

PRESS RELEASE

Osteoarthritis: Thousands of patients suffering advanced cartilage loss may not have to undergo total knee replacement (i.e., get a prosthesis).

A new product called JointRep™ is able to restore lost cartilage in a completely noninvasive operation. The treatment yielded impeccable results in clinical trials on patients aged 18-75 in Europe. It is currently unavailable in North America.

MONTREAL, June 01, 2016. Oligo Medic Inc., a medical device company developing innovative biomaterials, published today the anticipated 6-month clinical results from its post-market controlled clinical trial, which compared microfracture alone (i.e. marrow stimulation) to microfracture combined with JointRep™.

“It is a product that every orthopaedist dreams of: ready to be used anytime, very simple to prepare and highly efficacious even for late stage osteoarthritis. It is applied with minimal surgical invasiveness and offers a very short rehabilitation time.”

- Dr. Gennaro Pipino, Professor of orthopedic surgery at the University of Lugano, (Switzerland) and Head of the Department of Orthopedics and Traumatology at the Villa Regina Hospital, Bologna (Italy).

Dr. Pipino led the 60-patient study to evaluate the treatment efficacy of microfracture combined with JointRep™ in repairing cartilage lesions and reduce patient clinical symptoms. The control group was treated with microfracture alone, which is the current standard of care in cartilage repair in both Europe and United States.

The study was conducted on patients with grade III-IV cartilage lesions in knee joints, who were considered for total knee replacement (prosthesis). The patients were aged between 18 and 75. Importantly, the rehabilitation time is 8 weeks for microfracture but only 2 weeks for the combined treatment.

Under local anaesthesia, the test group was treated through standard arthroscopic procedure, adding JointRep™ to the condyle site after marrow stimulation. Patients were discharged on the same day and allowed isometrics, lateral extensions, and total load ambulation with the aid of a contralateral crutch during the first five days. The patients subsequently began physiotherapy (leg extensions, swimming and stationary bike).

The 6-month clinical results showed that the JointRep™ treated-cohort provided spectacular clinical symptom reduction, achieving more than clear statistical significance over the microfracture-alone control group. At 6 months, the arthroscopic JointRep™ treatment was successful in reducing the WOMAC (Western Ontario and McMaster Universities Arthritis Index) pain and stiffness scores and increasing the WOMAC physical and mobility scores. The total WOMAC score improved on average by a staggering 88% (compared to 40% for the control group). The results were comparable in every age category.

From a scientific standpoint, these clinical results suggest that the JointRep™ scaffold provides a very fertile environment for chondrogenesis. It is believed that lipocytes, platelets and growth-factors migrate within the JointRep™ gel scaffold to enhance the differentiation of stem cells released by the microfractures. This hypothesis is strongly supported by MRI scans with T2 suppression performed on the test group patients after 6 months, which showed identical signature for the treated area and the pre-existing healthy cartilage, indicating the presence of type II collagen in the regenerated cartilage.

It's worth emphasizing the dramatic reduction of economic costs associated with osteoarthritis provided by JointRep™. The operation lasts no more than a few minutes, the patient is released on the same day, and the rehabilitation time is decreased from 8 to 2 weeks compared to the microfracture treatment without JointRep™.

About JointRep™ : A novel injectable scaffold for arthroscopic repair of cartilage

JointRep™ is a proprietary injectable polyglucosamine-based thermogelling device currently used for the treatment of chondropathies (cartilage defects). JointRep™ is percutaneously applied to cartilage lesions through standard arthroscopic procedure. Once administered into a defect, JointRep™ forms a solid bioadhesive hydrogel. JointRep™ is CE-marked to treat chondropathies in all body joints, and is presently distributed in 15 countries worldwide.

JointRep™ is an extremely practical and convenient product. Its long-term storage temperature is between 2 and 8°C, but it may be shipped at ambient temperature. Its OR preparation time is minimal, which enables the physician to use it *ad-hoc* if defects are noticed in the course of a routine arthroscopic inspection or treatment. The whole process only adds few minutes to the basic arthroscopy.

In addition to repairing cartilage, JointRep™ can be used to deliver platelet rich plasma (PRPs) or adipose derived mesenchymal cells for various orthopedic applications such as tendon and meniscus treatment. Other promising markets for JointRep™ include plastic surgery and veterinary applications.

About Oligo Medic Inc.

Oligo Medic is a privately held Canadian company created in 2010 and focused on developing and commercializing medical devices. Its founders are biomaterials experts who have developed several devices for the orthopedic market. In particular, they were the first to discover thermosensitive hydrogels based on chitosan. The potential of their findings for biomedical applications sparked a flurry of intensive research. Twenty years later, JointRep™ emerged as the **only** product to truly take the proof of concept into a **viable** and **marketable** product that completely **changes the paradigm** in the treatment of osteoarthritis.

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