



## **Nicast's AVflo™ for Hemodialysis Patients Receives CE Mark**

*Company commences market launch of AVflo in Europe and \$10 million financing round.*

Lod, Israel, October 6, 2008 --- Nicast Ltd., developer of medical devices made from proprietary electrospinning technology, announced today the receipt of a CE Mark for its flagship product, the AVflo artificial vascular graft. The device is intended to help end stage renal failure (kidney failure) patients who must undergo hemodialysis treatment three or more times a week. AVflo enables hemodialysis to continue without further disturbance to the veins and arteries in the patient's arms already severely damaged by the habitual needle punctures required by the treatment.

The AVflo is the first vascular access graft to apply the many beneficial properties of electrospun nanofabric. Its self-sealing, non-woven, synthetic fiber structure provides excellent primary and secondary patency (unobstructed blood flow); allows for dialysis within 24-48 hours after implantation; and self-seals within less than five minutes following the withdrawal of the dialysis needles. It is simple to implant and to suture to blood vessels; the needle punctures and suture holes do not bleed. AVflo is strong enough to withstand the pressure of blood flow, yet thin enough for blood flow to be easily felt through it.

Professor Mandika Wijeyaratne, head of Vascular Surgery at Colombo University Medical School and the principal investigator of the AVflo clinical study in Sri Lanka said, "The AVflo graft tolerates punctures, holds sutures very well and does not tear or cut through in the process. Suture needles puncture and drive through the graft wall with greater ease and less force compared with existing clinically approved devices. Needle withdrawal and repositioning as in the case of an inappropriate puncture does not leave behind a hole in the graft that would bleed. The graft and vessel wall apposition is achieved very easily and is snug and secure."

As Nicast has excellent control of the properties of electrospun nanofabric, it is able to customize products to include the numerous special properties unique to this technology. This means the potential for a long line of superior medical devices to be used in the treatment of many indications and consequently a better quality of care.

"What is truly inspiring about today's development is that it puts Nicast on the radar as a company to watch. The company has gone through a remarkable turnaround in the last two years, one that has revitalized and given new direction to what is a venture rich with unlimited product possibilities. In the next two years the company plans to launch AVflo in the CE markets, conduct a multi-center post-marketing study of the same in Europe as well as finish the development and gain regulatory approval for the company's second product, the NovaMesh™ ventral hernias patch. We are now seeking an investment of \$5 million at the beginning of 2009 and a second financing of \$5 Million at the end of 2009. The capital will be used to execute our existing two year plan," said Dr. Jacob Dagan, chairman of the board of Nicast.

#### About Nicast Ltd.

Nicast Ltd. is a pioneer in the development of superior implantable medical devices made of electrospun polymer nanofabrics for a wide range of applications. The company is currently focused on the development and marketing of the AVflo vascular access graft and the NovaMesh ventral hernia mesh, which address a combined global market of \$0.7 billion to \$1 billion. Headquartered in Lod, Israel, Nicast has six patents in the U.S., nine patents outside of the U.S. and 14 additional patents pending. For more information please visit the company's new web site at [www.nicast.com](http://www.nicast.com) or please contact Marjie Hadad, media liaison, at +972-54-536-5220 or at [marjie@netvision.net.il](mailto:marjie@netvision.net.il).