Cryoport, Inc.
Form S-1/A
January 22, 2010

As filed with the Securities and Exchange Commission on January 22, 2010

Registration Number 333-162350

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 3
TO
FORM S-1/A
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CRYOPORT, INC.
(Exact Name of Registrant as Specified in its Charter)

Nevada	3086	88-0313393
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

20382 Barents Sea Circle
Lake Forest, California 92630
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Principal Executive Offices)

Larry G. Stambaugh
Chief Executive Officer
20382 Barents Sea Circle
Lake Forest, California 92630
(949) 470-2300
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to

Rule 415 under the Securities Act of 1933, as amended, check the following box. ý

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of “accelerated filer”, “large accelerated filer”, “non-accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o	Non-accelerated filer o (Do not check if smaller reporting company)	Smaller reporting company ý

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount To Be Registered	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(1)
Units, each consisting of one share of common stock, $0.001 par value, and one warrant(2)	3,593,750	$ 17,250,000	$ 1,229.93
Shares of common stock included as part of the units(2)	3,593,750	--	--(3)
Warrants included as part of the units(2)	3,593,750	--	--(3)
Shares of common stock underlying the warrants included in the units(2)(4)	3,593,750	$ 18,975,000	$ 1,352.92
Total		$ 36,225,000	$ 2,582.85(5)

Unless otherwise indicated, all share amounts and prices assume the consummation of a reverse stock split, at a ratio of 12-to-1, to be effected prior to the effectiveness of the registration statement, with the exact timing of the reverse stock split to be determined by the registrant's Board of Directors.

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.
(2) Includes 468,750 units that the representative of the underwriters has the option to purchase to cover over-allotments, if any.
(3) No fee required pursuant to Rule 457(g) under the Securities Act.
(4) Pursuant to Rule 416, the registrant is also registering an indeterminate number of additional shares of common stock that are issuable by reason of the anti-dilution provisions of the warrants.
(5) Previously paid.

The registrant hereby amends this registration statement on such date or date(s) as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the registration statement shall become effective on such date as the commission acting pursuant to said Section 8(a) may determine.

The information in this prospectus is not complete and may be changed. The securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS Subject to Completion January 22, 2010

3,125,000 Units

CRYOPORT, INC.

Common Stock and Warrants

This is a firm commitment public offering of 3,125,000 units, consisting of an aggregate of 3,125,000 shares of our common stock and warrants to purchase an additional 3,125,000 shares of our common stock. Each unit consists of one share of common stock and a warrant to purchase one share of common stock at an exercise price of 110% of the public offering price of the units in this offering. The common stock and warrants are immediately separable and will be issued separately.

Our common stock is currently traded on the OTC Bulletin Board under the symbol CYRX. Prior to the effectiveness of the registration statement of which this prospectus is a part, we will effect a reverse stock split anticipated to be on a 12-to-1 basis. On December 30, 2009, the last reported sale price for our common stock was $4.80 per share (giving effect to the anticipated 12-to-1 reverse split). We have applied for listing of our common stock and warrants on the NASDAQ Capital Market under the symbols “CYPT” and “CYPTW,” respectively. No assurance can be given that our application will be approved.

Investing in our common stock and warrants involves a high degree of risk. Please read “Risk Factors” beginning on page 9.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved these securities or determined whether this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per unit	Total
Public offering price	$	$
Underwriting discounts and commissions (1)	$	$
Proceeds, before expenses, to us (2)	$	$

(1) Does not include a non-accountable expense allowance equal to 1% of the gross proceeds of this offering payable to Rodman & Renshaw, LLC, the underwriters’ representative. Non-accountable expenses are estimated to be $150,000.

(2) We estimate that the total expenses of this offering will be approximately $350,000, consisting of $150,000 for the underwriter’s non-accountable expense allowance (equal to 1% of the gross proceeds) and $200,000 for legal, accounting, printing costs and various fees associated with the registration and listing of our shares of common stock and warrants.

We have granted a 45-day option to the representative of the underwriters to purchase 468,750 units to be offered by us solely to cover over-allotments, if any. If the underwriters exercise their right to purchase additional units to cover over-allotments, we estimate that we will receive gross proceeds of $2,250,000 from the sale of 468,750 units being offered at an assumed public offering price of $4.80 per unit and net proceeds of $2,047,500 after deducting $202,500 for underwriting discounts and commissions. The units issuable upon exercise of the underwriter option are identical to those offered by this prospectus and have been registered under the registration statement of which this prospectus forms a part.

