For Immediate Release

BIRCHBIOMED ENROLLS FIRST PATIENT IN PHASE II CLINICAL TRIAL OF ITS UNIQUE TREATMENT TO PREVENT SCARRING

BirchBioMed Inc. is exclusively licensed by the University of British Columbia to develop anti-scarring drugs and autoimmune therapies based on its leading drug candidate, FS2

VANCOUVER, BC– BirchBioMed Inc., a clinical-stage biomedical company focused on the clinical evaluation, development and commercialization of anti-scarring drugs, autoimmune therapeutics and novel strategies for transplantation, has enrolled the first patient in its Phase II clinical trial of FS2 for the prevention of trauma scars in patients undergoing skin grafts.

FS2 is the company's anti-fibrotic platform therapy that acts on the molecular level to stop the formation of scars and promote the breakdown of existing scars by increasing the production of key scar-degrading enzymes (MMP-1 and MMP-3) and reducing production of two primary extracellular scar-forming proteins (collagen and fibronectin). Health Canada approved BirchBioMed's Phase II clinical trial last year.

Anthony Papp, M.D., Ph.D., a world-renowned plastic surgeon/clinician and leading authority on burn trauma and scarring, is the principal investigator for the trial, which today enrolled the first of between 23 to 50 patients at Vancouver General Hospital. Patients in the trial will undergo skin grafts for deep burns and other trauma, resulting in two separate surgical areas – donor sites and skin graft sites.

"Preventing scars from forming in the first place has ground-breaking implications for the way medical science treats the millions of people who sustain disfiguring and life-threating scars," said Mark S. Miller, BirchBioMed's Chairman and CEO. "Our Phase II clinical trial is a vital step in BirchBioMed's efforts to mitigate the devastating effects of scarring and the financial burden it imposes on those for whom the current standard of care relies primarally on the use of compression garments, steroids, creams and other modalities that do not address the basis of scar formation."

The Vancouver trial is BirchBioMed's second Phase II trial with FS2. In March, BirchBioMed began a Phase II study with FS2 for the reduction of hypertrophic scars and keloids at the Center for Clinical and Cosmetic Research in Aventura, Fla.

Ryan Hartwell, Ph.D., BirchBioMed's chief science officer, said, "As an example of the importance of our work, funding for the early development of FS2 was provided by the British Columbia Professional Firefighters Burn Fund. These funds, along with other grants, permitted research efforts that uncovered the fibrosis inhibiting abilities of FS2, which in both preclinical and Phase I safety studies proved to be safe and well tolerated for clinical use as a scar preventative treatment."

About the FS2 Phase II Study in Trauma Scar Prevention

The FS2 Phase II study in trauma scar prevention will randomize between 23 and 50 patients with two treatment and two control sites per patient. Both the donor site and the skin grafted site will be divided in half, one half receiving a dose formulation of active, scar inhibiting compound FS2 and the other receiving a vehicle cream (without FS2). Patients will apply cream once a day for 90 days, and attend follow-up visits until the end of the study at 270 days post initial treatment.

About BirchBioMed

BirchBioMed Inc. is a biomedical company focused on the commercialization, clinical evaluation and development of proprietary anti-scarring drugs, autoimmune therapeutics/therapies and novel strategies for transplantation. As a University of British Columbia (UBC) spinoff, BirchBioMed holds the exclusive, worldwide pharmaceutical license for two medical therapeutic technologies from UBC, which the university considers to be significant medical breakthroughs in the treatment of scarring and certain autoimmune diseases.

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