

NEWS RELEASE

FOR IMMEDIATE RELEASE

PROTEA'S BREAKTHROUGH BIOANALYTICS PLATFORM RECEIVES PRESTIGIOUS 2012 R&D 100 AWARD

LAESI® DP-1000 Recognized as Significant Technological Innovation

Morgantown, WV, June 21, 2012, 8:00am EDT – Protea Biosciences Group, Inc. ("Protea"), a leading developer of technologies and services for biomolecular analysis, announced today that its LAESI® DP-1000 direct ionization system has been selected by an independent judging panel and the editors of R&D Magazine to receive a 2012 R&D 100 Award. The LAESI DP-1000 was hailed by R&D Magazine as one of the 100 most technologically significant products introduced in the past year.

The LAESI DP-1000 is the first instrument to allow the direct identification and mass spectrometric profiling of biomolecules *in vivo* with rapid analysis completed in seconds to minutes, and does not require sample preparation.

"We thank the judges and editors of R&D Magazine for their recognition of our LAESI DP-1000 instrument," said Stephen Turner, Protea's Chief Executive Officer. "LAESI is a universal platform, one that can be used to rapidly identify the biomolecules present in all types of biological samples, including tissue biopsies, live cells, blood, and even plants, water and forensic samples. LAESI DP-1000 allows the direct, molecular analysis of living cells, so that changes that occur over time can be identified and tracked. We believe this breakthrough will be of great benefit for advancing pharmaceutical and medical research."

LAESI technology was invented in the laboratory of Akos Vertes, Ph.D., George Washington University ("GWU"), and is exclusively licensed to Protea. Dr. Vertes stated, "The delicate balance of diverse biochemical reactions is at the core of keeping an organism alive and well. By providing a detailed look at the molecular composition of complex biological systems, LAESI enables a deeper understanding of health and disease. This technology has the potential to transform medical diagnoses, treatment monitoring, and the prognosis for recovery. The exemplary collaboration between the GWU and Protea teams has resulted in a rapid translation of the original laboratory discovery into a powerful commercial instrument."

The R&D 100 Awards have long been a benchmark of excellence for industry sectors as diverse as telecommunications, high-energy physics, software, manufacturing, and biotechnology.

Since 1963, the R&D 100 Awards have identified revolutionary technologies newly introduced to the market. Many of these have since become household names, helping shape everyday life for many Americans, including the flashcube (1965), the automated



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teller machine (1973), the halogen lamp (1974), the fax machine (1975), the liquid crystal display (1980), the Kodak Photo CD (1991), the Nicoderm anti-smoking patch (1992), Taxol anticancer drug (1993), lab on a chip (1996), and HDTV (1998).

Since its founding in 1959 as Industrial Research, R&D Magazine has served research scientists, engineers and technical staff at laboratories around the world, providing timely, informative news and useful technical articles that broaden readers' knowledge of the research and development industry and improve the quality of their work.

About Protea Biosciences Group, Inc.

Protea's LAESI (Laser Ablation Electrospray) technology allows for two and three dimensional distribution profiles of molecules in biological samples for unambiguous drug / target interaction studies, as well as the study of bio-dynamics directly from living cell cultures or colonies.

Protea's bioanalytical services laboratory provides biopharmaceutical companies the expertise to examine a wide array of biomolecules using GLP validated methodologies as well as innovative methods such as LAESI imaging to accelerate the discovery process, reduce time to market, and provide more accurate and reliable information throughout the drug development process.

Protea is a leader in the field of bioanalytics - the identification and analysis of proteins and other biomolecules that are produced by living cells, technology that is essential to pharmaceutical, medical and life science research.

Forward-Looking Statements

This press release may contain certain statements relating to future results which are forward-looking statements. These statements are not historical facts, but instead represent only the Company's belief regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's control. It is possible that the Company's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, are contained in the Company's filings with the Securities and Exchange Commission. All forward-looking statements included in this press release are made only as of the date of this press release, and we do not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which we hereafter become aware.

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R&D Magazine is a publication of Advantage Business Media
(www.advantagebusinessmedia.com).

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