



FOR IMMEDIATE RELEASE

Toronto Stock Exchange Symbol: MS

BIOMS MEDICAL ANNOUNCES 2009 YEAR END RESULTS

Edmonton, Alberta, March 16, 2010 – BioMS Medical Corp. (TSX: MS), today announced financial and operational results for the year ended December 31, 2009.

“While 2009 was a challenging year for BioMS and our shareholders, we have remained focused on our core mission of investing our financial and management resources in promising opportunities so as to realize shareholder value,” said Kevin Giese, President and CEO of BioMS Medical. “Our investment in Spectral Diagnostics once again provides us with an opportunity to actively participate in the advancement of a pivotal stage product with major market potential, while also leaving resources available to pursue other future opportunities.”

Corporate Update

- Subsequent to the end of the year, BioMS invested \$12 million in Spectral Diagnostics Inc. (TSX: SDI) in exchange for 30,000,000 common shares of Spectral, representing 39.57% of its issued and outstanding common shares.
- Spectral has also entered into a three year services agreement where BioMS will provide clinical, regulatory and capital markets consulting services to Spectral in exchange for \$3 million paid to BioMS over the term of the contract.
- On March 3, 2010, Spectral Diagnostics received Investigational Device Exemption (IDE) approval from the U.S. Food and Drug Administration (FDA) for Toraymyxin™, a treatment for severe sepsis. This approval permits Spectral to initiate its planned pivotal trial for Toraymyxin™ in the United States.
- At the end of 2009, BioMS had reduced its headcount by approximately 50% to 15.

Dirucotide Update

- On July 27, 2009, BioMS reported that the results of the MAESTRO-01 pivotal trial for dirucotide, its drug candidate for the treatment of multiple sclerosis, did not meet its efficacy endpoints. BioMS discontinued all ongoing clinical trials with dirucotide, and announced that it did not intend to pursue further late-stage trials. The licensing and development agreement between BioMS and Eli Lilly for dirucotide was terminated, with all commercial rights returning to BioMS.

Financial Results

The consolidated net income of the Corporation for the year ended December 31, 2009 was \$2.9 million or \$0.03 per share compared with a consolidated net loss of \$(0.5) million or \$(0.01) per share for the previous year. The consolidated net loss for the three months ended December 31, 2009 was \$(7.2) million or \$(0.08) per share compared with a consolidated net income of \$0.3 million or \$0.01 per share for the previous year.

Revenue of \$45.6 million was recorded for the year ended December 31, 2009 compared to \$52.6 million for the year ended December 31, 2008. The revenue is the result of the amortization of the upfront payment and development milestone received from the agreement with Lilly. Investment income earned on funds invested for the year ended December 31, 2009 decreased to \$0.3 million from \$2.4 million for 2008 due to the decrease in cash and cash equivalents. The investment income is earned from the short-term investment of cash reserves in low risk term deposits and bankers acceptance notes.

Total consolidated expenses for the year ended December 31, 2009 were \$42.4 million compared with \$61.9 million for 2008. Total consolidated expenses for the three months ended December 31, 2009 totaled \$7.1 million as compared to \$16.5 million in the same quarter the previous year.

Research and development expenses for the year ended December 31, 2009 totaled \$28.5 million compared with \$46.5 million in 2008. Research and development expenses were \$5.2 million for the three months ended December 31, 2009 compared to \$13.9 million for the same quarter of the previous year. The decrease in expenses was the net result of: completion of the MAESTRO-01 clinical trial and discontinuation of other trials; cost recoveries for intellectual property expenditures; and a decrease in drug manufacturing, regulatory and research.

BioMS also reduced its headcount by 50% and incurred approximately \$2.2 million in related termination payments that have been recorded in result of operations for the year ended December 31, 2009.

At December 31, 2009, cash and cash equivalents and short-term investments totaled \$51.4 million as compared to \$90.9 million at December 31, 2008. At December 31, 2009, the Company had working capital of \$47.5 million as compared to \$81.3 million at December 31, 2008. Management estimates that the current working capital is sufficient for the Company to meet its obligations.

As at December 31, 2009 there were 91,008,923 Class "A" common shares of the Company issued and outstanding.

About BioMS Medical Corp.

