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For Immediate Release

**OMNIGUIDE® SECURES \$25 MILLION IN FUNDING TO SUPPORT
CONTINUED GROWTH AND NEW MARKET PENETRATION**

Cambridge, Mass.—May 15, 2008—OmniGuide, Inc., the developer of the first and only flexible CO₂ laser scalpel enabling new procedures in minimally invasive surgery, today announced the closing of a \$25 million series E private equity round. Psilos Group, a healthcare venture capital and private equity firm, led the funding round which includes previous OmniGuide investors: Ray Stata, Stata Venture Partners, 3i, Argonaut Ventures, ESI, Gainesborough Investments, Jeff Swartz and Westbury Partners. Thomas Weisel Partners served as advisor and placement agent for OmniGuide.

OmniGuide's BeamPath[™] CO₂ laser fibers are the most precise optical scalpels available. Since commercially launching in late-2006, OmniGuide optical scalpels have been rapidly adopted for use in minimally invasive surgeries in the U.S. and recently in Europe. To date, OmniGuide scalpels have been used successfully in more than 3,000 surgeries for treatment of head and neck cancers, for removal of life-threatening airway papillomas in adults and children, and for hearing restoration surgeries. OmniGuide distributes its disposable scalpels through a nationwide direct sales group.

“CO₂ laser light offers unique precision, safety and cost benefits to minimally invasive surgeries. Our fibers deliver, for the first time, this medically advantageous light to areas in the body that could not have been reached previously,” said Yoel Fink, president and CEO of OmniGuide. “OmniGuide's BeamPath fibers are enabling superior healthcare in more than 200 hospitals nationwide and are now available in Europe. Today's investment will help fuel OmniGuide's expansion into additional clinical markets such as otology, spinal surgery, neurosurgery, gastroenterology and gynecology.”

“OmniGuide is an extremely promising medical device company and we believe that the value created by its products is highly aligned with our firm's investment philosophy,” said Lisa M. Suennen, co-founder and managing member at Psilos Group. “Specifically, the BeamPath fiber offers the ability to undertake such precise, tissue-sparing, minimally invasive surgery which may result in significantly reduced complications and morbidity for patients, a considerably enhanced physician experience, and potentially dramatic cost reductions and outcome improvements for a wide array of surgical procedures. This

matches well with our desire to back companies that truly align the incentives of patients, payers and providers to the benefit of the overall healthcare system. We are very excited to support the company's already significant growth and excellent management team with our investment."

"We are pleased to have Psilos Group join our investing partners to help further accelerate our momentum as OmniGuide transforms into a global healthcare company," said Ray Stata, chairman of the board.

About BeamPath Precision Optical Scalpels

Surgeons have used CO₂ lasers for more than 30 years due to the high-degree of precision cutting capabilities. However, the lasers were previously limited to "line-of-sight" procedures with no flexible delivery available. OmniGuide's BeamPath fiber is based on breakthrough fiber technology developed at MIT, first published in *Nature* and exclusively licensed to OmniGuide. This technology has enabled OmniGuide to manufacture the world's first flexible fibers for CO₂ laser surgery. BeamPath fibers empower surgeons to perform delicate cutting and coagulation with minimal thermal tissue damage and ultimate maneuverability, a major advantage over traditional line-of-sight CO₂ lasers. To date, BeamPath fibers have been used successfully in more than 3,000 surgical procedures.

About Psilos Group

Psilos Group has been a successful healthcare venture capital and private equity firm since its founding in 1998. With over \$575M under management, Psilos focuses its investments across the healthcare services, healthcare information technology, and medical technology sectors. Psilos invests nationwide in businesses that are poised to create enduring market value by fundamentally improving the U.S. healthcare system. Psilos' portfolio companies are sustainable and high-value businesses that have a demonstrated ability to reduce the costs of healthcare delivery, improve clinical quality and advance the alignment of payer, patient and provider incentives. Psilos has offices in New York, the San Francisco Bay Area and Santa Fe, New Mexico.

About OmniGuide, Inc.

OmniGuide, Inc., is the worldwide leader in precision optical scalpels for minimally invasive surgery. OmniGuide CO₂ laser fiber products are clinically targeted disposable optical scalpels optimized for specific surgical procedures. The company has recently introduced a line of fiber-enabled, portable, low-cost CO₂ lasers for use in operating rooms and surgical suites. The company designs and manufactures its fiber products in Cambridge, Mass. based on multi-material photonic bandgap fiber technology exclusively licensed from MIT. The company distributes its products in the U.S. and Europe through a direct sales force. OmniGuide is committed to developing products that improve and expand surgical treatment options, enhance clinical outcomes, and reduce treatment complexity and cost.

Additional information about OmniGuide may be found at www.omni-guide.com

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