

## Press Release

### **Emergent Technologies, Inc. Licenses Chondroitin Technology From the University of Oklahoma**

OKLAHOMA CITY, OK and AUSTIN, TX, October 28, 2002 – Emergent Technologies, Inc. (ETI), Austin, Texas, announced today that it has licensed recombinant chondroitin technology from the University of Oklahoma Health Sciences Center (OUHSC) in Oklahoma City.

ETI has formed a new company, Choncept L.L.C., to commercialize the revolutionary technology of Dr. Paul L. DeAngelis, an Associate Professor at OUHSC. His innovation in chondroitin production enables manufacture of chondroitin which is sold as a nutraceutical (dietary supplement). The new method utilizes bacteria and not animal sources avoiding the problems of potential prion contamination ("mad cow") or harvesting endangered animals ("sharks"). In addition Choncept has the ability to create novel recombinant molecules, "Chimerics", by joining chondroitin, hyaluronic acid and heparin in cooperation with sister companies, Hyalose and Heparinex. Chimerics are believed to have great potential for therapeutic benefit. Conditions that may be treatable using this technology include infectious diseases, cancer, and inflammatory diseases. Another emerging frontier is tissue engineering (prosthetic organs and tissues).

ETI's second investment fund, Emergent Technologies Oklahoma L.P. (ET-OK) is the principal investor in Choncept. Ms. Cheryl McMurry Choumbakos, President of ET-OK noted, "This is an outstanding opportunity for ET-OK investors to not only enjoy further diversification in the fund's holdings with this new technology, but also to benefit from the technical synergies contemplated between Choncept and its sister companies using Chimerics in the new field of glycobiology-based therapies. ET-OK also has ownership positions in both Hyalose and Heparinex."

Tommy Harlan founded ETI in 1989 and together with Rick Hodgins also directs the activities of Choncept and its other portfolio companies. ETI is a venture capital firm that specializes in forming, funding, commercializing, and managing biotech companies for the purpose of converting institutional and university-based technology into high return ventures. Its unique process matches breakthrough technology with commercialization partners who can validate the market potential and expeditiously bring the technology to market. Investors can have confidence that risks will be reduced and the time to liquidity accelerated because ETI's process avoids unproven technologies, large front-end investments, and dependency on the IPO market. For information on investing in the ET-OK fund, contact Ms. Choumbakos at (405) 228-0789 or [cchoumbakos@emergentechnologies.com](mailto:cchoumbakos@emergentechnologies.com) or James Ehrlich at (512) 263-3232 Ext. 206 or [jehrich@emergentechnologies.com](mailto:jehrich@emergentechnologies.com)