



News Release

FOR IMMEDIATE RELEASE

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HydroCision® expands its U.S. distribution network

Company establishes five regional sales offices in Boston, Dallas, Los Angeles, St. Paul and Tampa to usher in the era of *HydroSurgery*™

BILLERICA, Mass., July 7, 2006 — HydroCision Inc. (www.hydrocision.com) announced today that it has established sales offices in five cities across the U.S.—Boston, Dallas, Los Angeles, St. Paul and Tampa—to support its expanding network of spine distributors. This expansion comes on the heels of HydroCision’s initial release of its *SpineJet® XL MIS Fusion Preparation System* into the spine segment of the U.S. orthopedic market. The *SpineJet® XL MIS Fusion Preparation System* provides spine surgeons with a fluidjet-powered surgical device that simultaneously cuts, ablates and removes hard and soft tissue—such as disc nucleus and endplate cartilage—quickly, safely and effectively, in preparation for graft implantation during minimally invasive lumbar interbody fusion procedures.

“The establishment of a sales management and support network provides HydroCision presence in key regions across the U.S. It is leading to a significant expansion of our distributor network in strategic markets. This expansion is a reflection of the market’s fast-growing acceptance of our HydroSurgery approach for improving medico-economic outcomes in open and minimally invasive spine procedures. Our devices have significant benefits for both spine surgeons and their patients,” said Douglas J. Daniels, President and CEO of HydroCision. “We expect that our latest product innovation, the *SpineJet XL MIS Fusion Preparation System*, will become a standard of care for spine surgeons who seek optimal disc preparation and clinical outcomes for their patients, and we believe that our expanded distributor network will help us meet the expected high demand for our products. We intend to further expand our spine distributor network in the U.S. and Europe in 2006, and throughout Asia in 2007.”

About HydroCision

HydroCision (www.hydrocision.com) is a leading designer, developer and distributor of fluidjet-based surgical tools. The Company believes its proprietary fluidjet technology is the basis of a new surgical modality, “HydroSurgery”, because of its positive clinical experience, novel features and versatility. The Company has developed a broad range of fluidjet-based products to meet the clinical and economic needs of multiple specialties.

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