



## News Release

Contact: Derma Sciences Inc  
Edward J. Quilty  
Chairman and CEO  
[equilty@dermasciences.com](mailto:equilty@dermasciences.com)  
(609) 514-4744

Allen & Caron Inc  
Rudy Barrio (US Investors)  
[r.barrio@allencaron.com](mailto:r.barrio@allencaron.com)  
Brian Kennedy (media)  
[brian@allencaron.com](mailto:brian@allencaron.com)  
(212) 691-8087

### **DERMA SCIENCES CLOSSES \$6.1 MILLION PRIVATE PLACEMENT**

*Funds will accelerate sales force expansion*

**PRINCETON, NJ – (April 3, 2008)** . . . Derma Sciences Inc (OTCBB:DSCI), a provider of advanced wound care products, said that it has closed on its previously announced \$6.1 million private placement with Lehman Brothers as well as new and existing investors. The net proceeds will be used to accelerate the expansion of the Derma Sciences sales force and to potentially broaden the scope of its licensing agreement with Comvita New Zealand, Ltd, its commercialization partner for MEDIHONEY™. Oppenheimer & Co. Inc. acted as advisor and placement agent.

Derma Sciences received \$6.1 million in gross proceeds from the sale of 6.1 million shares of its common stock and approximately 3.1 million warrants with an exercise price of \$1.20.

Aside from the sales force expansion and potentially a broadened license agreement relating to MEDIHONEY, net proceeds from the transaction will be also used for working capital as well as for general corporate purposes. Pending such uses, the proceeds are expected to temporarily pay down the Company's existing revolving credit facility. The offering was conducted in reliance on Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 promulgated there under.

Chairman and CEO Ed Quilty commented, "MEDIHONEY is an extraordinary product line, and we intend to add new products to the line during 2008. The reception accorded to MEDIHONEY by the marketplace has been strong and we are pleased to have the capital to aggressively market MEDIHONEY."

#### **About Derma Sciences**

Derma Sciences is a global manufacturer and marketer of advanced wound-care products. Its key product, MEDIHONEY, is sold throughout the world by Derma Sciences and Comvita New Zealand – the licensor of the patented honey-based technology – and is the leading brand of honey-based dressings for the management of wounds and burns. The product has been shown to be effective in a variety of wounds and burns, and was recently the focus of two positive large-scale randomized controlled studies on leg ulcers. For more information about Derma Sciences, Inc., visit its home page on the Internet at [www.dermasciences.com](http://www.dermasciences.com).

#### **Forward-looking Statements**

*Statements contained in this release that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate" or "continue" are intended to identify forward-looking statements. Readers are cautioned that certain important factors may affect the Company's actual results and could cause such results to differ materially from any forward-looking statements which may be made in this release or which are otherwise made by or on behalf of the Company. Factors which may affect the Company's results include, but are not limited to, product demand, market acceptance, impact of competitive products and prices, product development, completion of an acquisition, commercialization or technological difficulties, the success or failure of negotiations and trade, legal, social and economic risks. Additional factors that could cause or contribute to differences between the Company's actual results and forward-looking statements include but are not limited to, those discussed in the Company's filings with the Securities and Exchange Commission.*

###