



MILESTONE SCIENTIFIC ANNOUNCES SUCCESSFUL COMPLETION OF ITS COLLABORATION AGREEMENT WITH CARTICEPT MEDICAL

Termination of Negotiation with Carticept for Commercialization and Distribution of Products for the Professional Medical Market

LIVINGSTON, NJ – (BUSINESS WIRE) – September 4, 2007 – Milestone Scientific, Inc. (OTCBB:MLSS) today announced that it has successfully concluded its Collaboration Agreement with Carticept Medical Inc. for the development of an injection system based on Milestone's *CompuFlo*[™] technology for the treatment of arthritic joints. Work under the Collaboration Agreement, including animal studies, demonstrated to Carticept's satisfaction that the prototype could meet its predetermined performance benchmarks, leading the parties to commence negotiations for the development of a commercial product and for a Distribution Agreement between Milestone and Carticept. However, the parties have been unable to reach agreement on required minimum purchases by Carticept, the territories to be covered by the Distribution Agreement, development time tables for foreign territories and other matters and have, therefore, terminated negotiations.

"We are pleased that work under the Collaboration Agreement, particularly the animal studies, provided further evidence of the benefits of our *CompuFlo*[™] technology to inject hyaluronic acid and other medicaments into the interarticular joint space for the treatment of arthritic conditions," said Joe Martin, Chief Executive Officer of Milestone Medical. Martin added, "We are a bit disappointed that we were unable to reach a commercialization agreement with Carticept. However, this is a large market, estimated at more than \$21 billion, and we intend to explore new opportunities for our *CompuFlo*[™] technology in this area." With the conclusion of negotiations with Carticept, Milestone is now free to explore other opportunities in this market with larger entities holding established positions in the field.

About Milestone Scientific, Inc.

Headquartered in Livingston, New Jersey, Milestone Scientific is engaged in pioneering proprietary, highly innovative technological solutions for the medical and dental markets. Central to the Company's IP platform and product development strategy is its patented *CompuFlo*[™] technology for the improved and painless delivery of local anesthetic. Specifically, *CompuFlo* is a computer-controlled, pressure sensitive infusion, perfusion, suffusion and aspiration technology, which provides real-time readouts of pressures, fluid densities and flow rates, enabling the advanced delivery and removal of a wide array of fluids. The *Single Tooth Anesthesia (STA)*[™] computer-controlled local anesthesia delivery system which uses this technology provides dentists with audible and visual signals as to in-tissue pressure. Milestone's existing painless injection systems are currently sold in 25 countries. For more information on these and other innovative Milestone products, please visit the Company's web site found at www.milesci.com.

Safe Harbor Statement

This press release contains forward-looking statements regarding the timing and financial impact of the Milestone's ability to implement its business plan, expected revenues and future success. These statements involve a number of risks and uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond Milestone's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, adverse patent rulings, FDA or legal developments, competitive pressures, changes in customer and market requirements and standards, and the risk factors detailed from time to time in Milestone's periodic filings with the Securities and Exchange Commission, including without limitation, Milestone's Annual Report on Form 10-KSB for the year ended December 31, 2006. The forward looking-statements in this press release are based upon management's reasonable belief as of the date hereof. Milestone undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

FOR MORE INFORMATION, PLEASE CONTACT:

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