BioMS Medical is a biotechnology company engaged in the investment, development and commercialization of pharmaceutical technologies. For further information please visit our website at <http://www.biomsmedical.com>

This press release may contain forward-looking statements, which reflect the Corporation's current expectation regarding future events. These forward-looking statements involve risks and uncertainties that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to, changing market conditions, the successful and timely completion of clinical studies, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process and other risks detailed from time to time in the Corporation's ongoing quarterly and annual reporting. Certain of the assumptions made in preparing forward-looking statements include but are not limited to the following: that dirucotide will continue to demonstrate a satisfactory safety profile in ongoing and future clinical trials; and that BioMS Medical Corp. will complete the respective clinical trials within the timelines communicated in this release. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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BioMS Medical Corp.

Consolidated Balance Sheet

December 31, 2009 and 2008

(expressed in thousands of Canadian dollars)

	2009	2008
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	48,774	87,826
Short-term investments	2,662	2,614
Goods and services tax recoverable	351	299
Prepaid clinical trial costs	-	2,227
Recoverable from collaboration partner	424	267
Other prepaid expenses	112	54
	<u>52,323</u>	<u>93,287</u>
Prepaid clinical trial costs	-	790
Licensing costs	-	5,910
Property and equipment	<u>350</u>	<u>517</u>
	<u>52,673</u>	<u>100,504</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	4,822	12,015
Deferred revenue	-	45,605
	<u>4,822</u>	<u>57,620</u>
Guarantees		
Commitments and contingencies		
Shareholders' Equity		
Share capital	175,714	175,714
Contributed surplus	10,937	8,839
Accumulated deficit	<u>(138,800)</u>	<u>(141,669)</u>
	<u>47,851</u>	<u>42,884</u>
	<u>52,673</u>	<u>100,504</u>

BioMS Medical Corp.

Consolidated Statements of Operations and Comprehensive Loss

(expressed in thousands of Canadian dollars and shares, except per share amounts)

	Years ended December 31,	
	2009	2008
	\$	\$
Revenue earned from collaboration partner	45,605	52,561
Less: Research and development expenses	<u>(28,486)</u>	<u>(46,502)</u>
	17,119	6,059
General and administrative expenses	(7,821)	(13,790)
Amortization of licensing costs	(736)	(1,472)
Amortization of property and equipment	<u>(164)</u>	<u>(125)</u>
Income (loss) from operations	8,398	(9,328)
Other income (expense)		
Investment income	333	2,436
Impairment of licensing costs	(5,174)	-
Foreign exchange (loss) gain	<u>(688)</u>	<u>6,429</u>
	<u>(5,529)</u>	<u>8,865</u>
Net income (loss) and comprehensive income (loss)	<u>2,869</u>	<u>(463)</u>
Basic and diluted net income (loss) per common share	0.03	(0.01)
Basic and diluted weighted average number of common shares outstanding	91,009	91,187

BioMS Medical Corp

Consolidated Statements of Cash Flows

(expressed in thousands of Canadian dollars)

	<u>Years ended December 31,</u>	
	2009 \$	2008 \$
Cash provided by (used in)		
Operating activities		
Net income (loss)	2,869	(463)
Items not involving cash		
Stock-based compensation	2,098	2,198
Amortization of licensing costs	736	1,472
Amortization of property and equipment	164	125
Impairment of licensing costs	5,174	-
Loss on disposal of property and equipment	8	11
	<u>11,049</u>	<u>3,343</u>
Net change in non-cash working capital items	(49,912)	47,109
	<u>(38,866)</u>	<u>50,452</u>
Investing activities		
Purchase of property and equipment	(7)	(323)
Net purchase of short-term investments	(48)	(86)
Licensing costs	-	-
	<u>(55)</u>	<u>(409)</u>
Financing activities		
Proceeds from issuance of share capital	-	91
Repurchase of share capital	-	(1,434)
	<u>-</u>	<u>(1,343)</u>
Foreign exchange gain (loss) on cash and cash equivalents held in foreign currency	(134)	3,698
(Decrease) increase in cash and cash equivalents	(39,052)	52,398
Cash and cash equivalents – Beginning of year	87,826	35,428
Cash and cash equivalents – End of year	<u>48,774</u>	<u>87,826</u>
Cash and cash equivalents consists of		
Bank accounts	14,855	610
Interest bearing deposits and securities	33,919	87,216
	<u>48,774</u>	<u>87,826</u>