

VLSI portfolio company, Xenolith Medical, clears FDA and enters US market.

New device for use in procedures involving Intracorporeal Shock Wave Lithotripsy and patients diagnosed with kidney stones.

Richmond, VA, Kiryat Gat Israel, August 13, 2012 – Xenolith Medical, an Israeli-based urological device company with its US headquarters in Richmond announces the FDA release of the XenX™, a unique device acting as both a guidewire and a stone retention device. The product will be focused on improving procedures involving ureteroscopic lithotripsy by minimizing the risk of stone fragment migration into the kidney. The XenX™ device is cleared for use in all applicable cases.

Kidney stones are one of the most common disorders of the urinary tract, affecting approximately 5-7% of women and 7-10% of men. The US market for stone treatment devices was valued at over \$116M in 2009, with 1.2 million stone treatment procedures performed in the US alone and over five million procedures worldwide. The US stone treatment device market is expected to reach \$149M in 2016.

The XenX™ is designed for use during Intracorporeal Shock Wave Lithotripsy (ISWL) – involving holmium laser-induced shock waves applied inside the ureter. In ISWL procedures it is highly desirable, and in some countries (including the US) even compulsory, to reach a stone-free condition at procedure's end in order to reduce the need for a secondary stone removal operation.

“The XenX™ is an extremely exciting new device for the urology market. It is considered a combination device providing the features of a premium guidewire and a flexible stone retention mesh all in one tool” according to Donna Edmonds, CEO of Virginia Life Sciences Investments (VLSI) and its operating subsidiary the Virginia BioSciences Commercialization Center (VBCC). There are reductions in costs resulting from use of a two in one device. It allows for better visualization during the procedure, improves irrigation in comparison to the competition and likely reduces procedure time, promising to lower costs for patients and providers across the board.

The unique approach introduced by the XenX™ involves a very thin and flexible mesh structure that is constructed as an integral part of a guidewire. The mesh is collapsed into an overlay tube that forms part of this guidewire and allows it to maintain a very slim profile. The XenX™ employs a flexible and floppy hydrophilic tip that can be easily advanced past occluding stones. Being a guidewire, the XenX™ can be introduced into the ureter and advanced past occluding stone(s) under fluoroscopy until its tip reaches the kidney. The stone retention unit is thereby positioned between the occluding stone and the kidney. Once deployed, the occluding braided mesh self-expands up to 12mm in diameter, fitting all common ureter shapes and sizes.

Idan Tamir, CEO of Xenolith Medical Ltd. states that, “The XenX™ has qualities superior to current devices in the market. These qualities offer practicing urologists additional options when treating patients with kidney stones.” This latest regulatory milestone follows the granting of the CE (Conformité Européenne) Mark in Europe in November 2011. The device is being used in Europe at this time.

About Xenolith Medical and the XenX™

Xenolith Medical’s (www.xenolithmedical.com) XenX™, prevents the common problem of migration of stone fragments during ureteroscopic lithotripsy. This problem can result in longer and more complicated procedures, and in some cases, even necessitates subsequent ones.

About VLSI:

Virginia Life Science Investments (VLSI) is a business development company that invests in high-quality, life science companies. Its portfolio is composed of companies that specialize in medical devices and diagnostics and ranges from devices that address specific clinical needs to platform technologies. VLSI’s wholly owned subsidiary VBCC is a company that provides services to accelerate the development and growth of these bioscience companies, helping to mitigate business and marketing risks and increase portfolio company valuation. The goal is to minimize investment risk by assuring the commercialization of the various technologies is efficiently and effectively managed through strategic collaboration with VBCC serving as a strategic partner. VLSI was founded in 2009 and is a for-profit company, supported by private capital. For more information see: www.vbcc-inc.com