In connection with this offering, we have also agreed to sell to Rodman & Renshaw, LLC, the underwriters' representative, a warrant to purchase up to 5% (or 156,250) of the shares of common stock sold (excluding the over-allotment) for $100. If the underwriters' representative exercises this warrant, each share of common stock may be purchased at $6.00 per share (125% of the price of the units sold in this offering), commencing on a date which is one year from the effective date of the registration statement and expiring five years from the effective date of the registration statement. The warrant may be exercised on a cashless basis.

The underwriters expect to deliver our shares of common stock and warrants to purchasers in this offering on or about [*], 2010.

Rodman & Renshaw, LLC

The date of this prospectus is _____, 2010.

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You may only rely on the information contained in this prospectus or that we have referred you to. We have not authorized anyone to provide you with different information. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the common stock and warrants offered by this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any common stock or warrants in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made in connection with this prospectus shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information incorporated by reference to this prospectus is correct as of any time after its date.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider before investing in our common stock and warrants. You should read this entire prospectus carefully, especially the risks of investing in our common stock and warrants discussed under "Risk Factors" beginning on page 9, and the consolidated financial statements and notes to those consolidated financial statements, before making an investment decision. CryoPort, Inc. is referred to throughout this prospectus as "CryoPort," "we" or "us."

Unless otherwise indicated, all common stock and prices in this prospectus assume the consummation of a reverse stock split, at an anticipated ratio of 12-to-1 to be effected prior to the effective date of the registration statement of which this prospectus is a part, with the exact timing of the reverse stock split and the ratio to be determined by our Board of Directors.

Overview

We are a provider of an innovative cold chain frozen shipping system dedicated to providing superior, affordable cryogenic shipping solutions that ensure the safety, status and temperature of high value, temperature sensitive materials. We have developed a line of cost effective reusable cryogenic transport containers (referred to as a "shipper") capable of transporting biological, environmental and other temperature sensitive materials at temperatures below 0° Celsius. These dry vapor shippers are one of the first significant alternatives to dry ice shipping and achieve 10-plus day holding times compared to one to two day holding times with dry ice (assuming no re-icing during transit).

Our value proposition comes from both providing safe transportation and an environmentally friendly, long lasting shipper, and through our value added services that offer a simple hassle-free solution for our customers. These value-added services include an internet-based web portal that enables the customer to initiate shipping service, track the progress and status of a shipment, and provides in-transit temperature monitoring of the shipper. CryoPort also provides a fully ready charged shipper containing all freight bills, customs documents, and regulatory paperwork for the entire journey of the shipper to our customers at their pick up location.

Our principal focus has been the further development and commercial launch of CryoPort Express® Portal, an innovative IT solution for shipping and tracking high-value specimens through overnight shipping companies, and our CryoPort Express® Shipper, a line of dry vapor cryogenic shippers for the transport of biological and pharmaceutical materials. A dry vapor cryogenic shipper is a container that uses liquid nitrogen in dry vapor form, which is suspended inside a vacuum insulated bottle as a refrigerant, to provide storage temperatures below minus 150° Celsius. The dry vapor shipper is designed using innovative, proprietary, and patented technology which prevents spillage of liquid nitrogen and pressure build up as the liquid nitrogen evaporates. A proprietary foam retention system is employed to ensure that liquid nitrogen stays inside the vacuum container, even when placed upside-down or on its side, as is often the case when in the custody of a shipping company. Biological specimens are stored in a specimen chamber, referred to as a "well," inside the container. Refrigeration is provided by harmless cold nitrogen gas evolving from the liquid nitrogen entrapped within the foam retention system surrounding the well. Biological specimens transported using our cryogenic shipper can include clinical samples, diagnostics, live cell pharmaceutical products (such as cancer vaccines, semen and embryos, infectious substances) and other items that require and/or are protected through continuous exposure to frozen or cryogenic temperatures (below minus 150° Celsius).

We recently entered into our first strategic relationship with a global courier on January 13, 2010 when we signed an agreement with Federal Express Corporation ("FedEx") pursuant to which we will lease to FedEx such number of our cryogenic shippers that FedEx shall, from time to time, order for its customers. Under this agreement, FedEx has the right to and shall, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related

value-added goods and services, such as our data logger, web portal and planned CryoPort Express® Smart Pak System.

Market Opportunity

As a result of growing globalization, including with respect to such areas as life science clinical trials and distribution of pharmaceutical products, the requirement for effective solutions for keeping certain clinical samples and pharmaceutical products at frozen temperatures takes on added significance due to extended shipping times, customs delays and logistics challenges. Today, such goods are traditionally shipped in cardboard insulated containers packed with dry ice, gel/freezer packs or a combination thereof. The current dry ice solutions have limitations that severely limit their effective and efficient use for both short and long-distances (e.g., international). Conventional dry ice shipments often require labor intensive “re-icing” operations resulting in higher labor and shipping costs.

