

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
USBM, LLC		04/07/2005	LIMITED LIABILITY COMPANY: MARYLAND
RECEIVING PARTY DATA			
Name:	NovaMin Technology, Inc.		
Street Address:	13709 Progress Boulevard		
Internal Address:	Suite 23		
City:	Alachua		
State/Country:	FLORIDA		
Postal Code:	32615		
Entity Type:	CORPORATION: MARYLAND		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2792116	NOVAMIN	
CORRESPONDENCE DATA			
Fax Number:	(919)781-4865		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	919-781-4000		
Email:	rjones@wyrick.com		
Correspondent Name:	Robert T. Jones, Jr., Paralegal		
Address Line 1:	4101 Lake Boone Trail		
Address Line 2:	Suite 300		
Address Line 4:	Raleigh, NORTH CAROLINA 27607		
ATTORNEY DOCKET NUMBER:	19036.03		
NAME OF SUBMITTER:	Robert T. Jones, Jr.		
Signature:	/rtj/		

OP \$40.00 2792116

Date:

08/15/2006

Total Attachments: 8

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DEBT CONVERSION AND RELEASE AGREEMENT

THIS AGREEMENT is made and entered into as of the date set forth underneath the Company's signature below, by and among NOVAMIN TECHNOLOGY, INC., a Delaware corporation (the "Company"), as successor by merger to NovaMin Technology, Inc., a Maryland corporation, USBM, LLC, a Maryland limited liability company (the "Lender"), and USBIOMATERIALS CORPORATION, a Maryland corporation ("USBio").

RECITALS

- A. The Company is a subsidiary of USBio.
- B. The Company requested and the Lender made a loan to the Company which was guaranteed by USBio and evidenced by that certain Second Amended and Restated Loan and Security Agreement dated May 25, 2005 (the "Loan Agreement") and Second Amended and Restated Promissory Note dated as of May 25, 2004 made by the Company in favor of the Lender (the "Note").
- C. The Note is secured by (a) a security interest (the "Security Interest") created under that certain Security and Collateral Agent Agreement dated as of May 25, 2004 between the Company, certain bridge lenders under certain bridge loan notes (the "Bridge Lenders"), and the Lender, as lender and as collateral agent on behalf of itself and the Bridge Lenders (the "Collateral Agent"), as amended by that Amendment to Security Collateral Agent Agreement dated as of June 23, 2004 between the Company and the Collateral Agent, on behalf of itself and the Bridge Lenders (collectively, the "Security Agreement"); and (b) that certain Amended and Restated Guaranty Agreement dated May 25, 2004 made by USBio in favor of the Lender (the "USBio Guaranty"), which is secured by that certain Amended and Restated Intellectual Property Security Agreement dated as of January ___, 2004 between USBio and the Lender (the "IP Security Agreement"). The Note, the Loan Agreement, the Security Agreement, the USBio Guaranty and the IP Security Agreement shall hereinafter be collectively referred to as the "Loan Documents."
- D. The Company desires to finalize negotiation of a financing transaction, whereby it will raise capital through the issuance of shares of Series B preferred stock to Intersouth Partners VI, L.P. and USBio (the "Series B Financing"). The amount of capital raised in the Series B Financing is expected to exceed \$2 million.
- E. The Loan Documents contain the Lender's right to convert all of the debt underlying the Note into the Company's Series A convertible preferred stock and USBio's Series D warrants.
- F. On the terms and conditions set forth herein, the parties hereto intend hereby to (i) convert all of the debt underlying the Note into Series A-2 Preferred Stock issued by the Company and a Series D warrant issued by USBio, and to simultaneously therewith mark the Note fully satisfied and terminate the Loan Agreement, (ii) terminate the Security Agreement,

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(iii) terminate and release the Security Interest, (iii) terminate the USBio Guaranty and (iv) terminate and release the IP Security Agreement.

