

Islet Sciences Announces Strategic Alliance with Spring Point Project

New York, NY (August X, 2012) Islet Sciences, Inc., (OTCBB: ISLT) a biotechnology company engaged in the research, development and commercialization of patented technologies in the field of transplantation therapy for patients with diabetes, today announced that it has signed a strategic alliance with Spring Point Project.

Spring Point Project's team has unique experience under the current Good Manufacturing Practices (cGMP) required by U.S. Food and Drug Administration regulations. Thanks to a substantial donation from the Diabetes Resource and Wellness Foundation, Spring Point Project's 21,000-square-foot facility – the Diabetes Research and Wellness Islet Resource Facility – was opened in February 2007.

“This partnership is an important piece in our strategy to initiate our Islet transplantation trial using encapsulated Islet cells,” stated John Steel, Chairman and CEO of Islet Sciences. “We are pleased to announce this collaboration as we continue to add important Diabetes focused partners to our program.”

“Our entire Science team is excited to work with Spring Point because of their commitment and vision for persons with Insulin dependent Diabetes,” stated Dr. Jonathan Lakey, Chief Scientific Officer of Islet Sciences. “We are pleased to announce this strategic alliance with such a credible partner that can provide this unique capability.”

“We are delighted to partner with Islet Sciences as they prepare for their upcoming clinical trials,” stated Tom Spizzo, Executive Director of Spring Point Project. “Our team and facility have the exceptional capabilities needed to support such a trial as Islet Sciences implements their novel scientific approach.”

About Spring Point Project

Spring Point Project, headquartered in Minneapolis, MN, is working to provide an unlimited source of pig islet cells to accelerate the availability and affordability of islet transplantation to cure diabetes. Spring Point Project works to provide the suitable pig islet source academia and the biotechnology industry required to move toward a cure for diabetes. For more information on Spring Point Project, visit www.SpringPointProject.org.

About Islet Sciences, Inc.

Islet Sciences is a development-stage biotechnology company with patented technologies focused on transplantation therapy for people with insulin-dependent diabetes. The Company's transplantation technology includes methods for the culturing, isolation, maturation, and immunoprotection (microencapsulation) of islet cells. The Company's mission includes the introduction of commercial products with applications to cell-based replacement therapy in the healthcare marketplace. www.isletsciences.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements for Islet Sciences reflect current expectations, as of the date of this press release, and involve certain risks and uncertainties. Actual results could differ materially from those anticipated in these forward-

looking statements as a result of various factors. Factors that could cause future results to materially differ from the recent results or those projected in forward-looking statements include the risks described in the Islet Science's reports filed with the Securities and Exchange Commission. The companies' further development is highly dependent on future medical and research developments and market acceptance, which is outside their control.

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