



Simpler Safer Surgery

Contact:

Caroline Green
InnerOptic Technology, Inc
919/732.2090
caroline@inneroptic.com

FOR IMMEDIATE RELEASE

INNEROPTIC RECEIVES PHASE IIB SBIR GRANT FROM NSF

Hillsborough, NC December 26, 2006 – InnerOptic announced today that it has been awarded a one-year Phase IIB extension to its Small Business Innovative Research (SBIR) grant from the National Science Foundation, bringing the total award amount to \$550,000. The additional funds, which “match” (at 50%) a private-sector investment that InnerOptic has secured, will allow for continued development on the 3D Laparoscope, the focus of the Phase II project. This technology will dramatically improve visualization for surgeons performing via minimally-invasive methods; the 3D Laparoscope acquires 3D imagery and information from the internal surgery site, and displays it in a tracked, real-world registered display to the surgeon at its actual position in space, vis-à-vis the patient.

InnerOptic Co-Founder and President Kurtis Keller commented, "We at InnerOptic are thrilled to receive this award. We are excited to be able to continue development of this technology, which we believe will dramatically improve minimally invasive surgery."

The SBIR (Small Business Innovation Research) program was started as part of the Small Business Innovation Development Act in 1982. It is designed to increase the incentive and opportunity for small firms to undertake cutting-edge, high-risk, high-quality scientific, engineering, or science/engineering education research that will have a high potential economic payoff if the research is successful. The Phase IIB mechanism rewards grantees for raising their own capital from private sources by providing 50% matched funds for investments (of up to \$1,000,000) made during the Phase II project.

About InnerOptic Technology, Inc

InnerOptic was founded in 2003 to commercialize the patented 3D Laparoscope technology, initially developed by researchers at the University of North Carolina at

Chapel Hill. A privately held company, InnerOptic is currently head-quartered in Hillsborough. For more information, please visit <http://www.inneroptic.com/>