse events.

#### **Dr Mark Gillespy, orthopaedic spine surgeon, Principal Investigator said:**

*"In the first three patients Ascendx™ clearly met the acute procedural success criteria required by the protocol."*

#### **Bill Christy, CEO of AOI, said:**

*"We are very pleased to have commenced the clinical trial for Ascendx™. This is a significant step on the road to achieving approval for this unique product and puts us closer to our goal of penetrating a global market worth over \$600 million per annum and growing."*

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## **Background to AOI Medical Inc.**

AOI is a medical device company focussing on the development and commercialisation of innovative orthopaedic medical devices for the spine and trauma markets. It is progressing the development of three separate technology platforms: Ascendx™ VCF Reduction System, BAMF Trauma and Cervical Plate. Further information can be found at [www.aoimedical.net](http://www.aoimedical.net)

## **Ascendx™**

Ascendx™ is an investigational device which comprises a set of tools specifically designed for use in the treatment of painful pathological fractures of the vertebral body that may result from osteoporosis, benign lesions and/or malignant lesions such as metastatic cancers and myeloma. Ascendx™ will comprise two main instruments: a cutting device that creates a cavity in cancellous bone, and a reduction device that is used to restore the height of the fractured vertebra and which can deliver and contain the bio-material (bonding agent) in the cavity. The set of tools is designed to offer a potential enhancement over current techniques.

Ascendx™ presents an attractive market opportunity. The size of the market is estimated to be in the region of \$600 million annually, rising to over \$700 million by 2012.