

**For Immediate Release  
October 5, 2006**

**Pioneer Surgical Technology Announces a New Agreement with Regeneration Technologies, Inc. to Distribute BioSet™ Demineralized Bone Matrix**

Marquette, MI—October 2, 2006— Pioneer Surgical Technology is pleased to announce that they will partner with Regeneration Technologies, Inc. (RTI) to distribute BioSet™ DBM. BioSet DBM consists of demineralized bone matrix in a purified gelatin carrier, with bone chips added to the moldable BioSet IC version for osteoconduction. BioSet is ideal for use as a bone void filler in many types of surgical procedures.

“Both Pioneer and RTI look forward to working together to broaden their distribution network,” said Pioneer President and CEO, Matthew N. Songer, M.D. “The partnership provides a strong balance between the companies and compliments the strengths of each. BioSet is a great addition to Pioneer’s expanding product line.”

**About Pioneer Technology**

Pioneer Surgical Technology, headquartered in Marquette, Michigan, is a leading innovator in the design and manufacture of spinal and orthopaedic implants. Founded in 1992, Pioneer has positioned itself as a true surgeon-driven spinal device company that promotes responsiveness through customer intimacy, surgeon-to-surgeon relationships, and a commitment to long-term innovation. In 2005 Pioneer launched the following spinal implant systems, in addition to receiving the CE mark for the NUBAC™ Intradiscal System: Quantum® Spinal Rod, Pioneer® Anterior Cervical Plate and its PEEK-Plus Vertebral Replacement Devices.

The company is expanding its 70,000 square foot facility in Marquette as it continues to grow its spinal and orthopaedic products. Pioneer currently employs over 200 employees worldwide and has been awarded 30 patents.

**About Regeneration Technologies, Inc.**

RTI processes allograft and xenograft tissue into shaped implants for use in orthopedic, cardiovascular and other surgeries with a commitment to science, safety and innovation.

RTI also holds the patents on BioCleanse®, the only proven tissue sterilization process validated to eliminate viruses, bacteria, fungi and spores from tissue without impacting the structural or biomechanical integrity of the tissue. The company has distributed more than half a million allograft implants sterilized with the BioCleanse process with zero incidence of infection. RTI is accredited by the American Association of Tissue Banks and was named a 2004 Technology Pioneer by the World Economic Forum.

Except for historical information, any statements made in this press release about the company's anticipated financial results, future operational results, regulatory approvals or changes to the company's agreements with its distributors are forward-looking statements subject to risks and uncertainties, such as those described in the company's public filings on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results reflected in these forward-looking statements. Copies of the company's SEC filings may be obtained by contacting the company or the SEC or by visiting RTI's web site at [www.rtix.com](http://www.rtix.com) or the SEC's web site at [www.sec.gov](http://www.sec.gov).