

Healionics Q4 2019 Update

In Q4 of 2019, Healionics completed patient enrollment and continued to track progress of *STARgraft* in its first human study.

Financial Snapshot

12/31/2019 Cash Balance: \$1,238k

Income and Financing:

Grant funding received in Q4: \$230k

Operating Expenses in Q4: \$569k

Grant Funding Pool: \$1.2M in 2020. Additional \$1.3M pending human study milestones.

Clinical Trial Update

First human study of *STARgraft* vascular graft for dialysis access

The first human study of *STARgraft* is now fully enrolled. Our earliest-enrolled patients are now reaching their 9-month follow-ups, and we continue to monitor the active clinical trial patients to track trends in flow rate, development of stenosis, and rate of complications.

STARgraft devices that have reached the 9-month timepoint appear to be behaving advantageously as expected (i.e. showing a low degree of stenosis compared to controls) and we are hopeful that this favorable trend will continue as more grafts reach longer timepoints.

However, as noted in our Q3 update, we have observed issues in some devices where swelling of the graft material appears to have compromised its performance in maintaining blood flow, resulting in early occlusions.

Changes in surgical technique were not effective in resolving this issue. After a series of bench tests to evaluate potential changes to device construction, we have arrived at a slightly revised design that shows promise as an effective solution. Once finalized, this revised design will undergo preclinical testing and then clinical confirmation that it resolves the swelling issue.

Business Update

STARport needle-free dialysis port

With the recently awarded Phase II SBIR grant, we have begun ramping up work on *STARport*, with a focus on refining the port design in preparation for additional preclinical testing.

Management Update

We would like to congratulate Jenice Irene on her recent promotion to R&D/Manufacturing Engineer. We would also like to welcome Holly Grieve to the Healionics team as our new Administrative Manager.

Best regards,
Mike

Mike Connolly

CEO

[Healionics Corporation](#)