

For Release: August 1st, 2016

Vertical Spine, LLC Achieves Key Milestone with 1000th Case Performed using its FIBRINET® System Technology in Spine Fusion Surgery

Wall Township, NJ – August 1st, 2016 – Vertical Spine, a revenue generating company providing advanced biologics for spine fusion procedures, announced today that the company has achieved a key milestone with the 1000th case performed using its FIBRINET® System technology.

The FIBRINET System is a self-contained, disposable kit that is used to harness and concentrate the patient's own platelets and associated growth factors into a Platelet-Rich Fibrin Membrane (PRFM) graft. In addition, fluid Platelet-Rich Fibrin Gel is produced and mixed with bone grafting material, as defined by the surgeon, for improved handling characteristics. "We are pleased that the company has reached this key milestone, and we are excited with the market acceptance of our FIBRINET System technology," said Tom Crowley, Chairman and CEO of Vertical Spine.

Lumbar fusion rates can range from 65–90% when autogenous bone is harvested and used to fill voids in spine surgery.^{1,2} For many years, Iliac Crest Bone Graft (ICBG) has been the "gold standard"; however, surgeons are less inclined to use this technique due to donor site morbidity and the potential risk of a second surgical site complication.² For these reasons, surgeons have begun to explore other regenerative medical solutions, which have resulted in varying degrees of success.

"The management team and our Board of Directors believe that biologics is the future of spine fusion surgery, and our company's ability to provide an easy solution supported with published clinical data will be the key to success for future growth," said Mr. Crowley. He further commented, "Our first two spine fusion studies, using the FIBRINET System, resulted in 100% radiographic fusion without any complications. A third study was recently submitted for publication, and two additional studies will be submitted later this year."

Recently, the company was featured in *The Medtech Strategist*, which provides additional details about the market size and opportunity in spine for advanced biologics (see below link). The topic of biologics and its role in spine fusion surgery has been growing, as witnessed at every major spine symposium and conference across the country. "The North American Spine Society (NASS) annual meeting in Boston, MA, this October will have multiple presentations on the subject, and physicians are looking for solutions that can work within their practices and the hospitals' Diagnosis-related Group (DRG). Vertical Spine will be exhibiting at NASS (Booth# 842) to meet with physicians and distributors to grow the current footprint of accounts from the northeast to the rest of the country," says Mr. Crowley.

About Vertical Spine LLC:

Founded in late 2010, Vertical Spine is a revenue-generating spinoff from Cascade Medical Enterprises (CME) commercializing the FIBRINET® System technology for proven platelet-rich fibrin membrane (PRFM) products for point-of-care orthopedic procedures, requiring targeted concentration of intact platelets in an easy to use, rapid, minimally invasive system. Vertical Spine received IP and regulatory rights to the spine market. Vertical Spine serves the \$1.7B worldwide spine biologics market with proven unique clinical and economic solutions for spine fusion surgery.

For more information on Vertical Spine LLC and the FIBRINET System technology please visit www.verticalspine.com

Recent Article from The Medtech Strategist <http://verticalspine.com/wp-content/uploads/2016/07/Vertical-Spine-Overview-The-Medtech-Strategist.pdf>

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Forward-Looking Statements:

This press release contains information that constitutes forward-looking statements. Forward-looking statements contained in this press release include intent, belief and expectations by the management teams of Vertical Spine, LLC, and Cascade Medical Enterprise, LLC with respect to current and future business operations. Such statements reflect various assumptions, which may or may not prove to be correct. No representations or warranties are made as to the accuracy of any such statements.

1. Sengupta DK, Truumees E, Patel CK. Outcome of Local Bone Versus Autogenous Iliac Crest Bone Graft in the Instrumented Posterolateral Fusion of the Lumbar Spine. *Spine* 2006; Vol. 31; 9:985-991.
2. Niu CC, Tsai TT, Fu TS. A Comparison of Posterolateral Lumbar Fusion Comparing Autograft, Autogenous Laminectomy Bone With Bone Marrow Aspirate, and Calcium Sulphate With Bone Marrow Aspirate. *Spine* 2009; Vol. 34; 25:2715-2719.