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Cyntellect Completes \$15.1 Million Series D Private Financing
Transaction to drive workforce and facility expansion; could yield up to \$23.4MM investment

San Diego, CA – July 25, 2007 – Cyntellect, Inc. announced today that it has completed a private financing transaction providing the company \$15.1 million in venture financing. Under the transaction the investors may also choose to commit an additional investment of up to \$8.3 million. The company will deploy the funding to hire personnel, expand operations, accelerate development and commercialization of products and explore novel applications of the company's laser-based live-cell manipulation technology.

The round was led by Third Security, LLC's latest investment fund under management, New River Management V, LP. Third Security, in its capacity as manager of NRM V's general partner, Third Security Capital Partners V, LLC, acquires the right to elect a majority of Cyntellect's board of directors. One of Cyntellect's existing major shareholders also participated in the financing.

"This financing provides us with an exciting opportunity to bring our products and technology to the broader life sciences research marketplace, while we also explore high-value applications in critical areas such as stem cell processing, vaccine development and cell therapy," stated Fred Koller, Ph.D., Cyntellect's President and Chief Executive Officer. "We are very proud to have such high quality investors see the potential in Cyntellect and we look forward to working with them to meet our customers' needs and to grow the value of our company."

"We believe Cyntellect does for the study and manipulation of adhesive cells what flow-cytometry does for other cells," remarked Randal Kirk, Third Security's Chief Executive Officer. "In addition, current technologies for the transfection of cells with DNA, siRNA, small molecules and proteins are less than optimal; Cyntellect's optoinjection technology is a significant advancement in this area. We are pleased to add them to our portfolio of investments."

Cyntellect's core technology combines key aspects of laser based medicine and semiconductor manufacturing technology to enable capabilities for the *in situ* analysis and manipulation of living cells. The technology can be applied broadly to drug discovery research (e.g. accurately identifying new drug targets or testing and predicting the physiological effects of potential drugs). The technology is also being employed to improve the productivity of manufacturing therapeutic protein drugs and may prove valuable in manipulating cells as direct therapeutic agents.

About Cytellect

Cytellect, Inc. is a life sciences company committed to revolutionizing the use of living cells in life science research and cellular therapy. The company combines expertise in high-speed cell imaging and laser-based manipulation to develop products that enable novel cell imaging, purification, and transfection capabilities to enhance the productivity of laboratory research, recombinant protein production, high-content cellular assays, functional genomics and proteomics, and cell purification, including processing of cells for therapeutic transplantation. For additional information please visit the company's web site at www.cytellect.com.

About Third Security, LLC

Third Security, LLC is a private equity and venture capital firm formed in 1999 to manage investments in public and private companies. The firm leverages its people, expertise and capital to guide investments and companies to category dominance. More information is available at www.thirdsecurity.com.

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