



Contact:
Chip Bao, PhD
Vice President of Advanced Spine
or
Jon Gilbert
Vice President of Regulatory and
Clinical Affairs
Pioneer Surgical Technology Inc.
906-226-9909
chipbao@pioneersurgical.com
jongilbert@pioneersurgical.com

FOR IMMEDIATE RELEASE

**Pioneer® Surgical Technology's NuBac® Nucleus Replacement Device
Wins FDA Approval for IDE Pivotal Study**

First Company to Reach Pivotal Study for Spine Nucleus Replacement

Marquette, MI – October 30, 2008 – Pioneer Surgical Technology, Inc. announced today, the U.S. Food and Drug Administration (FDA) granted approval to proceed to IDE Pivotal Study of the NuBac® Nucleus Replacement Device for the spine.

Pioneer's CEO and Chairman of the Board, Matthew N. Songer, MD, MBA says, "This is a huge milestone and accomplishment for Pioneer to be the first to receive FDA approval to start the IDE pivotal study for nucleus replacement. Many other companies, pursuing nucleus replacement technology, have spent more time and money than Pioneer and have not achieved this significant goal." Songer added, "This record speed to obtain FDA approval to proceed demonstrates our dedication to focused innovation and ability to bring new products to market faster than many of our competitors."

The NuBac implant system is the only Nucleus Replacement device that utilizes an articulating inner ball and socket design that seeks to achieve load sharing and uniform stress distribution under various physiological loading conditions while minimizing extrusion risk. The NuBac implant is made of PEEK-OPTIMA® material which offers well established biocompatibility, biodurability, excellent wear resistance, and radiolucency.

Pioneer's Vice President for Advanced Spine, Chip Bao, PhD states, "There are some inherent challenges in the development of nucleus replacement devices. Pioneer's unique design features of the NuBac implant have led to a series of successful pre-clinical studies and encouraging results from both the initial U.S. IDE feasibility study and post-market surveillance outside the U.S. under the CE mark."

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Spinal Disc Arthroplasty surgery includes Total Disc Replacement (TDR) and Nucleus Replacement procedures. Both techniques seek to relieve discogenic back pain caused by degenerative disc disease, restore stability and flexibility to the affected spine segment. Nucleus Replacement procedures are commonly less invasive, more tissue preserving, and less bridge-burning than TDR surgery. Reducing the risk of having to perform revision surgery in the future would benefit a much broader population than TDR including patients, surgeons, hospitals, and payers.

Pioneer's signature, articulating **P3™** Technology- **Pioneer PEEK-on-PEEK**- is the heart of the NuBac design. The company's other P3 motion preservation products are the NuNec™ artificial cervical disc and the BacJac™ interspinous decompression system. All three products are currently available in Europe under CE mark and provide patients and surgeons with the most technologically advanced designs in the industry.

Earlier this year, Pioneer announced significant findings on the effect of accelerated aging on the wear of PEEK (Poly-ether-ether-ketone). The study, conducted in collaboration with RUSH University in Chicago, determined that wear properties of PEEK-on-PEEK are not susceptible to the effects of accelerated aging. The study bolsters support for the long term durability of the company's **P3** designs.

About Pioneer Surgical Technology

Pioneer Surgical Technology, Inc., headquartered in Marquette, Michigan, is a dynamic medical device firm with a full line of cutting-edge motion preservation devices, either available commercially in Europe or under clinical evaluation in the U.S. Pioneer's signature articulating **P3™** Technology - **Pioneer PEEK-on-PEEK**, in its NuBac™ disc arthroplasty system, BacJac™ interspinous decompression system, and NuNec™ artificial cervical disc, is the most technologically advanced in the industry. Currently, Pioneer offers a diverse portfolio of next generation spinal fusion devices. Pioneer's focus on innovation has resulted in over 100 U.S. and Foreign patents with numerous patents pending. The company established a Biologics Division following two acquisitions in 2007. Pioneer Orthobiologics is developing a rich pipeline of products indicated for a variety of spinal and orthopaedic applications. Pioneer focuses on developing products which are easier and faster for the surgeon, cost effective for the health care system, and provide better patient outcomes.

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