



## **FOR IMMEDIATE RELEASE:**

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### **Cryobanks International Begins Laboratory Expansion in Anticipation of Federal Cord Blood Funding**

Altamonte Springs FL March 13, 2006- Cryobanks International began expansion of its current facility on Friday, March 10, 2006. This expansion will involve the build-out of several thousand additional square feet of space including a 30% increase in laboratory processing capability.

"We are growing at a rapid pace, internationally," stated Dwight C. Brunoehler, President and CEO of Cryobanks International. "We are also ramping up minority donations and our capability to process them. This expansion is much needed," according to Brunoehler.

The National Cord Blood Act, signed into law by President Bush in February, will provide \$79 million for the acquisition and processing of 150,000 donated units of cord blood to be made available to anyone in need of a potentially life saving transplant. Cryobanks International is one of the fifteen National Marrow Donor Program member banks who are in line to receive funding from the legislation to participate in this project.

#### **About Cryobanks:**

Cryobanks International, Inc. is a corporation located in Altamonte Springs, Fl., which is to be acquired by BioStem, Inc . The Company is a leader in the collection, processing, and banking of stem cells derived from the umbilical cord immediately after birth. The units of cord blood (CB) are processed and stored by the company for use in unrelated transplants (where the donor is a histocompatible match, but is anonymous and unrelated to the recipient) and for personal storage and use. In recent years, cord blood transplants (CBTs) have become widely recognized as a safe, effective, and in many ways preferable, alternative to bone marrow transplant (BMT). There is tremendous potential

need for CBTs in the United States and worldwide. Cryobanks International is well poised to help meet that need, equipped with an inventory of over 8,500 cord blood units. For more information about Cryobanks International call 1-800-869-8608 or visit the website at [www.cryo-intl.com](http://www.cryo-intl.com).

#### Safe Harbor Statement

This press release contains "forward-looking statements" by BioStem, Inc. These statements relate to future events or financial performance and transactions, and involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements, to be materially different from those contemplated by the forward-looking statements. There can be no assurance that the acquisition described herein will successfully close. We undertake no ongoing obligation, other than that imposed by law, to update these statements. Factors that could affect results, levels of activity, performance or achievements and cause them to materially differ from those contained in the forward-looking statements include the failure to complete the acquisition of Cryobanks, and other factors that can be found in BioStem's filings with the Securities and Exchange Commission, which can be found at [www.sec.gov](http://www.sec.gov).

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