We believe that our patented cryogenic shippers make us well positioned to take advantage of the growing demand for effective and efficient international transport of temperature sensitive materials resulting from continued globalization. Of particular significance is the trend within the pharmaceutical and biotechnology industries toward globalization. We believe this presents a new and unique opportunity for pharmaceutical companies, particularly early or developmental stage companies, to conduct some of their clinical trials in foreign countries where the cost may be cheaper and/or because the foreign countries significantly larger population provides a larger pool of potential patients suffering from the indication that the drug candidate is being developed to treat. We also plan to provide domestic shipping solutions in situations and regions where there is a high priority placed on maintaining the integrity of materials shipped at cryogenic temperatures and where we can be cost effective.

Competitive Strengths

We believe that our cryogenic shipping systems provide us with the following competitive strengths:

Maintaining the Integrity of Materials Shipped. We have developed our CryoPort Express® Shippers, a line of cryogenic dry vapor shippers, to be capable of maintaining cryogenic temperatures of minus 150° Celsius or less for 10-plus days. Our CryoPort Express® Shippers were developed with a view towards meeting the needs of the global biotechnology and pharmaceutical industries which require the ability to transport live cell pharmaceutical products, such as cancer vaccines, diagnostic materials, reproductive tissues, infectious and other biological substances, and other items at constant frozen or cryogenic temperatures. Traditional methods that have been serving this market, such as dry ice, are only capable of maintaining such temperatures for a period of one to two days (depending on the size of the package and amount of dry ice used), thereby potentially jeopardizing the integrity of the transported materials during longer shipments. We believe our CryoPort Express® Shippers are the first significant alternative to using dry ice that achieves 10-plus day holding times.

Durability of Shipping Devices. Because the outer shell of our CryoPort Express® Shippers are made from durable materials, as compared to corrugated cardboard boxes with Styrofoam inserts or similar materials, the risk of damage to the container and its contents is significantly reduced. Where corrugated cardboard boxes are susceptible to being crushed or damaged during shipment, our shippers, which have been tested and are capable of withstanding drops of up to 30 feet, significantly reduce the risk of damage to the packaged materials. The durability and long holding times of our shippers has greater significance for international (or other long distance) shipments due to the increased shipping times and amplified risk of damage during transit and mishandling during shipment.

Cost. We believe we have developed a solution for the shipment of temperature sensitive materials which is not only more effective, but also more cost efficient, especially in international shipping. Shipping temperature sensitive materials using the traditional method of dry ice requires multiple steps, manual intervention/monitoring, and the coordination of re-icing tasks at several locations to provide a solution lasting for more than several days. The cost of developing and maintaining the infrastructure necessary to support these operations frequently depend on off-shore third party contractors which adds significant cost. Because our cryogenic shippers are capable of hold times of 10-plus days, customers will not require the same extensive infrastructure needed for dry ice shipments. Furthermore, because our shippers do not rely on dry ice (which is a hazardous material that produces CO2 gas as it sublimates), there are more freight courier alternatives available for our shippers and generally lower freight charges.

Tracking and Monitoring. We have developed a sophisticated web portal with user friendly features that will be used for capturing customer orders and tracking shipments. Our portal enables CryoPort employees to manage multi-route shipments with minimal amount of human resources by using programmed analogs and exception monitoring. In addition, our customers are able to place orders, track shipments, and monitor the status of their packages through our web portal. CryoPort is also able to internally manage its shipper inventory, track incoming and outgoing assets, report on shipping performance metrics, and invoice for shipping services through the technology employed through

its web portal.

The Green Alternative. Unlike shippers using dry ice, the internal core of our cryogenic shippers absorbs liquid nitrogen in a gaseous state to maintain the required cryogenic temperatures. Dry ice is a hazardous material because it produces excess CO2 gas as it sublimates which is a noted greenhouse gas and which may be dangerous in confined spaces where there is an absence or low rates of ventilation. Use of our shippers does not result in the emission of greenhouse gases or other potentially toxic materials. In addition, shippers using dry ice are made of corrugated cardboard with Styrofoam inserts. These shippers are typically not reusable, resulting in the disposal of the cardboard box. Further, Styrofoam should not be disposed of in landfills because it is not biodegradable. Our shippers do not contain Styrofoam, nor do they present similar landfill disposal issues or other environmental challenges.

