

Predictive Biosciences Announces Acquisition of OncoDiagnostic Laboratory

- Molecular Diagnostics Company Expands Capabilities with Commercial CLIA-Certified Lab;
Strongly Positioned to Bring New Products to Market in 2010 -

Lexington, MA - January 7, 2010 - Predictive Biosciences today announced that it has acquired Cleveland, Ohio based OncoDiagnostic Laboratory (“ODL”), a private, Clinical Laboratory Improvement Act (CLIA)-certified anatomic pathology and molecular diagnostics lab serving urologists, gastroenterologists, dermatologists, gynecologists, and other subspecialty physicians nationwide. This strategic acquisition provides Predictive with a fully integrated pathology laboratory through which the company will commercialize its proprietary non-invasive molecular cancer diagnostic assays. Financial terms of the agreement were not disclosed.

The acquisition of ODL represents a significant step forward in Predictive’s business plan, securing for the Company an established commercial operation and accelerating the launch of its high performance assays for improved cancer management. The first in Predictive’s portfolio of non-invasive assays is a urine-biomarker based test for the detection of bladder cancer, which the Company plans to make commercially available during 2010.

“ODL’s subspecialty expertise and national access to hundreds of urology practices including some of the largest group practices in the U.S., such as the Conrad|Pearson Clinic in Tennessee and the Arizona Urology Specialists, favorably position Predictive for launching our bladder cancer test as well as future diagnostic products. In light of ODL’s established national sales presence, its accomplished team of pathologists, history of innovation and consistent high marks for quality and customer service, we could not imagine a better, more mission-aligned partner to proceed with. We look forward to leveraging ODL’s urology focused sales organization to introduce our proprietary bladder cancer assay later this year,” stated Peter Klemm, Ph.D., president and chief executive officer for Predictive. He continued, “Importantly, Predictive and ODL share a common set of values – a commitment to innovation, customer service and patient care – and we are certain that these values will serve as a solid foundation for our merged company’s growth.”

ODL, which was founded in 1985 by a group of pathologists to better serve the growing needs of office-based urologists and other subspecialty physicians, will continue to operate from its Cleveland headquarters. ODL currently employs approximately 40 professionals, including an experienced national sales force that is supported by company pathologists, laboratory staff and customer service.

“ODL has long been one of the most innovative providers of anatomic pathology services, and we feel we have found a like-minded partner in Predictive. We are very enthusiastic about this merger, and the pioneering work that Predictive is doing to improve the diagnostic tools available to physicians,” stated Joseph Galang, chief executive officer for OncoDiagnostic. He continued, “We look forward to being

able to offer Predictive's unique biomarker assays that can help urologists confidently identify a patient's risk for cancer in a non-invasive, relatively simple and highly reliable manner. We feel very fortunate to be partnering with a remarkably progressive company in this space."

About OncoDiagnostic Laboratory

OncoDiagnostic Laboratory, Inc. is one of America's most innovative providers of anatomic pathology services specializing in urology, gastroenterology, general surgery and aspiration biopsy. Founded in 1985 by Drs. Cirilo Galang, Paul Johenning and John Maksem, ODL introduced the trans-rectal FNA biopsy of the prostate utilizing liquid phase fixation. ODL's pathologists, in collaboration with Dr. Donald Gleason, developed the Gleason grading of prostate cancer using the FNA technique. The company also developed a proprietary non-carcinogenic fixative, OncoFix II, which allows for dual histological and cytological examination of prostate biopsies. ODL's mission is to partner with physicians and their teams in providing high quality, state-of-the-art and cost effective diagnostic pathology services, delivered in a timely manner, while providing the most current materials and resources to patients, so well informed decisions can be made.

About Predictive Biosciences

Predictive Biosciences is pioneering intervention diagnostic assays for informed cancer management™ by leveraging its portfolio of patented biomarkers and clinical algorithms. The company's tests will enable physicians to reliably determine the presence or absence of cancer. This information, incorporated into current standard clinical practice, should lead to more effective utilization of existing diagnostic tools and ultimately better outcomes for patients. Predictive Biosciences' first assays are designed to detect urinary biomarkers fundamentally associated with the physiological changes resulting from cancer development and progression. The initial focus for these tests will be the growing cancer survivor population and the large number of individuals undergoing clinical workups for cancer. Based in Lexington, Massachusetts, Predictive Biosciences was launched in 2006 and is privately funded by Flybridge Capital Partners, Highland Capital Partners, Kaiser Permanente Ventures and New Enterprise Associates. For more information and partnership inquiries, visit Predictive Biosciences' website at www.predictivebiosci.com.

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