

Vascular Pathways Inc. Completes Series B Financing

LOS ALTOS, Calif. – November 1, 2010, - Vascular Pathways Inc., a privately held medical device company with a breakthrough product for peripheral intravenous access, today announced that the company has closed a Series B preferred equity financing round of \$14 million with premier venture capital firms active in medical technology. The lead investor in the round is CHL Medical Partners and is joined by Ascension Health Ventures (AHV), MVM Life Science Partners and Arcus Ventures. In connection with the financing, Dr. Myles Greenberg of CHL, Dr. Walter Lin of AHV and Dr. Stephen Reeders of MVM have joined the Vascular Pathways board of directors.

The proceeds of the round will be used to commercialize the company's U.S. Food and Drug Administration cleared Rapid Intravascular Start (RIVS) IV catheter. More than 300 million peripheral intravenous catheters are placed in patients in the United States alone each year, and current catheters are plagued by a high rate of failed, lengthy and painful insertion attempts. Despite this decades-old problem, there has been little innovation aimed towards addressing this substantial unmet medical need. The novel but simple design of the RIVS catheter enables reproducibly rapid, easy and safe insertion of the device by all trained clinicians.

“The Series B financing is a significant milestone for Vascular Pathways, as it provides us with the resources to expand our clinical studies and complete a full commercial launch of the RIVS catheter in the United States,” said Nelson K. Stacks, interim chief executive officer. “We are very fortunate to be partnering with such an outstanding and experienced group of medical device investors who see the vast potential of our technology and fully support our efforts to transform the standard of care in peripheral intravenous access.”

CHL Partner Dr. Myles Greenberg added, “Vascular Pathways has developed a very novel and proprietary application of a proven technique which enables reliable, rapid and safe vascular access to patients requiring intravenous therapies. We are looking forward to working with the company to make this exciting new product widely available to patients and clinicians.”

About Vascular Pathways Inc.

Vascular Pathways, founded by Amir Belson, M.D., is a privately held medical device company focused on commercializing the Rapid IntraVascular Start (RIVS) catheter, an FDA cleared device enabling rapid, safe and successful peripheral IV insertion.

About CHL Medical Partners

CHL Medical Partners is a healthcare venture capital firm founded in 1990 and based in Stamford, Conn. The firm manages funds with committed capital of more than \$300 million. CHL invests primarily in start-up and early stage companies across the United States in biotechnology, diagnostics, medical devices and healthcare services. The principals of CHL have invested in numerous successful companies including Oriol Therapeutics (acquired by Novartis / Sandoz), GeneOhm Sciences (acquired by Becton

Dickinson), Incyte Pharmaceuticals (Nasdaq: INCY), NuVasive (Nasdaq: NUVA), Alexion Pharmaceuticals (Nasdaq: ALXN), Celgene (Nasdaq: CELG), SemperCare (acquired by Select Medical), Genomic Health (Nasdaq: GHDX), Odyssey Healthcare (Nasdaq: ODSY) and Ameripath (acquired by Quest Diagnostics). For more information, visit www.chlmedical.com.

About Ascension Health Ventures

Ascension Health Ventures was launched in 2001 as a wholly-owned subsidiary of Ascension Health. AHV's role has been to construct and manage a strategic portfolio of investments that deliver a venture investment return, have the potential to transform the healthcare industry and significantly enhance the quality of patient care. CHV II, LP, a limited partnership between Ascension Health, Catholic Health Initiatives, Catholic Health East and Catholic Healthcare West, has been formed to expand this strategic investment initiative to other Catholic healthcare systems. AHV is the general partner of CHV II, LP.

About MVM Life Science Partners

MVM Life Science Partners LLP, founded in 1997, is a venture capital firm which manages three funds totaling more than \$500 million and invests in companies that discover, develop, and commercialize innovations in biotechnology, pharmaceuticals and medical technology for the life science and healthcare markets. MVM has offices in both London and Boston, making investments predominantly in Western Europe and the United States, and has a growing team with wide-ranging experience across the life science and private equity markets (www.mvmlifescience.com).

About Arcus Ventures

Arcus Ventures (AV) was founded in 2007 and is located in New York City. AV consists of a team of professionals with experience in clinical and academic medicine, drug development, and hospital management, healthcare industry consulting and private equity. AV is dedicated to investing in oncology focused companies with innovative biopharmaceuticals, device and diagnostic companies, and service companies with positive revenue.

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