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FOR IMMEDIATE RELEASE

SpineSmith Acquires Rights to Tissue Genesis' Stem Cell Isolating Technology for Diagnosis and Treatment of the Human Spine

(Austin, Texas) November 5th, 2007 ---SpineSmith Partners, LP acquired the global rights in spine for Tissue Genesis, Inc.'s adipose (fat) tissue derived cell technology. Tissue Genesis' TGI 100™ and TGI 1000™ cell isolation technology will rapidly process autologous (patient-derived) adipose tissue and concentrate large quantities of regenerative cells utilized to treat a number of spine related diseases. Adipose tissue has proven to be an abundant source of adult stem cells with the potential to form new bone and potentially regenerate tissue. The Tissue Genesis technologies are currently being researched and developed to treat a number of spinal pathologies.

Under the terms of the agreement, SpineSmith Partners will license the rights to all of Tissue Genesis's patents and technologies for use in the diagnosis and treatment of the human spine. The stem cell therapy will be delivered to the patient via osteobiologic carriers currently on the market and under development. The ability to harvest and implant autologous cells in the operating room at the point-of-care provides benefits to the surgeon, the patient and the healthcare system entirely.

This exciting new relationship with SpineSmith allows Tissue Genesis to move our therapeutic cell technologies into the orthopedic markets," said Anton C Krucky, President and CEO of Tissue Genesis. "SpineSmith's extensive expertise with bone marrow stem cells, in both the isolation and medical insurance reimbursement, provides a clear avenue of advancement of our adipose (fat) derived stem cells into this important market."

"SpineSmith has been involved in the treatment of spine injuries for over two years, having provided bone marrow derived, autologous (the patient's own) stem cells to over three thousand patients," said Kevin Dunworth, founder of SpineSmith. "We believe stem cells to be the next frontier in spine surgery and the Tissue Genesis cell isolation system rapidly processes a small quantity of a patient's own fat tissue to produce larger quantities of cells, including adult stem cells and microvascular cells."

About SpineSmith, LP
SpineSmith, LP (www.spinesmithusa.com) designs, develops and markets implants and biologics for surgical fixation, correction and tissue regeneration of the spine. We take a different approach from other companies, utilizing a collaborative approach between scientists, engineers and spine surgeons. This approach results in the development of truly innovative biological and hardware technologies for use in the treatment of patients with spinal disorders. Our unique, think-tank approach gives spine surgeons the ability to directly impact the direction of our product portfolio, ensuring applicability and achieving the highest standards of patient care.

About Tissue Genesis, Inc.
Tissue Genesis, Inc. (www.tissuegenesis.com) is a Qualified High Technology Business (QHTB) in Honolulu, Hawaii that is seeking to develop innovative tissue engineering solutions and technology to address a range of therapeutic areas including vascular, cardiovascular, and veterinarian. The company expects its technology to isolate autologous adipose derived cells in less than two hours for delivery of thee cells at point-of-care for immediate patient needs.