

Medistem Laboratories, Inc. and Orcrist Bio Inc. Enter Into Collaboration Agreement Focused on Augmenting Stem Cell Activity

SCOTTSDALE, AZ--(MARKET WIRE)—May 21, 2008 -- Medistem Laboratories, Inc. (OTC BB:[MDSM.OB](#) - [News](#)) and Orcrist Bio Inc. (ORC) announced today that the companies have entered a collaborative agreement to co-develop therapies based upon their respective core intellectual properties. This includes utilization of Medistem's newly discovered Endometrial Regenerative Cell population and ORC's recently licensed HYC750 technology.

“If one takes a step back and looks at the field of regenerative medicine, the first phase will be clinical entry of stem cell types, which is already occurring, the second phase will be development of pharmaceutical agents that augment activity of stem cells,” said Thomas Ichim, Ph.D, CEO of Medistem. “Orcrist has strongly positioned themselves as developers of stem cell augmenting agents. Their lead compound HYC750 is in late preclinical development, thus providing a potential synergistic agent to technologies we are currently developing.”

Mr. Gary Voncina commented, “Medistem was recently recognized with the 'Top Publication of 2007' by BioMed Central and is recognized as a leader in stem cell research. The potential for collaboration around Orcrist's stem cell mobilization technology and Medistem's core intellectual property could lead to ground-breaking advancements in the commercialization of stem cell products.”

About Medistem Laboratories, Inc.: Medistem Laboratories is a biotechnology company founded to develop and commercialize technologies related to adult stem cell extraction, manipulation, and use for treating inflammatory and degenerative diseases. The company's lead product, the endometrial regenerative cell (ERC), is a "universal donor" stem cell derived from the menstrual blood that possesses the ability to differentiate into nine tissue types, produce large quantities of growth factors, and a large proliferative capacity. Due to Medistem's relationships and collaborative efforts with respected institutions, Medistem believes it is well positioned to be a leading developer of adult stem cell products.

About Orcrist Bio Inc.: Orcrist Bio Inc. is a biotechnology company dedicated to developing and commercializing promising therapeutics for areas in which a clear market opportunity exists. Orcrist's lead program revolves around HYC750, a novel stem cell mobilizer compound that promotes the egress of stem cells and other blood cells from the bone marrow into the blood, from which they can be harvested and applied toward treating chemotherapy-related white blood cell depletion. Orcrist is actively looking to add to its pipeline exploring the innate properties of HYC750 and its effects on stem cells, as well as through in-licensing opportunities of other products with clear market potential. Orcrist is located in Calgary, Alberta. The company is financed by its founders and by private investors. (<http://www.orcristbio.com>)

Cautionary Statement

This document does not constitute an offer to sell or a solicitation of an offer to buy any of our securities. This document contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may include projections of matters that affect revenue, the ability to develop or license certain technologies and receive associated licensing fees; operating expenses or net earnings; projections of capital expenditures; projections of growth; hiring plans; plans for future operations; financing needs or plans; plans relating to the company's products and services; and assumptions relating to the foregoing.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking information.

Some of the important factors that could cause the company's actual results to differ materially from those projected in forward-looking statements made by the company include, but are not limited to, the following: the company's ability to anticipate future license fees, technology development limitations, intense competition, risk of business interruption, management of rapid growth, need for additional financing, regulatory approvals and requirements, dependence on key personnel and research, management and other administrative costs.

These factors are discussed in greater detail in the company's quarterly and annual periodic reports, all as filed with the Securities and Exchange Commission.

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