

Clear Catheter Systems Completes \$600,000 Financing, Opens Cleveland Office

Bend, Oregon and Cleveland, Ohio. July 24, 2008. Clear Catheter Systems (www.clearcatheter.com), formerly PleuraFlow, an early stage medical device company developing a proprietary medical catheter clearance platform, today announced the completion of a \$600,000 financing round. The financing was led by X Gen Ltd, a family venture fund based in Cleveland, Ohio. It also includes a grant from the Cleveland Clinic Global Cardiovascular Innovation Center (GCIC) initiative, which is backed by \$60-million from the State of Ohio's Third Frontier Project, a program to promote technical innovation and commercialization. BVC/CC, an angel group based in Bend, Oregon, also participated in the funding

The funding will help Clear Catheter Systems develop its lead tube clearance product, the PleuraFlow System. The system will be used to prevent obstruction of surgical drainage tubes inserted after heart, lung and trauma surgery. Such obstruction, or clogging, has long remained an unsolved problem in surgery, with important implications for both patient safety and comfort.

"I've had patients say to me that the most memorable and painful part of heart surgery was the day their drainage tubes were pulled out," says Marc Gillinov, M.D., the Cleveland Clinic cardiothoracic surgeon who helped develop the PleuraFlow System. "We need to develop smaller tubes that drain the wound effectively, but don't hurt as much." Gillinov serves as Chairman of CCS's Scientific Advisory Board and as a consultant to the company.

"We are pleased to be collaborating with the Cleveland Clinic to develop and commercialize medical devices to improve outcomes after heart and other surgeries," said Edward Boyle, M.D., Clear Catheter Systems' CEO. "Clear Catheter's innovative technology addresses a large unmet need for surgical patients, allowing surgeons to deliver care in a safer, more minimally invasive fashion."

The company is in the process of opening a Cleveland office to better facilitate its collaboration with the Cleveland Clinic, and to access other resources available to the Ohio medical device community.

"Clear Catheter Systems is doing exciting work and we are pleased to be involved in the continued development of the PleuraFlow System," said Mark Low, GCIC Managing Director. "Cleveland Clinic and GCIC are committed to expanding Ohio's economy, and we welcome this growing company to Northeast Ohio."

About Clear Catheter Systems Inc.

Clear Catheter Systems, a development stage medical device company, founded in Bend, Oregon, is developing a proprietary medical tube clearance platform based on technology from the Cleveland Clinic and MDI Partners, a Bend, Oregon incubator. Clear Catheter's ultimate goal is to develop its tube clearance platform to help make surgery safer and more comfortable for heart, lung, trauma, and other patients.

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