



M I C R O P H A G E

For immediate release

Contact: Scott Conlin, (303) 319-9882
sconlin@micro-phage.com

MicroPhage Doubles Offices and Laboratories, Eyes Future Growth, Despite Economy

LONGMONT, COLO., MAY 28 – Despite the state of today’s economy, one rising star of Boulder County’s burgeoning medical diagnostic community is growing. MicroPhage, Inc. announced today its expansion of its facilities in the Trade Centre park in Longmont to accommodate company expansion through 2009. The move makes the Colorado medical diagnostic company the largest tenant in the building, occupying approximately half of the high tech-incubator facility. The Company intends to use the space to facilitate growth in both office based employees and laboratory staff in 2009, including an FDA registered manufacturing facility.

“When MicroPhage moved into Longmont in November 2004 the company had only 4 full-time employees and today we currently have 25 dedicated people,” said MicroPhage COO, Alene Campbell. “Longmont has been a good choice for us to find high quality staff from a growing biotechnology industry.”

The growth in biotechnology development in Longmont is one of many for property owners, Circle Capital Property Management, LLC who owns the Trade Centre Park in Longmont. Details of the expansion deal and plans were not made available.

Expansion of Laboratory, Manufacturing Space

MicroPhage is doubling its laboratory space with this new deal. The expansion includes additional Research and Development laboratory space, laboratory support space, and a new manufacturing suite. The manufacturing suite will support the Company’s manufacturing of its platform medical diagnostic products for the rapid and easy to use identification of bacteria, including methicillin-resistant *Staphylococcus aureus* (MRSA) that are expected to be on the US market early next year.

In order to facilitate commercial product launch and future growth, MicroPhage needed to expand and upgrade its capabilities. The company is in the process of fully implementing their Quality Management System to comply with FDA and International Organization for Standards (ISO) requirements, in addition to physical infrastructure improvements.

“Creating a high quality manufacturing suite is a huge step forward for the company on our way to commercial product launch. We now have the capability, equipment, flexibility and control to reliably manufacture our products.” said Preston Brown, MicroPhage’s Director of Manufacturing.

MicroPhage anticipates receiving ISO 13485 certification and CE marking in September, which will allow for sales and marketing of its first product in the EU and Canada.

Expansion of Office Space

The expansion includes the addition of more office space for the early stage company, including several offices added earlier in the year. The expansion includes additional office space, an expanded company conference space, as well as a donation room for the company’s ongoing onsite clinical work with volunteer subjects. The company intends to hire additional staff over the next year, including manufacturing, research, sales & marketing, and quality control.

Funding in Hard Times

Though the emerging medical technology sector has taken a hit because of the tightening of the venture capital market, long-term prospects for investments in healthcare continue to be highly rated. MicroPhage has developed a large network of Angel Investors, primarily high net-worth individuals, to fund the company since 2003, rather than relying on the often venture capital. “We really owe our success to our investors,” says MicroPhage CEO, Steve Lundy, “In these hard financial times, MicroPhage, like many early-stage companies could have folded because of the lack of capital in the markets. Our investors really believe in our technology, our product, and our vision to make a difference in healthcare by bringing diagnostics closer to patients and their physicians and out of the lab. It is because of their continued support we can not just survive, but continue to grow through this period.”

About MicroPhage

MicroPhage is based in Longmont, Colorado and is privately held by a network of Angel investors, most of whom are Colorado residents. The core technology, bacteriophage amplification, was first described at the Colorado School of Mines and MicroPhage holds an exclusive worldwide license on the technology. The company is working to be a global leader in developing rapid diagnostics products for bacterial identification and antibiotic susceptibility/resistance testing. Using its bacteriophage-based amplification platform, the company has developed a patented process that is a product platform for rapid, easy-to-use, inexpensive diagnostic tests. Its first products, expected in late 2009, will set a new standard for clinicians in MRSA identification and antibiotic susceptibility testing, and are designed to fit the demands of hospitals and laboratories of all sizes. For further information, go to www.microphage.com.

###