

Nutraceutix

PRESS RELEASE

FOR IMMEDIATE RELEASE

Nutraceutix Receives 2010 Frost and Sullivan “Technology Innovation of the Year” Award

LiveBac[®] Processing and BIO-tract[®] Delivery System cited for overcoming key challenges in probiotic delivery

REDMOND, WA, October 1, 2010 — Frost & Sullivan has recognized Nutraceutix, Inc. with the 2010 North American Frost & Sullivan Award for Technology Innovation of the Year for its pioneering manufacturing process and delivery technology for probiotics. Based on its recent analysis of probiotic delivery technologies, Frost and Sullivan concluded that the LiveBac[®] process together with the BIO-tract[®] delivery system is able to overcome challenges to the survival of probiotics through its entire product lifecycle; from manufacturing, transportation and distribution, to the final journey through the human stomach into the intestinal tract. It deemed Nutraceutix work in researching and developing the LiveBac process and BIO-tract delivery system as offering advanced probiotic delivery characteristics on par with pharmaceutical grade technologies,

“The formation of the protective barrier on the probiotic tablet allows for controlled release of beneficial bacteria throughout the day, a characteristic that is more commonly associated with advanced pharmaceutical grade delivery technologies, rather than with nutraceutical grade delivery technologies,” notes Frost & Sullivan Senior Industry Analyst W.F. Kee. “With increased survival of the microorganisms, particularly as they pass through the stomach, as enabled by the BIO-tract delivery system, more viable probiotics are delivered to the right locations for maximum benefits. By utilizing both LiveBac[®] and BIO-tract[®] technologies, a probiotic product with superior stability and potency is created.”

LiveBac incorporates two patented processing steps and BIO-tract has been awarded four international patents that cover China, Australia, Russia and Singapore. Many other international patents are still pending, including the U.S.

Although a few companies have begun creating probiotic supplements geared to withstand the manufacturing, transportation, and ingestion processes, Nutraceutix is the only company that can provide probiotics with controlled release features. Furthermore, the increased shelf life and resultant potency of the probiotic products developed using Nutraceutix technology is not easily matched by the majority of its competitors in the probiotics industry.

Each year, Frost & Sullivan presents the Technology Innovation Award to companies that have developed a unique technology, which significantly impacts both the functionality and the customer value of new products and applications. The award lauds the relevance of the innovation to the industry.

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

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About Nutraceutix, Inc.

Headquartered in Redmond, Washington, Nutraceutix specializes in producing high viability probiotics in bulk powder, capsules and advanced tablets from its broad factory-direct offering of natural probiotic organisms.

Nutraceutix is a NSF Certified GMP contract manufacturer and private labeler of probiotics and other nutritional supplements incorporating advanced stabilization processes and delivery technologies, like the patented BIO-tract® delivery system, for quality conscious brands and retailers around the globe.

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best-practice models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages over 45 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 40 offices on six continents.

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