

## **Virtual Incision Announces \$20 Million Financing to Advance First-of-its-Kind Surgical Mini-Robot**

*Company Files FDA IDE Submission for Confirmatory Clinical Study of MIRA Surgical Robotic Platform for Colectomy Procedures*

**Lincoln, Neb. and Pleasanton, Calif.** – January 8, 2020 – Today, Virtual Incision Corporation, a medical device company pioneering a first-of-its-kind miniaturized surgical robot, announced it has raised \$20 million in a Series B+ financing led by returning investor Bluestem Capital, with participation from returning investor PrairieGold Venture Partners, as well as from Genesis Innovation Group and other affiliated investors. The funds will support regulatory and clinical programs leading to the commercialization of the company’s MIRA™ (“miniaturized in vivo robotic assistant”) Surgical Robotic Platform.

Virtual Incision also announced its filing for an Investigational Device Exemption (IDE) with the U.S. Food and Drug Administration (FDA). An IDE approval will allow the company to initiate a confirmatory clinical study of the MIRA Surgical Robotic Platform in support of regulatory pathway to approval. The study will evaluate the safety and efficacy of the MIRA platform for colon resection surgeries in patients at a number of U.S. investigational sites.

MIRA is an investigational robot that will enable surgeons to perform minimally invasive surgeries in any hospital or surgery center, without the need for a dedicated space or for the infrastructure typically required for other “mainframe” robotic systems. Weighing only two pounds, the miniature single incision platform has full robotic capabilities, and can easily be moved from room to room.

Virtual Incision’s goal is to increase patients’ access to minimally invasive abdominal surgery and to maximize hospital efficiency in various settings at a price point significantly lower than currently available robotic systems.

“We designed the MIRA Surgical Robotic Platform with the fundamental understanding that minimally invasive procedures offer tremendous benefits to patients. We believe our portable and affordable abdominal robot has the potential to bring these benefits to many more patients,” said John Murphy, president and CEO of Virtual Incision. “The planned IDE clinical study of MIRA is the critical next step for the company.”

Colorectal and lower gastrointestinal procedures are among the fastest growing surgeries in the U.S., with more than 400,000 colon resection procedures performed each year. Today, the most standard approach for treating patients with severe conditions is via a colectomy, which is often an invasive open surgery that can involve a very large incision, a long hospital stay and several weeks of recovery. Open colectomies carry a high risk of surgical site infection and other complications that can negatively affect a patient’s quality of life. Minimally invasive colectomies have been demonstrated to offer important benefits, and the use of miniaturized robotic surgery can potentially make these benefits more broadly available. Laparoscopic colectomies, though also minimally invasive, can be difficult to perform and can have less than ideal cosmetic outcomes.

“Beyond our initial device design for colon resection, Virtual Incision has begun developing a family of procedure-specific mini-robots for additional operations such as hernia repair,

gallbladder removal and others, potentially enabling millions more surgical procedures each year,” said Shane Farritor, Ph.D., Virtual Incision’s co-founder and chief technology officer.

“The Virtual Incision team has developed a unique robotic platform that has incredible potential to transform surgery,” said Steve Kirby, founding partner, Bluestem Capital. “With its foundational intellectual property – including more than 200 patents and applications – we are convinced that Virtual Incision will be leading the next wave of innovation in robotic surgery with the pioneering MIRA system.”

“Demand for minimally invasive surgeries continues to increase, and we are enthusiastic about the promise of the MIRA platform to meet this demand, while also delivering unparalleled flexibility,” said Dmitry Oleynikov, M.D., Virtual Incision’s co-founder and chief medical officer. “We are focused on expanding access to minimally invasive robotic procedures and delivering this innovation to the many centers where a smaller, simpler and less costly solution is needed.”

### **About the MIRA Surgical Robotic System**

Unlike today’s robots that reach into the body from outside the patient, Virtual Incision’s MIRA Surgical Robotic Platform features a small, self-contained surgical device that is inserted through a single midline umbilical incision in the patient’s abdomen. Virtual Incision’s technology is designed to enable complex multi-quadrant abdominal surgeries utilizing existing tools and techniques familiar to surgeons, and does not require a dedicated operating room or specialized infrastructure. Because of its much smaller size, the robot is expected to be significantly less expensive than existing robotic alternatives for laparoscopic surgery.

### **About Virtual Incision**

Virtual Incision is reimagining surgical robotics, with simple innovations offering mobility, flexibility and accessibility to provide minimally invasive options to more patients. The company is developing the MIRA (“miniaturized in vivo robotic assistant”) Surgical Robotic Platform, a first-of-its-kind miniaturized surgical robot, focusing first on colon resection, with follow-on specialty robots for additional potential applications like hernia repair, gallbladder removal, antireflux surgery, splenectomy, adrenalectomy, gastric sleeve, gastric bypass, hysterectomy and hepato-pancreato-biliary procedures. The company is headquartered in Lincoln, Nebraska. For more information, visit <https://virtualincision.com/>.

### **Cautionary Note Regarding Forward-Looking Statements**

This communication contains statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding our plans, beliefs, expectations and assumptions, as well as other statements that are not necessarily historical facts. You are cautioned that these forward-looking statements are only predictions and involve risks and uncertainties. Further, any forward-looking statement speaks only as of the date as of which it is made and we do not intend to update or revise any forward-looking statements. This communication also contains market data related to our business and industry which includes projections that are based on a number of assumptions we believe are reasonable and most significant to the projections as of the date of this communication. If any of our assumptions prove to be incorrect, our actual results may significantly differ from our projections based on these assumptions.

The MIRA Surgical Robotic Platform is an investigational device that is not available for sale in the United States.

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