

## **Medafor Inc. Signs Long-Term Agreement with Magle Life Sciences**

### **-- Agreement Provides Medafor Control of Critical Technology and Opportunity to Collaborate with Magle on Additional New Product Applications----**

MINNEAPOLIS and STOCKHOLM, March 12, 2010 – Medafor Inc. announced today that it has signed a long-term raw material supply agreement with Magle Life Sciences of Sweden, the supplier of the key powder component for Medafor's patented MPH(®) (Microporous Polysaccharide Hemosphere) surgical product, which is used by surgeons to control bleeding in complex surgical operations. Magle manufactures the degradable starch microsphere (DSM-A) specified and tailor made to achieve rapid hemostasis in the human body.

Gary Shope, CEO of Medafor, said, "Magle is an important partner in the ongoing development of our unique hemostatic product, and we are delighted to continue our relationship with them. This agreement ensures that Medafor will have a quality supply from a strong, reliable partner as we further our global growth strategy and continue providing this valuable technology to surgeons, hospitals and patients all over the world."

Under the agreement, Magle will continue to exclusively supply Medafor with the DSM-A product for the next ten years and has transferred ownership rights to the DSM-A technology and manufacturing process to Medafor in exchange for cash and 1.8 million shares of Medafor common stock. Other specific terms of the agreement are confidential.

Eddie Thordarson, CEO of Magle, commented, "We are thrilled to continue our partnership with Medafor and its outstanding management team. This important transaction assures that the talented people at Magle and Medafor can continue to engage in a long-term collaborative effort to develop and enhance applications of the MPH product."

Medafor's patented MPH absorbable hemostatic agent is a plant-based microporous, polysaccharide, flowable powder that is instantly ready to use, requires no mixing, no addition of patient blood or other components and no special handling or storage conditions.

### **About Medafor Inc.**

Medafor is a privately held Minnesota corporation based in Minneapolis. Medafor was founded to develop applications and markets for its patented, plant-based, flowable hemostatic powder technology. MPH(r) is a microporous, polysaccharide hemostatic agent that is engineered to rapidly dehydrate blood and accelerate clotting. Medafor received FDA approval for surgical use in 2006 and has held a CE Mark approval since 2003.

### **About Magle Life Sciences**

Magle is a privately held Swedish R&D company with a focus on in-vivo degradable polysaccharides for biomedical applications. Together with the very important MPH product, products from Magle are currently used in Spherex®, indicated for Hepatocellular Carcinoma, and Phadebas®, used in Forensic Biology. Magle is certified according to ISO13485 and holds a GMP certificate for the production of pharmaceuticals.

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