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InVivo Therapeutics, Geisinger Health System to Conduct Preclinical Study of Injectable Scaffold for Peripheral Nerve Injury For FDA Submission

Research to Provide Foundation for Use of Biocompatible Hydrogel Therapies Beyond Spinal Cord Injury Treatment

CAMBRIDGE, Mass. and DANVILLE, Pa. (January 17, 2012) -- InVivo Therapeutics Holdings Corp. (OTC/BB: NVIV), a developer of groundbreaking technologies for the [treatment of spinal cord injuries](#) (SCI), and [Geisinger Health System](#) today announced a research collaboration to conduct a preclinical study using InVivo's injectable biocompatible hydrogel for the treatment of chronic pain caused by peripheral nerve compression. InVivo expects to submit data from the study to the U.S. Food and Drug Administration (FDA) in 2012 representing the Company's first technology to treat degenerative neurologic conditions outside of the spinal cord.

Back and leg pain along with neck and arm pain arm amongst the top five most common reasons for physician visit worldwide. Patients with peripheral nerve compression often experience chronic pain, tingling and numbness in the extremities, and approximately 3,200,000 chronic pain injections are performed annually in the U.S. to treat these conditions. InVivo will leverage its SCI platform technology to provide time-released anti-inflammatory therapies to this estimated \$15B annual market.

"Chronic peripheral nerve compression can have a devastating impact on an individual's quality of life and even impair one's ability to function on a day-to-day basis," said Dr. Jonathan Slotkin, a renowned expert in spinal cord injury treatment and director of spinal surgery and spinal cord injury research at Geisinger Health System's Neurosciences Institute. "InVivo's innovative technology platform has already demonstrated success in the treatment of traumatic spinal cord injury in several study models, and we look forward to examining how this latest technology performs in this new application."

The study will be conducted jointly in the Tapinos Lab of Molecular Neuroscience at the Weis Center for Research and the Slotkin Lab of Spinal Cord Injury Research at the Geisinger Clinic's Neurosciences Institute. The endpoint of the study will be the effectiveness of using injectable hydrogels for the controlled release of drugs to alleviate chronic pain resulting from compression-induced peripheral nerve damage. The study will compare the resulting molecular and behavioral impact among rodents receiving the injectable scaffold with drug therapy, the

injectable scaffold alone, injectable drug therapy alone and a control group receiving no injection.

“The Geisinger Neurosciences Institute is one of the premiere facilities in the country for the study of innovative diagnostic and treatment approaches to neurologic disorders,” said Dr. Ed Wirth, InVivo’s chief science officer and one of the world’s foremost experts in spinal cord injury treatment and regenerative medicine. “We believe there is tremendous potential for our technology to treat other neurological conditions beyond spinal cord injury, and we are eager to move forward in bringing these therapies one step closer to broad market availability.”

InVivo is currently awaiting FDA approval to commence the first human clinical study using its proprietary polymer scaffolding device to provide structural support to a damaged spinal cord to help prevent paralysis and improve recovery and prognosis for patients with acute spinal cord injury. The human study is expected to begin in 2012.

About Geisinger Health System

Geisinger is an integrated health services organization widely recognized for its innovative use of the electronic health record, and the development and implementation of innovative care models including ProvenHealth Navigator, an advanced medical home model, and ProvenCare program. The system serves more than 2.6 million residents throughout 44 counties in central and northeastern Pennsylvania. For more information, visit geisinger.org. Follow the latest Geisinger news and more at twitter.com/geisingerhealth and facebook.com/geisingerhealth.

About InVivo Therapeutics

InVivo Therapeutics Holdings Corp. is focused on utilizing polymers as a platform technology to develop treatments to improve function in individuals paralyzed as a result of traumatic spinal cord injury. The company was founded in 2005 on the basis of proprietary technology co-invented by Robert Langer, ScD. Professor at Massachusetts Institute of Technology, and Joseph P. Vacanti, M.D., who is affiliated with Massachusetts General Hospital. In 2011, the company earned the prestigious David S. Apple Award from the American Spinal Injury Association for its outstanding contribution to spinal cord injury medicine. The publicly traded company is headquartered in Cambridge, Mass. For more details, visit www.invivotherapeutics.com.

Safe Harbor Statement

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements within the meaning of the federal securities laws. Any forward-looking statements contained herein are based on current expectations, but are subject to a number of risks and uncertainties. The factors that could cause actual future results to differ materially from current expectations include, but are not limited to, risks and uncertainties relating to the Company's ability to sell additional shares of common stock and warrants to purchase common stock at additional closings, the Company's ability to develop, market and sell products based on its technology; the expected benefits and efficacy of the Company's products and technology in connection with spinal cord injuries; the availability of substantial additional funding for the Company to continue its operations and to conduct research and development, clinical studies and future product commercialization; and, the Company's business, research, product development, regulatory approval, marketing and distribution plans and strategies. These and other factors are identified and described in more detail in our filings with the SEC, including our Form 10-K and Form 10-Qs and our current reports on Form 8-K. We do not undertake to update these forward-looking statements made by us.

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