G. In connection with the execution of the Note and the Loan Agreement, the Lender received that certain Common Stock Purchase Warrant dated May 25, 2004 executed by the Company in favor of the Lender (the "NovaMin Warrant"). The NovaMin Warrant provides for prior written Notice to the Lender of a merger of the Company into another corporation, and the Lender desires to waive such notice to facilitate the Series B Financing and the Company's issuance to the Lender of Series A-2 Preferred Stock.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

1. Recitals. The Recitals hereinabove contained are true and correct and are made a part hereof.

2. Assumption of Liability. By operation of law as a result of the merger of NovaMin Maryland with and into the Company, the Company agrees that it has assumed and is obligated to pay the indebtedness under the Note (which Note is the subject of conversion to Series A-2 preferred stock as provided herein) and to be bound by the NovaMin Warrant.

3. Debt Conversion; Waiver of Conversion Right. (a) The parties hereto agree that, upon the Effective Time (as defined below), in consideration for the conversion of the indebtedness of the Company represented by the Loan Documents into Series A-2 preferred stock of the Company and a warrant to purchase USBio Series D preferred stock and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, Lender hereby agrees to purchase from the Company and USBio, as applicable, and the Company and USBio, as applicable, hereby agree to issue to Lender:

(i) 3,293,762 shares of the newly-created class of Series A-2 preferred stock of the Company (the "Shares"), and

(ii) a Series D warrant to purchase 824,758 shares of USBio Series D preferred stock (the "USBio Warrant," together with the Shares, the "Securities").

Lender acknowledges and agrees that, upon the Effective Time, all obligations of the Company and USBio under the Loan Documents shall be deemed satisfied in full, and Lender waives any further obligations of the Company or USBio or rights of Lender under any of the Loan Documents. Lender will deliver the original Note to the Company marked cancelled at the Effective Time.

(b) Lender hereby waives any and all rights to convert the amounts outstanding under the Note and/or Loan Agreement to equity of the Company or USBio, including, without limitation, those rights set forth in Section 9 of the Loan Agreement, those rights set forth in Section 13 of the Note and any notice rights set forth in the Loan Documents relating to the transactions contemplated hereby or by the Series B Financing.

(c) The Lender hereby forgives and waives any and all covenant or other defaults by the Company with respect to, and acknowledges that the Company and for USBio will make no payments (except for tender of the Securities) with respect to, the Loan Documents and any and all accrued and unpaid interest, unpaid principal and fees or penalties that may have become, or may become, payable thereunder.

(d) The Lender hereby represents and warrants that: (i) it has full power and authority to surrender the Note; (ii) that the Note represents any and all indebtedness of the Company and USBio under the Loan Documents; and (iii) that the Company will acquire good and unencumbered title to the Note, free and clear of all liens, restrictions, charges, encumbrances, and adverse claims when the surrendered Note is acquired by the Company as contemplated herein. The Lender will, upon request, execute and deliver any additional documents that the Company deems to be necessary or desirable to effectuate the transactions contemplated hereby.

4. Termination of Loan Documents; Release. The parties hereto hereby agree that, effective upon the Effective Time, all of the Loan Documents are hereby terminated in their entirety. The Lender acknowledges that, at such time, the Company and USBio shall have no further obligations, and the Lender shall have no further rights, thereunder. Upon the Effective Time, Lender hereby fully, finally and unconditionally releases, acquits, settles and forever discharges any and all claims, demands and causes of action, known or unknown, suspected or unsuspected, of whatever kind or nature, which Lender has or may have against any of the Company, USBio, their officers, employees, directors, consultants or other agents (collectively, the "Released Parties") arising out of or relating in any way to the Loan Documents. Lender agrees not to sue any of the Released Parties on account of the Loan Documents, except to enforce rights under this Agreement.

5. Change to Exercise Price under the NovaMin Warrant. The first sentence of the opening paragraph of the NovaMin Warrant is hereby amended, effective at the Effective Time, by deleting such sentence in its entirety and inserting the following sentence in lieu thereof:

"NovaMin Technology, Inc., a Maryland corporation (the "Company"), for value received, hereby certifies that USBM, LLC, a Maryland limited liability company ("USBM") or its registered assigns (the "Registered Holder"), is entitled, subject to the terms set forth below, to purchase from the Company, at any time after the date hereof and on or before the Expiration Date (as defined in Section 6 below) shares of common stock, par value \$0.001 per share, of the Company ("Common Stock") at an exercise price per share equal to \$0.35 (the "Purchase Price")."

