PRESS RELEASE

**C2 Therapeutics' Receives FDA Clearance for**

**Next Generation Cryoballoon Ablation System**

**Redwood City, Calif.** – August 22, 2013 – C2 Therapeutics, a privately held company founded to improve treatment of precursors to esophageal cancer (Barrett's esophagus), today announced that it received 510(k) clearance from the U.S. Food and Drug Administration (FDA) to market its Cryoballoon Focal Ablation System. This is the company's second 510(k) clearance and will be working to introduce Cryoballoon ablation in the United States.

The device sets a new standard for simplicity in ablation of precursors of esophageal cancer. The device is a through-the-scope, highly compliant balloon catheter that is simultaneously inflated and cooled by an inert refrigerant delivered from a small disposable handheld unit. Operation is intuitive, fast, and cost-effective. The C2 CryoBalloon Focal Ablation System eliminates the need for precise sizing, multiple deployment steps, and controller units.

Peter Garcia-Meza, President and CEO of C2 Therapeutics said, "We could not be any more excited to gain FDA clearance of our focal device. The entire C2 team, including our physician advisors, has remained committed to setting the new standard in simplicity in ablation of precursors to esophageal cancer. We believe our system answers and immediate need in gastroenterologist practices and we are confident that it will provide excellent outcomes for patients."

Barrett's Esophagus is a pre-cancerous condition of the esophagus commonly associated with gastric reflux disease (GERD), which affects as many as 60 million Americans. 3.5 MM people in the US have Barrett's and if left untreated, it can develop into adenocarcinoma, which is one of the most rapidly increasing and deadliest cancers in the United States. The risk of developing cancer with BE is 30 to 125 times higher than those without this condition. The 5-year survival rate is near 15%.

With this clearance, patients in the United States will start to see treatment with the CryoBalloon System. The technology will be used in a number of key centers in the United States as well as in Europe within a clinical trial. The company has completed its first human trial. A second human trial will now follow this 510(k) clearance.

**About C2 Therapeutics**

C2 Therapeutics was founded in 2007 to improve treatment of precursors to esophageal cancer. Headquartered in Redwood City, California, C2 is a privately held company. The company is committed to helping physicians treat patients with technologies that are both effective and economical.

For more information on C2 Therapeutics and its products, please visit http://www.c2therapeutics.com/.

***

Contact:

Peter Garcia-Meza, C2 Therapeutics

Ph: 650.521.5304