Nanospectra Biosciences, Inc.

8285 El Rio Street, Suite 130
Houston, Texas 77054
(713) 842-2720 ext 201 Fax (713) 440-9349

For Immediate Release

Nanospectra Awarded NCI SBIR Phase I for Ablation of Circulation Tumor Cells

$352,000 Grant Funds Investigation of Extracorporeal Ablation Methods

Houston – September 15, 2008 – Nanospectra Biosciences, Inc. today announced that it has received a $352,000 SBIR Phase I grant from the National Cancer Institute to investigate the feasibility of the extracorporeal ablation of circulating cancer cells using Nanospectra's AuroLase™ Therapy.

"Circulating cancer cells are generally the result of metastasis from a tumor and can lead to tumor spread to other organs," stated J. Donald Payne, President and CEO of Nanospectra Biosciences. "Our AuroLase™ Therapy is broadly applicable to most solid tumor types, but have not previously been used against cells in the blood stream. This grant will fund an investigation into this significant clinical need."

The extracorporeal ablation of circulating cells was designed by Dr. Martin Korbling, a collaborator at The University of Texas MD Anderson Cancer Center. This 18-month grant application will investigate the ablation of these cancer cells using systemically delivered nanoparticles targeted to receptors on these tumor cells. The therapeutic process is expected to involve a continuous flow device for the removal of a patient's blood from the body, the application of energy to ablate the targeted cells, and the reintroduction of the blood into the body.

About Nanospectra Biosciences:
Nanospectra Biosciences, Inc. is a privately held, emerging life science company engaged in the commercialization of AuroLase™ Therapy, a particle-based therapy for the selective and precise thermal destruction of solid tumors while minimizing damage to healthy adjacent tissue and preserving critical structures. AuroLase Therapy is an investigational medical device currently being evaluated in a clinical study. Based in Houston, Texas, the Company was founded on intellectual property from Rice University and collaborative research with scientists at MD Anderson Cancer Center.

For further information, contact:

Nanospectra Biosciences, Inc.
J. Donald Payne
(713) 842-2720 ext 201
DPayne@Nanospectra.com
www.Nanospectra.com