



**FOR IMMEDIATE RELEASE:**

**CONTACT:**

Marie Farrell

(816) 994-9669

[marie.farrell@global-prairie.com](mailto:marie.farrell@global-prairie.com)

Debra L. Ellies, Ph.D., President & CEO

(913) 945-6763

[debs@osteogenex.com](mailto:debs@osteogenex.com)

**OsteoGeneX to Spin Off Commercialization Entity**

*New Chief Commercial Officer to Drive Bone Therapeutics to Market*

(Kansas City, KS, October 4, 2011) – OsteoGeneX, a Kansas City, Kansas-based biotechnology company focusing on bone-related therapeutics, announced today it will spin off a new company called **OssiFi** to commercialize bone graft substitutes to stimulate fracture repair, reduce the clinical rate of delayed or non-unions, and accelerate return to function.

The spin-off is seeded with \$1.8 million in capital from the BIRD (Binational Industrial Research and Development) Foundation, a match from the Kansas Bioscience Authority and local angel investors.

“The decision to spin off OssiFi is driven by our commitment to increase shareholder value,” said Debra Ellies, Ph.D., President and CEO. “OsteoGeneX will continue to focus on what it does well – development of bone building therapeutics for whole body or systemic use. OssiFi and its team will drive our most promising bone growth implants to market as efficiently as possible.”

OsteoGeneX also announced today the addition of a Chief Commercial Officer David Cossaboon to its executive team. Prior to joining OsteoGeneX, Cossaboon held the position of Director of Global Business Development with Synthes, where he co-architected the strategic collaboration between Eli Lilly and Synthes Biomaterials for the joint development of new combination medical devices. He has been a guest speaker at NIH on the topic of bioentrepreneurship and was a member of the research team that spun-off Metragenix from Gene Logic, which was later acquired as Xceed Molecular by Axela. Mr. Cossaboon graduated magna cum laude with a Bachelor in Chemistry from the University of Delaware, earned a Masters in Biotechnology from the University of Pennsylvania and his MBA from The Fuqua School of Business at Duke University.

“It is hard to imagine anyone who would be a better fit than David for OsteoGeneX and OssiFi at this point in our growth,” said Dr. Ellies. “His rich experience in the commercialization of medical devices is a tremendous asset. We’re all very excited to work with him to ensure that our discoveries reach their full potential.”

*About OssiFi*

OssiFi is focused on developing the next generation of bone graft substitutes to stimulate fracture repair, reduce the rate of delayed/non-unions and accelerate return to function. Unlike orthobiologic



competitors, OssiFi utilizes a proprietary small molecule to modulate bone growth through Sclerostin inhibition. Its carrier matrix is intended to combine excellent handling characteristics, ideal release kinetics and cellular in-growth capabilities with demonstrated biocompatibility. The company plans to conduct rigorous scientific and clinical studies to prove superior efficacy and safety over standard of care in those medical indications that it decides to target. This evidence, which is lacking in competitive biomaterials, will ultimately drive our commercial success and support the best patient care possible. For additional information, please visit [www.ossifi.com](http://www.ossifi.com).

#### *About OsteoGeneX*

OsteoGeneX is committed to leveraging its innovative signaling pathway technologies to discover and develop de-risked small molecule therapeutics that are focused on building new bone. OsteoGeneX was founded to take advantage of its unique insight on the Sclerostin/Wise (Ectodin, Usag-1) family. OsteoGeneX utilizes a novel approach to modulate the activity of Sclerostin/Wise to specifically control the growth of bone. The company is establishing itself as the premier player in this field with its lead osteoporosis program in preclinical development for the treatment of bone loss and production of new bone at the injured site. OsteoGeneX has a world class management and advisory team with a successful track record in discovering, developing, and commercializing novel therapeutics. For additional information, please visit [www.osteogenex.com](http://www.osteogenex.com).

###