Technology. Once our CryoPort Express® System is fully operational, it will represent the most complete and comprehensive shipping solution available in the market for high-value temperature sensitive materials. It will reduce operating costs for CryoPort and its customers and it will provide customized analytics to monitor shipping efficiency and the health and status of the materials entrusted to our care.

Key Business Strategies

Relationship with Global Couriers. We believe that our near term success is best achieved by establishing strategic relationships with global couriers which will enable us to provide a seamless, end-to-end shipping solution to our customers. In addition, we will be able to leverage the couriers' established express, ground and freight infrastructures and penetrate new markets with minimal investment. To this end, we recently entered into our first strategic relationship with a global courier on January 13, 2010 when we signed an agreement with Federal Express Corporation ("FedEx") pursuant to which we will lease to FedEx such number of our cryogenic shippers that FedEx shall, from time to time, order for its customers. Under this agreement, FedEx has the right to and shall, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related value-added goods and services, such as our data logger, web portal and planned CryoPort Express Smart Pak System , In addition to FedEx, our management team is commencing discussions with other global couriers in an effort to establish partnerships pursuant to which the couriers would provide preferred shipping rates, access to logistics, tracking, and customs clearance capabilities. As in the case of our agreement with FedEx, we expect that other global freight couriers will utilize their sales forces to promote and sell transportation of shippers and our frozen shipping services. We can not assure you that we will be able to consummate an agreement with any other global couriers.

Target Large Clinical Research Organizations and Life Science Companies. Along with our efforts to establish strategic relationships with global couriers, we intend to increase our marketing efforts to the large clinical research organizations ("CRO") and pharmaceutical and biotechnology companies engaged in the management and/or conduct of both domestic and international clinical trials. Management has been in active dialogue with selected large CROs, and pharmaceutical and biotechnology companies to introduce this new frozen shipping solution and to discuss these potential customers' shipping needs. Several of these meetings have been joint presentations including representatives from a global courier. We can not assure you that we will be able to consummate an agreement with one or more large CROs, or pharmaceutical or biotechnology companies.

Position CryoPort Express® Portal as a New Customer Tool for Cost Optimization and Risk Mitigation. In 2008, we began development of an internal IT system, CryoPort Express® Portal, which today is used by customers to automate the entry of orders, prepare customs documentation, and facilitate status and location monitoring of shipped orders while in transit. The CryoPort Express® Portal is fully integrated with IT systems at FedEx and runs in a browser requiring no software installation. It is used by CryoPort to manage shipping operations typically provisioned by manual labor thereby reducing administrative costs relating to order-entry, order processing, preparation of shipping documents, back-office accounting, and to support the high level of customer service expected by the industry. In addition to reducing operating costs and facilitating scaling of CryoPort's operations, more importantly we believe the CryoPort Express® Portal offers significant value to the customer in terms of cost avoidance and risk mitigation. Examples include automation of order entry, development of Key Performance Indicators ("KPI") to support our efforts for continuous process improvements in our business, and programmatic exception monitoring to detect and sometimes anticipate delays in the shipping process, often before the customer or the shipping company becomes aware of the delays. In the future we intend to add rate and mode optimization and in-transit monitoring of temperature, location and state-of-health monitoring (discussed below) via wireless communications.

Complete Development of Our Smart Pak Monitoring Device. In July 2008, we launched Phase I of our CryoPort Express® Portal which enabled our customers to enter orders and track their packages during transit. We recently completed successful testing of Phase II of our Smart Pak Monitoring Device which is an automated data logger capable of tracking the internal and external temperatures of samples shipped in our CryoPort Express® Shipper. We anticipate commercial launch of this new feature in 2010. Phase III of our Smart Pak Monitoring Device development plan, which we expect to launch by the end of fiscal year 2010, consists of adding a wireless communications capability to each shipper to enable monitoring of a shipper's location, specimen temperature, and overall state of health of the contents during transit, which will be fully integrated into the CryoPort Express® Portal. We anticipate

that, due to the high value and importance placed on the contents of the shipper by the customer, location and state-of-health monitoring of the contents will become a new standard in the industry pioneered by CryoPort.

Expand to New Markets. To date our marketing efforts have focused on global CROs, and on select companies in the biotechnology and pharmaceutical industries. Once we have expanded our market presence in these industries and established the strategic relationships referenced above, we intend to explore opportunities in other markets where there is a need to ship temperature sensitive materials such as the food, environmental, semiconductor and petroleum industries.

