

## **Adavance Technologies Meets Development Milestone for New Direct Detection MRSA Diagnostic Test; Triggers \$1.8 million in Second Tranche of Series B Financing**

July 10, 2008 - - VANCOUVER, British Columbia & SAN DIEGO - - Adavance Technologies Inc., a developer of direct detection molecular diagnostic tests for medical applications, announced today that it met a milestone in progressing its metalized DNA (M-DNA™) technology platform toward a new MRSA diagnostic test. As part of the Series B financing initially closed in December 2007, current investors including GrowthWorks Working Opportunity Fund, Canadian Medical Discoveries Fund and Business Development Bank of Canada (BDC) agreed to provide Adavance with an additional \$1.8 million CAD upon meeting this milestone.

Adavance will use the additional funding to further develop the platform and move toward the launch of its first test for MRSA, which may be as early as 2010. The milestone required discrimination of methicillin-resistant *Staphylococcus aureus* (MRSA) in a background of non-MRSA competing targets. Additionally, the Company completed development of a functioning pre-prototype instrument for its M-DNA platform.

“The potential for this technology to open molecular diagnostic testing to laboratories not licensed for PCR amplification is very exciting,” said Randy White, CEO of Adavance Technologies. “It’s a large market and the progress our team has made in developing the platform is significant. We look forward to reporting sensitivity and specificity data over the coming months as we move closer to commercialization.”

Adavance’s proprietary ultra-sensitive M-DNA direct detection technology uses metal ions to produce a highly conductive form of DNA that allows discrimination of “perfect match” hybridized DNA from non-matching DNA, and may eliminate the need for target amplification for a large number of molecular diagnostic tests. Only about 10 percent of all hospital laboratories and only 35 percent of all independent laboratories in the U.S. are licensed for high-complexity testing and can use PCR to perform molecular diagnostic testing. Adavance’s platform technology has the potential to de-centralize molecular testing and open the market to approximately 30,000 new customers who cannot currently perform these important medical tests.

About Adavance Technologies Inc.

Adavance is a molecular diagnostic company focused on development of DNA-based tests using the Company’s patented metalized DNA (M-DNA) platform. The Company is headquartered in Vancouver, British Columbia and also maintains a DNA development laboratory in San Diego, CA. M-DNA is based on the conducting properties of hybridized DNA. Under strict reaction conditions, certain metal ions can enter the central core of hybridized DNA and displace the hydrogen bonds forming the equivalent of a metal wire in the center of the DNA and making the DNA highly conductive. The Company uses a microarray of 10-micron electrodes to detect the M-DNA and the inherent ultra-sensitivity arises from the differential change in conductivity between hybridized DNA and metalized DNA. This change in conductivity is so large that it obviates the need for target amplification used in current molecular-based tests. Adavance scientists were the first to discover the M-DNA phenomenon, and the Company believes its technology platform will open new molecular testing markets. For additional information please see the Company website at [www.adavance.com](http://www.adavance.com).

## Forward-Looking Statements

Certain statements made in this press release are forward-looking. Such statements are indicated by words such as “expect,” “should,” “anticipate,” and similar words indicating uncertainty in facts and figures. Although Adavance believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations reflected in such forward-looking statements will prove correct. Actual results could differ materially from those projected in the forward-looking statements as a result of the following factors, among others: uncertainties associated with the technology development process, the risk that Adavance technology will not gain market acceptance, the risks associated with dependence upon key personnel and the need for additional financing to commercialize the technology platform.