BIONESS INITIATES STUDY OF NEUROMODULATION SYSTEM FOR CHRONIC PERIPHERAL NERVE PAIN

StimRouter™ System Delivers Customizable, Targeted Treatment Directly to Site of Peripheral Nerve Pain

Valencia, Calif. — April 09, 2012 — Bioness Inc. today announced the initiation of a study to evaluate the safety and effectiveness of the company’s StimRouter™ Neuromodulation System for those suffering from chronic peripheral nerve pain. This prospective, multi-center, randomized, double-blinded, partial crossover study will enroll 126 patients at up to 10 study sites throughout the United States. About 20 million individuals in the United States suffer from chronic peripheral nerve pain, and current treatments include non-localized therapies such as spinal cord stimulation and the use of systemic pain medication.

“Chronic peripheral nerve pain can have a dramatic impact on a patient’s quality of life, and historically we have had few treatment options other than the use of pharmaceutical therapy – most often narcotics, which affect the whole body and have many undesirable side-effects,” said Timothy Deer, MD, the study’s medical monitor and pain management specialist at The Center for Pain Relief at Saint Francis Hospital in Charleston, West Virginia. “The StimRouter could potentially provide - for the first time - a non-pharmaceutical treatment option that can be targeted directly to the pain site for more focused pain relief. The results of this study could have a significant impact on the way we treat patients with peripheral nerve pain.”

The StimRouter System is designed to relieve chronic neuropathic pain of peripheral origin. The device consists of an implanted lead that delivers low-level electrical impulses directly to the nerve that carries the pain signal. The External Pulse Transmitter (EPT), worn outside the body, sends electrical signals through the skin to the implanted lead. The EPT has the capability of storing stimulation programs to provide patients with a variety of treatment options depending on their activity or level of pain.

“At Bioness, we have always been dedicated to developing technologies that help patients improve their quality of life despite debilitating conditions,” said Thomas G. Fogarty, President and CEO of Bioness. “The results of this study will help improve our understanding of how to most effectively treat chronic peripheral pain while improving patient care, potentially enabling us to help a greater number of patients.”

The study, “Prospective, Multi-Center, Randomized, Double-Blinded, Partial Crossover Study to Assess the Safety and Efficacy of the Bioness® StimRouter™ Neuromodulation System in the
Treatment for Patients with Chronic Pain of Peripheral Nerve Origin,” is expected to last for 30 months, with each study participant receiving treatment and evaluation for a total of 13 months. The study will evaluate the effect of the system on patients’ overall pain, as well as changes in pain medication, quality of life, patient impression of improvement with treatment, change in worst pain, interference of pain with physical and emotional functioning, patient satisfaction and long-term safety.

For more information about this study contact Cheryl Doriot, Clinical Study Manager, at Bioness at Cheryl.Doriot@bioness.com.

**About Bioness Inc.**
Bioness provides neuromodulation technologies that help improve lives and restore function for those living with neurological deficits and peripheral pain. The company develops, manufactures and markets innovative neuromodulation products that help individuals with central nervous system disorders such as stroke, multiple sclerosis, spinal cord injury and traumatic brain injury regain movement in affected limbs. The L300® Foot Drop System, L300® Plus System, H200® Hand Rehabilitation System, and H200® Wireless Hand Rehabilitation System are cleared for use by the Food and Drug Administration and are designed to help patients achieve new levels of physical independence and productivity. Individual results vary. Consult with a qualified physician to find out if these products are right for you. Additional information about Bioness can be found at www.bioness.com.

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