Re-Purpose Product Capability. Presently, CryoPort products address the needs of biotechnology and pharmaceutical customers who require sustainable frozen shipping temperatures generally between the range of minus 80° to minus 150° Celsius. While the frozen market represents a large opportunity for CryoPort, an adjacent market exists for the shipment of materials at chilled temperatures. Based on a report prepared by DHL Worldwide Express, Inc. in April 2001, the market for pharmaceutical shipments at chilled temperatures is more than double the market for cryogenic and frozen shipments. CryoPort's technology may be applicable to these markets as well since the design concepts of CryoPort products can be applied to stabilize materials at any desired temperature. CryoPort is exploring these expansions of its current business model.

Corporate History and Structure

We are a Nevada corporation originally incorporated under the name G.T.5-Limited ("GT5") on May 25, 1990. In connection with a Share Exchange Agreement, on March 15, 2005 we changed our name to CryoPort, Inc. and acquired all of the issued and outstanding shares of common stock of CryoPort Systems, Inc., a California corporation, in exchange for 2,009,009 shares (after giving effect to the anticipated 12-to-1 reverse stock split) of our common stock (which represented approximately 81% of the total issued and outstanding shares of common stock following the close of the transaction). CryoPort Systems, Inc, which was originally formed in 1999 as a California limited liability company, and subsequently reorganized into a California corporation on December 11, 2000, remains the operating company under CryoPort, Inc.

Our Corporate Information

Our principal executive offices are located at 20382 Barents Sea Circle, Lake Forest, California 92630. The telephone number of our principal executive offices is (949) 470-2300, and our main corporate website is www.cryoport.com. The information on, or that can be accessed through, our website is not part of this prospectus.

We own, have rights to, or have applied for the service marks and trade names that we use in conjunction with our business, including CryoPort (both alone and with a design logo) and CryoPort Express (both alone and with a design logo). All other trademarks and trade names appearing in this prospectus are the property of their respective holders.

Recent Developments

On January 13, 2010 we entered into an agreement with FedEx to lease our cryogenic shippers based on orders placed by FedEx for its customers. Pursuant to the agreement, FedEx has agreed to pay us (i) a fixed per lease transaction (generally measured as up to a maximum period of 14 days) fee per shipper leased, the amount of which will depend upon whether the shipper is being transported within a specific designated region or from one designated region to another designated region, and (ii) additional fees for any other goods or services ordered in connection with such lease transaction. All lease transactions shall be processed through our CryoPort Express Portal.

Under the agreement, we are further obligated to establish and have operational shipper recycling centers in Asia, Europe and South America by October 31, 2010 and a second center in Asia by June 30, 2011.

Additionally, we shall be responsible for supplying and recharging all shippers ordered by FedEx and for all recycling related to the shippers, and FedEx shall be responsible for all pickup, delivery and shipping.

Unless sooner terminated as provided in the agreement, the term of the agreement expires on December 31, 2012.

On January 12, 2010, we entered into an Amendment to Debentures and Warrants, Agreement and Waiver with the holders of our Debentures (as defined below) (the "2010 Amendment"). Pursuant to the 2010 Amendment, the debenture holders agreed to defer until March 1, 2010 our obligation to make the January 1, 2010 and February 1, 2010 debenture amortization payments (each in the aggregate amount of $200,000). In addition, subject to our consummating this offering for gross proceeds of not less than $10,000,000 at a per unit price of not less than $4.80 per unit (after giving effect to the anticipated 12-to-1 reverse stock split) and obtaining the listing of our common stock and warrants offered hereby on the NASDAQ Capital Market by no later than March 1, 2010, the debenture holders have consented and agreed, among other items, to the following:

our effecting a reverse stock split of our outstanding common stock at a ratio not to exceed 15-to-1 (the maximum ratio previously approved by our stockholders at our 2009 Annual Stockholders Meeting);

each will convert $1,357,215 in principal amount of the outstanding principal balance of such holder's debenture in exchange for a number of shares of our common stock which, when added to the shares of common stock then owned by such holder, will represent 9.9% of the outstanding shares of our common stock after giving effect the consummation of this offering. Assuming that the holders do not then own any shares of our common stock, each would receive a total of 900,251 shares of our common stock resulting in an effective conversion price of $1.51 per share (after giving effect to the anticipated 12-to-1 reverse stock split), or approximately $0.13 per share without giving effect to the anticipated reverse stock split;

our payment in full, from the net proceeds of this offering and within five days following the consummation thereof, of the remaining outstanding principal balance of the holders' debentures following the foregoing conversion (estimated to be $3,266,995 in the aggregate);

release their security interest in our and our subsidiary's assets, including all intellectual property; and

the termination of certain anti-dilution provisions contained in the warrants held by the debenture holders and their right to maintain a fully-diluted ownership of our common stock equal to 34.5%.

