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***FOR IMMEDIATE RELEASE***

**NXTHERA ANNOUNCES SERIES C FINANCING & CE MARK**

***Funds BPH Pivotal Trial, Early European Commercialization, Prostate Cancer Research***

**Maple Grove, MN, USA** (August 14, 2013) – NxThera, Inc., a privately held medical device company focused on the development of its proprietary and innovative water vapor endourology treatment platform, today announced an initial closing on its Series C financing of \$18.2 million, and receipt of CE Mark for its Rezūm® System to treat benign prostatic hyperplasia (BPH). NxThera will use this Series C capital to (i) conduct a U.S. clinical trial to seek FDA clearance to market its Rezūm System to treat BPH, (ii) begin targeted, early commercialization of its Rezūm System in selected European countries in 2014, and (iii) expand its applied research and feasibility studies to evaluate applications of its sterile water vapor technology to treat prostate cancer and kidney cancer.

“We sincerely appreciate the continued engagement and support of our investors as we move closer to realizing NxThera’s vision of a fundamentally new treatment approach that will transform the experience of urologists and the millions of men they treat who suffer from prostate conditions,” said Bob Paulson, President and Chief Executive Officer of NxThera. “With this round of financing, we are well-positioned to undertake and complete our U.S. BPH pivotal trial, obtain early commercial BPH experience in Europe, and accelerate our prostate and kidney cancer clinical development programs.”

In aging men, the normal flow of urine from the bladder often is restricted by bladder obstructions, often as the result of enlarged prostate tissue or other urethral strictures. Symptoms of BPH include increased urination frequency, sudden urges to urinate, and weak urine flow. More than 12 million men in the U.S. have been diagnosed with BPH and more than 70 percent of men over age 60 experience symptoms of BPH. More than 2.5 million men in the U.S. have been diagnosed with prostate cancer.

**About NxThera:**

NxThera is pioneering the application of its sterile water vapor technology platform in a variety of endourology conditions including BPH, prostate cancer and kidney cancer. NxThera’s sterile water vapor, or steam, technology platform enables the delivery of targeted, precise BPH treatments in a simple, office-based procedure designed to take only minutes, with minimal discomfort, and provide improvements in urine flow and improved quality of life. Founded in 2008, NxThera is located in Maple Grove, Minnesota.

For more information, visit [www.rezum.com](http://www.rezum.com).