



PRESS RELEASE

CIA Venture Fund In-Q-Tel Makes Strategic Investment in Infobionics

Infobionics' Cellular DBMS™ empowers organizations to perform advanced searches on structured and unstructured data with unparalleled ease and flexibility

September 11, 2006 -- Infobionics, Inc. has signed a strategic investment and development agreement with In-Q-Tel, the independent strategic venture capital fund that identifies innovative technologies to support the mission of the Central Intelligence Agency (CIA) and the larger Intelligence Community. In-Q-Tel has also secured an option to invest additional funds in a forthcoming private placement round for Infobionics.

The Infobionics Cellular Database Management System (CDBMS) is designed to deliver unparalleled agility, flexibility, and search characteristics for query intensive applications found in businesses where getting the right data at the right time and performing quick easy analysis can drive the decisions that make a business profitable.

“Many Fortune 500 companies are in search of technology solutions to rapidly assess and avert activities that could threaten their businesses,” says Carl Bonta, President of Infobionics. “Our technology allows users to search for unusual, unforeseen patterns and to identify what’s missing.”

The Infobionics CDBMS provides an efficient way to organize, store, and search both structured and unstructured data. As a result, the system excels in environments where people ask many and varied questions that were not necessarily planned in the original design, and also in environments where the data and relationships are changing.

“Infobionics’ technology has the potential to radically enhance data management applications across a wide range of industries,” said Scott Yancey, President and CEO of In-Q-Tel. “In-Q-Tel continues to seek innovative technologies that address some of the most difficult challenges in commercial enterprises and the Intelligence Community (IC). Infobionics’ proprietary technology offers great promise for leading edge applications for customers in both of these markets.”

“We are pleased to be working with In-Q-Tel,” said John Bjelland, CEO of Infobionics. “Our strategic relationship with In-Q-Tel means that the Intelligence Community can capitalize on trends in commercial markets. At the same time, In-Q-Tel’s insight into the Intelligence Community’s needs benefits our commercial development, allowing us to turn challenges into well thought out solutions.”

About Infobionics

Infobionics is a Minneapolis based company whose Cellular Database Management System™ (CDBMS™) is the next generation in information management technology. Its simple architecture, along with unrivaled agility and flexibility, mean that organizations don't need to know all the questions beforehand to build a solution. Searching for unknown patterns, gaining insight, and identifying specifics - difficult at best with most technologies - are the cornerstone of the Cellular Database Management System.

About In-Q-Tel

In-Q-Tel is a private, independent, not-for-profit venture group established by the CIA. Launched in 1999, In-Q-Tel's mission is to identify and invest in companies developing cutting-edge technologies that serve United States national security interests. Working from an evolving strategic blueprint defining the Intelligence Community's critical technology needs, In-Q-Tel engages with entrepreneurs, growth companies, researchers, and venture capitalists to deliver technologies that provide superior capabilities for the CIA, DIA, FBI, NGA, and the larger intelligence community. In-Q-Tel concentrates on three broad commercial technology areas: software, infrastructure and material sciences. To date, In-Q-Tel has engaged with more than 90 companies and delivered more than 120 technology solutions to the intelligence community.

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