Subject to the occurrence of the foregoing, we have agreed to reduce the exercise price of the warrants held by the debenture holders from $5.40 per share to $4.80 per share (after giving effect to the anticipated 12-to-1 reverse stock split).

Summary Financial Information

In the table below we provide you with historical consolidated financial data for the six month periods ending September 30, 2009 and 2008 and the fiscal years ended March 31, 2009 and 2008, derived from our audited and unaudited consolidated financial statements included elsewhere in this prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period. When you read this historical selected financial data, it is important that you read along with it the appropriate historical consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

	Six Months Ended September 30, (unaudited)		Years Ended March 31,	
	2009 ('000)	2008 ('000)	2009 ('000)	2008 ('000)
Revenues	$ 22	$ 19	$ 35	$ 84
Cost of sales	326	253	546	386
Gross loss	(304)	(234)	(511)	(302)
Operating expenses:				
Selling, general and administrative expenses	1,507	1,340	2,387	2,551
Research and development expenses	181	216	297	166
Total operating expenses	1,688	1,556	2,684	2,717
Loss from operations	(1,992)	(1,790)	(3,195)	(3,019)
Other income (expense):				
Interest income	4	24	32	50
Interest expense	(4,143)	(1,214)	(2,693)	(1,593)
Loss on sale of fixed assets	(1)	-	-	-
Change in fair value of derivative liabilities	(1,402)	-	-	-
Loss on extinguishment of debt	-	(6,811)	(10,847)	
Total other expense, net	(5,542)	(8,001)	(13,508)	(1,543)
Loss before income taxes	(7,534)	(9,791)	(16,703)	(4,562)
Income taxes	2	1	2	2
Net loss	$ (7,536)	$ (9,792)	$ (16,705)	$ (4,564)
Loss per share, basic and diluted (after giving effect to the anticipated 12-to-1 reverse stock split)	$ (2.02)	$ (2.85)	$ (4.86)	$ (1.38)

	September 30, 2009 (unaudited)	September 30, 2008 (unaudited)	March 31, 2009	March 31, 2008
Assets	$ 2,438	$ 2,438	$ 1,573	$ 3,461
Liabilities	25,816	5,059	6,348	3,461
Total Stockholders' Deficit	(23,378)	(2,621)	(4,775)	-
Liabilities and Stockholders' Deficit	2,438	2,438	1,573	3,461

The Offering	
Securities offered	3,125,000 units, each unit consisting of one share of common stock and warrant to purchase one share of common stock.
Common stock to be outstanding immediately prior to offering	4,167,943 shares of common stock (1)
Common stock to be outstanding immediately after this offering	7,292,943 shares of common stock (1)(3)(4)
Warrants to be outstanding immediately prior to offering	0(2)
Warrants to be outstanding immediately after this offering	3,125,000 warrants (2)(5)
Use of Proceeds	We expect the net proceeds to us from this offering will be approximately $13.3 million after deducting the underwriting discount and estimated offering expenses (assuming the representative of the underwriters does not exercise its option to cover over-allotments). We intend to use those net proceeds primarily to repay a portion of our outstanding debt, build up inventory, for capital expenditures, including establishing selected global staging and refurbishing sites, and for working capital and general corporate purposes. See “Use of Proceeds” for more information.
Over-allotment option	We have granted the underwriters an option for a period of 45 days to purchase, on the same terms and conditions set forth above, up to an additional 468,750 units, consisting of 468,750 shares of our common stock and warrants to purchase 468,750 shares of our common stock, to cover over-allotments.
Description of Warrants	Each purchaser will receive a warrant to purchase one share of our common stock for each share of common stock it purchases in this offering. The warrants are exercisable at an exercise price of $5.28 per share of common stock. The warrants are exercisable starting on _____, and expire on _____, 2015. See “Description of the Warrants” below for more information.
OTC Bulletin Board symbol for our Common Stock	CYRX
	CYPT and CYPTW

Proposed NASDAQ Capital Market symbols for our Common Stock and Warrants	
Risk Factors	The purchase of our common stock and warrants involves a high degree of risk. You should carefully review and consider "Risk Factors" beginning on page 9.

