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Baxano Completes Enrollment in Lumbar Spinal Stenosis Study

--Interim Results of the iO-Flex® Study Suggest Positive Outcomes in Reducing Back and Leg Pain While Improving Function in Patients with Lumbar Spinal Stenosis--

San Jose, CA – May 22, 2012 – Baxano, Inc., a Silicon Valley based medical device company and manufacturer of the iO-Flex® System used in spinal decompression surgery, today announced it has completed enrollment in its iO-Flex Study. The iO-Flex Study is a post-market clinical performance evaluation of the company's flagship surgical system for decompressing patients diagnosed with moderate to severe lumbar spinal stenosis.

"Patients are experiencing rapid, pronounced improvement in symptoms. Importantly, the surgical response has been sustained," reported San Francisco/Bay Area neurosurgeon Lawrence Dickinson, MD, one of the study's lead investigators. "When compared to historical controls, preliminary results suggest patients treated with the iO-Flex System are experiencing shorter hospital stays, less blood loss, and fewer complications."

Positive outcomes from an interim analysis of the data were presented by Dr. Dickinson at the American Association of Neurological Surgeons meeting last month. These preliminary results demonstrated patients had a decrease in leg and back pain with a clinical improvement in low back function. In addition, patients treated with the iO-Flex System have thus far experienced shorter surgical times and decreased hospital length of stay compared to published clinical data.

Baxano will continue to follow all patients in the study for up to two years and collect the clinical outcomes to further support the economic value the new technology offers healthcare. Inadequately addressing lateral recess and foraminal stenosis in patients with lumbar stenosis have been reported as the number one cause of poor surgical outcomes.

"The iO-Flex System provides surgeons a new option to thoroughly address lumbar spinal stenosis without compromising the stabilizing structures of the spine," said Sumeer Lal, MD, a neurosurgeon from Greenville, South Carolina. "For some patients, I have been able to reduce the need -- and therefore cost -- of spinal implants required for their procedures and I have also been able to send them home sooner. These results are very promising for patients suffering from lumbar spinal stenosis."

About the iO-Flex® System

The Baxano iO-Flex System is the first minimally invasive set of flexible instruments allowing surgeons to target lumbar stenosis in the central canal, lateral recess, and neural foramen with minimal disruption to the patient's healthy anatomy critical for maintaining spinal stability. It is the only treatment alternative that allows surgeons to decompress up to four nerve roots through a single laminotomy.

About Lumbar Spinal Stenosis

Lumbar spinal stenosis is a degenerative medical condition in which the spinal canal narrows and compresses the spinal cord and nerves in the lumbar area of the spine. Symptoms include pain, weakness, numbness, and tingling in the lower back and legs. Decompression surgery is a common procedure used to treat lumbar spinal stenosis by cutting away overgrown bone and tissue causing pressure on the spinal nerves. Approximately 325,000 decompression procedures are performed in the United States each year to treat lumbar spinal stenosis.

About Baxano, Inc.

Baxano, Inc., based in San Jose, California, is a privately held company, which was founded in 2005 with the vision to create flexible tools to provide precision lumbar decompression from the "inside out." These platform technologies will form the basis for future product offerings. Baxano's mission is to develop innovative tools that restore spine function, preserve healthy tissue, and enable a better quality of life for patients. Along with its dedication to advanced technology development, Baxano is focused on providing exceptional value to patients, customers, investors, and employees.

Caution: Federal law restricts this device to sale by or on the order of a physician. For complete information regarding Intended/Indications for Use, Precautions, Warnings, and potential adverse events, please refer to respective Instructions for Use.

For more information about Baxano, the iO-Flex System, or the company's post-market clinical studies, please visit: www.baxano.com or contact media relations representative Paul Williams at 310/569-0023 or paul@medialinecommunications.com.