



May 30, 2013

BioDrain Breaks into National Network of Ambulatory Surgical Centers and Expands Installations of its STREAMWAY System throughout the U.S.

STREAMWAY System is Chosen to Replace Competitor's Recalled Products

MINNEAPOLIS, May 30, 2013 /PRNewswire/ -- [BioDrain Medical, Inc.](#) (OTCQB: BIOR) (the "Company"), producer of the FDA-approved STREAMWAY[®] System for automated, direct-to-drain surgical fluid disposal that reduces the risk of exposure to hazardous waste, announced today that the Company has signed an agreement with an organization that creates physician-owned and operated ambulatory surgical centers (ASC) in partnership with local surgeons, to install 20 STREAMWAY surgical waste fluid management systems in ASCs throughout the United States.

The Company's STREAMWAY System is designed to improve safety and efficiency in the operating room by safely and seamlessly managing surgical fluid waste disposal with its direct-to-drain technology. The STREAMWAY System virtually eliminates certain operating room workers' exposure to blood, irrigation fluid and other potentially infectious fluids found in the surgical environment while dramatically decreasing hospital costs to dispose of surgical waste. The STREAMWAY System is a stationary system designed to be installed into each surgical room that is hooked into a hospital's existing drain and vacuum system.

The partner organization selected the STREAMWAY System over the Company's competitors, including traditional canister methods of fluid waste disposal, as the safest, most reliable and cost-effective system. This organization has stated its intention to promote the installation of the Company's System throughout all of its facilities.

To date, the partner organization has committed to installing 20 STREAMWAY System units in ASCs across the United States during new construction. To start, the product will be installed in seven states with the opportunity for expansion. These installations have already started and are expected to be completed by the end of 2013.

"Our agreement with this partner organization for the initial installation of 20 STREAMWAY System units is a great way for us to further penetrate the ambulatory surgery network throughout the U.S.," said Josh Kornberg, Chief Executive Officer at BioDrain Medical. "After an FDA recall of our competitor's system previously used by this organization, the healthcare industry, and surgical centers in particular, are proactively looking for a reliable and cost-effective solution for their fluid management requirements."

Kornberg continued, "Our relationship with this partner organization is a great opportunity for us, as it has a presence in 20 states and more than 120 facilities. We are now able to expose surgical centers across the United States to our best-in-class solution, the STREAMWAY System, in a more efficient and widespread manner. We are confident that once these centers have one System installed in one operating room, they will fully realize all of its benefits – from its space-saving form factor and efficiency, to the safety and peace of mind it brings to the staff."

The STREAMWAY System addresses a number of important healthcare issues: it reduces overhead costs to hospitals and surgical centers, streamlines the efficiency of the operating room and saves healthcare personnel time, energy and the fear of contracting an infectious disease from the far less sterile and more difficult to use fluid disposal canisters used in many competing systems. BioDrain plans to continue to expand into more hospitals and surgical centers throughout 2013 and anticipates seeking international expansion later this year subject to required regulatory approvals.

About BioDrain Medical

BioDrain Medical, Inc. has a fully automated, patented, FDA cleared, surgical fluid disposal system that virtually eliminates certain operating room workers' exposure to blood, irrigation fluid and other potentially infectious fluids found in the surgical environment. Today's manual surgical fluid handling methods of hand-carrying filled surgical fluid canisters and emptying these canisters is an exposure risk and an antiquated approach to the handling of surgical fluid waste. BioDrain's STREAMWAY System fully automates the collection, measurement and disposal of surgical fluids and is designed to result in: 1) reducing overhead costs to hospitals and surgical centers, 2) improving Occupational State and Health Association (OSHA) and other regulatory compliance agencies' safety concerns, and 3) streamlining the efficiency and reducing the operating costs of the operating room.

BioDrain's STREAMWAY System is eco-friendly as it contributes to cleaning up the environment. Currently, approximately 50 million bloody, potentially disease infected canisters go to landfills annually in the United States. These tainted canisters can remain in landfills for years to come. With the installation of BioDrain's STREAMWAY System, the number of canisters can be significantly reduced. BioDrain Medical, Inc.'s STREAMWAY System is designed to make the operating room and our environment safer, cleaner, and better. BioDrain products are currently being represented by independent professional sales representatives that cater to the needs of hospitals and ambulatory surgical centers across the country. For additional information, please visit: www.biodrainmedical.com.

Forward-looking Statements

Certain of the matters discussed in this announcement contain forward-looking statements that involve material risks to and uncertainties in the Company's business that may cause actual results to differ materially from those anticipated by the statements made herein. Such risks and uncertainties include, among other things, our ability to establish and maintain the proprietary nature of our technology through the patent process, as well as our ability to possibly license from others patents and patent applications necessary to develop products; the availability of financing; the Company's ability to implement its long range business plan for various applications of its technology; the Company's ability to enter into agreements with any necessary marketing and/or distribution partners; the impact of competition, the obtaining and maintenance of any necessary regulatory clearances applicable to applications of the Company's technology; and management of growth and other risks and uncertainties that may be detailed from time to time in the Company's reports filed with the Securities and Exchange Commission, which are available for review at www.sec.gov. This is not a solicitation to buy or sell securities and does not purport to be an analysis of the company's financial position. See the Company's most recent Annual Report on Form 10-K, as amended, and subsequent reports and other filings at www.sec.gov.

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