(1) The number of shares of common stock to be outstanding immediately prior to and after this offering as reflected in the table above is based on the actual number of shares of common stock outstanding as of November 30, 2009, which was 4,167,943 (after giving effect to the anticipated 12-to-1 reverse stock split), and does not include (in each case adjusted for the anticipated 12-to-1 reverse stock split), as of that date:

1,800,502 shares of common stock reserved for issuance upon the conversion of outstanding convertible debentures after giving effect to the 2010 Amendment, which will be effective upon the consummation of this offering, pursuant to which we will repay approximately fifty-five percent (55%) of the outstanding principal balance of such debentures with proceeds from this offering with the holders converting the remaining outstanding principal balance into the foregoing number of shares of common stock;

225,736 shares of common stock reserved for issuance upon the conversion of outstanding convertible promissory notes with a conversion price of $6.12 per share;

3,042,406 shares of common stock reserved for issuance upon the exercise of outstanding warrants with a weighted average exercise price of $5.52 per share, after giving effect to the 2010 Amendment pursuant to which the exercise price of the warrants held by the holders of our convertible debentures will be reduced from $5.40 per share to $4.80 per share (assuming the consummation of the anticipated reverse stock split, at a ratio of 12-to-1);

74,292 shares of common stock reserved for issuance upon the exercise of outstanding stock options with a weighted average exercise price of $7.05 per share; and

254,483 shares of common stock available for future grant under our 2002 Stock Incentive Plan and an additional 942,500 shares of common stock available for future grant under our 2009 Stock Incentive Plan.

(2) Does not include outstanding warrants to purchase up to 3,042,406 shares of our common stock with a weighted average exercise price of $5.52 per share, after giving effect to the 2010 Amendment pursuant to which the exercise price of the warrants held by the holders of our convertible debentures will be reduced from $5.40 per share to $4.80 per share (assuming the consummation of the anticipated reverse stock split, at a ratio of 12-to-1).

(3) Does not include 3,125,000 shares of common stock issuable upon the exercise of the warrants to be issued in connection with this offering.

(4) Does not include 937,500 shares of common stock (including the shares of common stock underlying the warrants included as part of the units) that comprise the units that may be purchased by the underwriters' representative upon the exercise of its 45-day option to cover over-allotments, if any, and 156,250 shares of common stock that may be issued to Rodman & Renshaw, LLC upon exercise of the warrant we will sell to them (representing 5% of the shares of common stock sold by us in this offering, excluding the over-allotment option).

(5) Does not include warrants to purchase 468,750 shares of common stock that may be purchased by the underwriters' representative upon the exercise of its 45-day option to cover over-allotments, if any, and the warrant that we will sell to Rodman & Renshaw, LLC for $100 to purchase 156,250 shares of common stock (representing 5% of the shares of common stock sold by us in this offering, excluding the over-allotment option) that may be issued to Rodman & Renshaw, LLC upon exercise of such warrant.

Except as otherwise indicated, all information in the prospectus supplement assumes no exercise by the underwriters of their over-allotment option.

RISK FACTORS

An investment in our shares of common stock and warrants involves a high degree of risk. Before making an investment decision, you should carefully consider all of the risks described in this prospectus. If any of the risks discussed in this prospectus actually occur, our business, financial condition and results of operations could be materially and adversely affected. If this were to happen, the price of our shares of common stock could decline significantly and you may lose all or a part of your investment. Our forward-looking statements in this prospectus are subject to the following risks and uncertainties. Our actual results could differ materially from those anticipated by our forward-looking statements as a result of the risk factors below. See "Forward-Looking Statements."

Risks Related to Our Business

We have incurred significant losses to date and may continue to incur losses.

We have incurred net losses in each fiscal year since we commenced operations. The following table represents net losses incurred in each of our last three fiscal years:

	Net Loss
Fiscal Year Ended March 31, 2009	$ 16,705,151
Fiscal Year Ended March 31, 2008	$ 4,564,054
Fiscal Year Ended March 31, 2007	$ 2,326,259

As of September 30, 2009 and March 31, 2009, we had accumulated deficits of $47,828,293 (unaudited) and $30,634,355, respectively. While we expect to continue to derive revenues from our current products and services, in order to achieve and sustain profitable operations, we must successfully commercialize our CryoPort Express® System, significantly expand our market presence and increase revenues. We may continue to incur losses in the future and may never generate revenues sufficient to become profitable or to sustain profitability. Continuing losses may impair our ability to raise the additional capital required to continue and expand our operations.

Our auditors have expressed doubt about our ability to continue as a going concern.

The Report of Independent Registered Public Accounting Firm to our March 31, 2009 consolidated financial statements includes an explanatory paragraph stating that the recurring losses and negative cash flows from operations since inception and our working deficit and cash and cash equivalent balance at March 31, 2009 raise substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. If we are unable to establish to the satisfaction of our independent registered public accounting firm that the net proceeds from this offering will be sufficient, based on our projected cashflows, to allow for the removal of this "going concern" qualification, we will not be able to obtain approval of our NASDAQ listing application.