6. Investment Representations. (a) This Agreement is made with the Lender in reliance upon the Lender's representation and warranty to the Company and USBio that the Securities to be received by it will be acquired for investment for its own account, not as a nominee or agent, and not with a view to the sale or distribution of any part thereof, and that it has no present intention of selling, granting participation in, or otherwise distributing the same. By executing this Agreement, the Lender further represents and warrants that it does not have

any contract, undertaking, agreement, or arrangement with any person to sell, transfer or grant participations to such person, or to any third person, with respect to any of the Securities or the underlying common stock.

(b) The Lender understands that the Securities and the underlying common stock have not been registered under the Securities Act of 1933, as amended (the "1933 Act") on the grounds that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from registration under the 1933 Act, and that the Company and USBio's reliance on such exemption is predicated in part on the Lender's representations set forth herein. The Lender realizes that the basis for the exemption may not be present if, notwithstanding such representations, the Lender has in mind merely acquiring the Securities for a fixed or determined period in the future, or for a market rise, or for sale if the market does not rise. The Lender does not have any such intention.

(c) The Lender represents and warrants that: (i) it and each of its members is an "accredited investor" as such term is defined in Rule 501 promulgated under the 1933 Act, (ii) its and each of its members' financial situation is such that it can afford to bear the economic risk of holding the Securities purchased by it for an indefinite period of time and suffer a complete loss of its investment in the Securities; (iii) its and each of its members' knowledge and experience in financial and business matters are such that it is capable of evaluating the merits and risks of its purchase of the Securities as contemplated by this Agreement; (iv) it and each of its members understands that its purchase of the Securities is a speculative investment; (v) the purchase of the Securities by it has been duly and properly authorized and this Agreement has been duly executed by it or on its behalf, and constitutes its valid and legally binding obligation enforceable in accordance with its terms; and (vi) it and each of its members has had an opportunity to ask questions and receive answers from the Company and USBio regarding the terms and conditions of the sale of the Securities and the Series B Financing.

(d) The Lender understands that the Securities and the underlying common stock may not be sold, transferred or otherwise disposed of without registration under the 1933 Act or an exemption therefrom, and that in the absence of an effective registration statement covering the Securities (or the underlying common stock) or an available exemption from registration under the 1933 Act, the Securities (and the underlying common stock) must be held indefinitely. In particular, the Lender is aware that the Securities (and the underlying common stock) may not be sold pursuant to Rule 144 promulgated under the 1933 Act unless all of the conditions of that Rule are met. Among the conditions for use of Rule 144 is the availability of current information to the public about the Company or USBio, as applicable. Such information is not now available and the Company and USBio have no present plans to make such information available. The Lender represents and warrants that, in the absence of an effective registration statement covering the Securities (or the underlying common stock) it will sell, transfer, or otherwise dispose of the Securities (or the underlying common stock) only in a manner consistent with its representations set forth herein and then only in accordance with the provisions of Section 5(e) hereof and the Bylaws of the Company and USBio, as applicable.

(e) The Lender agrees that in no event will it make a transfer or disposition of any of the Securities or the underlying common stock (other than pursuant to an effective registration statement under the 1933 Act or, to the Company and USBio's reasonable satisfaction, pursuant

to Rule 144), unless and until (i) the Lender shall have notified the Company and USBio of the proposed disposition and shall have furnished the Company and USBio with a statement of the circumstances surrounding the disposition, and (ii) if requested by the Company or USBio, at the expense of the Lender or transferee, it shall have furnished to the Company and USBio an opinion of counsel, reasonably satisfactory to the Company and USBio, to the effect that such transfer may be made without registration under the 1933 Act.

(f) The Lender understands that each certificate representing the Securities and the underlying common stock will be endorsed with a legend substantially as follows.

