



## News Release

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### DERMA SCIENCES RECEIVES FDA CLEARANCE TO SELL MEDIHONEY™ OVER THE COUNTER

Products stocked in nationwide pharmacies will provide easy access for consumers

**PRINCETON, NJ – June 24, 2008** . . . Derma Sciences (OTC Bulletin Board: DSCI), a provider of advanced wound care products, announced today that its key product line, MEDIHONEY™ Wound & Burn Dressings with Active *Leptospermum* Honey, has been cleared by the FDA for over the counter (OTC) sales. This will provide consumers with expanded access to the products for wounds and burns that do not require the attention of a medical professional.

CEO Ed Quilty stated, "This is one of the significant milestones we have been waiting for, and have greatly anticipated since the acquisition of our new first aid division back at the end of 2007. When we first launched MEDIHONEY in the US, the media attention it garnered was incredible, pointing to a large potential market in the consumer arena. This OTC clearance paves the way for a similar deal to the one we recently announced for MEDIHONEY's distribution in pharmacies in Canada. We are confident we will be able to structure an arrangement here in the US with a major pharmacy chain by year end, and expect to have products available at retail throughout the country by early 2009. Our goal is to develop and launch novel advanced wound care technologies into the medical market, and then leverage those technologies – such as MEDIHONEY and our BIOGUARD™ line of antimicrobial gauze dressings – to grow our presence in the retail market. Success with this plan will maximize product access for patients and consumers, and will greatly enhance value to our shareholders.

"With consumer trends indicating strong interest in naturally derived health care products, we believe we are hitting the time just right and are uniquely positioned to offer the only 100% natural FDA cleared product for wounds and burns that has been tested through rigorous randomized controlled studies. This will give consumers the ability to have a sterilized, standardized, and regulated all-natural product in their first aid kits at home, with the knowledge that the product is safe and effective."

To date, four versions of MEDIHONEY have been cleared by the FDA for sales into the medical market, and all four were cleared for sales into the OTC market. According to a 2004 report from

marketresearch.com, the United States first aid market reached \$1.5 billion in 2003, and was predicted to reach \$2.5 billion by 2008. One quarter of these sales are through private label brands. Drivers of increasing sales are new technologies, an increasing reliance on self-care, and the ageing population.

### **About Derma Sciences**

Derma Sciences is a global manufacturer and marketer of advanced wound-care products. Its key product, MEDIHONEY, is sold throughout the world by Derma Sciences and Comvita New Zealand -- the licensor of the patented honey-based technology -- and is the leading brand of honey-based dressings for the management of wounds and burns. The product has been shown to be effective in a variety of wounds and burns, and was recently the focus of a large-scale randomized controlled trial on leg ulcers. Derma has two products in development: the BIOGUARD™ line of barrier gauze dressings, and DSC127, the company's novel angiotensin analog for accelerated wound healing and scar reduction. The barrier technology was licensed from Quick-Med in Q1 of 2007 and is pending its initial FDA marketing clearance. DSC127 was licensed from The University of Southern California in Q4 of 2007 and is entering into a Phase II study, with anticipated initial patient enrollment to begin in Q3 of 2008. For more information about Derma Sciences, Inc., visit its home page on the Internet at <http://www.dermasciences.com>.