~~THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS, OR THE AVAILABILITY OF AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS. COPIES OF THE DEBT CONVERSION AND RELEASE AGREEMENT AND INVESTOR RIGHTS AGREEMENT PROVIDING FOR RESTRICTIONS ON TRANSFER OF THESE SECURITIES MAY BE OBTAINED UPON WRITTEN REQUEST BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION.~~

(g) The Lender understands that no public market now exists for any of the securities issued by the Company or USBio and that there is no assurance that a public market will ever exist for the Securities (or the underlying common stock).

7. Release of the Security Interest and IP Security Agreement. (a) Effective at the Effective Time (as hereinafter defined), the Lender, in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, does hereby forever release, exonerate and discharge all assets of (i) the Company of whatever kind and wherever located from the lien, operation, force, and effect of the Security Agreement and the Security Interest and (ii) USBio of whatever kind and wherever located from the lien, operation, force, and effect of the USBio Guaranty and the IP Security Agreement.

(b) The parties hereto agree that at the Effective Time the Security Agreement and the IP Security Agreement shall be, without further act, terminated, void and of no further force or effect.

(c) The Lender hereby authorizes the Company and USBio, as the case may be, to take all such actions and to execute, deliver and file all such instruments and documents, in the name and on the behalf of the Lender, as their respective attorney-in-fact, as shall be desirable to effectuate the intent of this Section 7.

(d) Lender will, at the request and cost of the Company or USBio, promptly sign all such documents and deeds, and will take all such actions as the Company, USBio or their duly authorized agents, as applicable, might reasonably require to effectuate the intent of this Section 7 or Section 4 above.

8. Effective Time. As used herein, the term "Effective Time" means the time of the closing of the issuance by the Company of shares of its Series B Preferred Stock in exchange for at least \$2.0 million pursuant to the Series B Financing.

9. Miscellaneous. (a) This Agreement shall be construed, interpreted, enforced and governed by and in accordance with the laws of the State of Maryland, excluding the principles thereof governing conflicts of law.

(b) This Agreement shall be binding upon, and shall inure to the benefit of, the respective successors and assigns of the parties hereto.

(c) This Agreement sets forth the entire agreement between the parties as to the modifications contemplated herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral between the parties relating to the subject matter herein.

(d) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. Waiver of Notice under Section 7(b) of the NovaMin Warrant. Solely with respect to the merger of NovaMin Maryland with and into the Company and with regard to the Series B Financing and the transaction contemplated thereby and in connection therewith, the Lender hereby waives prior written notice by the Company of any matters under Section 7(b) of the NovaMin Warrant and releases the Company of any and all liability therefor, if any.

11. Other Terms. Except as modified by this Agreement, all of the terms and conditions of the NovaMin Warrant shall be unmodified and shall remain in full force and effect. In the event that the Company desires to issue a restated NovaMin Warrant to replace the existing warrant to reflect the modifications made pursuant to this Agreement, the Lender agrees to take all such actions and to execute, deliver and file all such instruments and documents to accommodate the Company's restatement, including tendering the NovaMin Warrant to the Company for purposes of the restatement.

[Signatures on next page.]

IN WITNESS WHEREOF, the Company, the Lender and USBio have caused this Agreement to be executed as of the day and year set forth below.

The Company:

NOVAMEN TECHNOLOGY, INC.

By: *Randolph L. Scott*

Randolph L. Scott
President and CEO

The Lender:

USBM, LLC

By: _____

Name: _____

Title: _____

Dated as of: April 7, 2005.

USBio:

USBIOMATERIALS CORPORATION

By: *Randolph L. Scott*

Randolph L. Scott
President and CEO

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IN WITNESS WHEREOF, the Company, the Lender and USBio have caused this Agreement to be executed as of the day and year set forth below.

The Company:

NOVAMIN TECHNOLOGY, INC.

By: _____
Randolph L. Scott
President and CEO

Dated as of: April 7, 2005.

The Lender:

USBM, LLC

By: A. Scott Ketchum
Name: A. SCOTT KETCHUM, JR.
Title: MANAGING MEMBER

USBio:

USBIOMATERIALS CORPORATION

By: _____
Randolph L. Scott
President and CEO

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