If we are unable to obtain additional funding, we may have to reduce or discontinue our business operations.

As of September 30, 2009 and March 31, 2009, we had cash and cash equivalents of $1,120,758 (unaudited) and $249,758, respectively. Additionally, at each of the foregoing dates our current liabilities significantly exceeded our current assets. We have expended substantial funds on the research and development of our products and IT

systems. As a result, we have historically experienced negative cash flows from operations and we expect to continue to experience negative cash flows from operations in the future. Therefore, our ability to continue and expand our operations is highly dependent on the amount of cash and cash equivalents on hand combined with our ability to raise additional capital to fund our future operations.

We anticipate based on currently proposed plans and assumptions relating to our ability to market and sell our products (but not including any strategic relationship with a global courier), that our cash on hand and the proceeds from this offering, together with projected cash flows, will satisfy our operational and capital requirements for the next 18 to 30 months. There are a number of uncertainties associated with our financial projections that could reduce or delay our future projected revenues and cash-inflows, including, but not limited to, our ability to complete the commercialization of our CryoPort Express® System, increase our customer base and revenues and enter into a strategic relationship with a global courier. If our projected revenues and cash-inflows are reduced or delayed, we may not have sufficient capital to operate through the next 18 to 30 months unless we raise more capital. Additionally, if we are unable to realize satisfactory revenue in the near future, we will be required to seek additional financing to continue our operations beyond that period. We will also require additional financing to expand into other markets and further develop and market our products. Except for the units to be offered in this offering, we have no current arrangements with respect to any additional financing. Consequently, there can be no assurance that any additional financing on commercially reasonable terms, or at all, will be available when needed. The inability to obtain additional capital may reduce our ability to continue to conduct business operations. Any additional equity financing may involve substantial dilution to our then existing stockholders. In addition, raising additional funding may be complicated by certain provisions in the securities purchase agreements and related transaction documents, as amended, entered into in connection with our prior convertible debenture financings. The uncertainties surrounding our future cash inflows have raised substantial doubt regarding our ability to continue as a going concern.

If we are not successful in establishing strategic relationships with one or more global couriers, we may not be able to successfully increase revenues and cashflow which could adversely affect our operations.

We believe that our near term success is best achieved by establishing strategic relationships with one or more global couriers. Such a relationship will enable us to provide a seamless, end-to-end shipping solution to customers and allow us to leverage the courier's established express, ground and freight infrastructures and penetrate new markets with minimal investment. Further, we expect that the global freight courier will utilize its sales force to promote and sell our frozen shipping services. If we are not successful in establishing such a relationship with a global courier, sales and marketing efforts will be significantly impacted and anticipated revenue growth will be substantially delayed which could have an adverse affect on our operations.

Our agreement with FedEx may not result in a significant increase in our revenues or cashflow.

On January 13, 2010, we entered into an agreement with FedEx pursuant to which we will lease to FedEx such number of our cryogenic shippers that FedEx shall, from time to time, order for its customers. FedEx has the right to and shall, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related value-added goods and services, such as our data logger, web portal and planned CryoPort Express Smart Pak System. Because our agreement with FedEx does not contain any requirement that FedEx lease a minimum number of shippers from us during the term of the agreement, we may not experience a significant increase in our revenues or cashflows as a result of this agreement.

Current economic conditions and capital markets are in a period of disruption and instability which could adversely affect our ability to access the capital markets, and thus adversely affect our business and liquidity.

The current economic conditions and financial crisis have had, and will continue to have, a negative impact on our ability to access the capital markets, and thus have a negative impact on our business and liquidity. The shortage of liquidity and credit combined with substantial losses in worldwide equity markets could lead to an extended worldwide recession. We may face significant challenges if conditions in the capital markets do not improve. Our ability to access the capital markets has been and continues to be severely restricted at a time when we need to access

such markets, which could have a negative impact on our business plans, including the commercialization of our CryoPort Express® System and other research and development activities. Even if we are able to raise capital, it may not be at a price or on terms that are favorable to us. We cannot predict the occurrence of future financial disruptions or how long the current market conditions may continue.

The sale of substantial shares of our common stock may depress our stock price.

As of November 30, 2009, there were 4,167,943 shares (assuming the consummation of the anticipated reverse stock split, at a ratio of 12-to-1) of our common stock outstanding. Substantially all of these shares of common stock are eligible for trading in the public market. The market price of our common stock may decline if our stockholders sell a large number of shares of our common stock in the public market, or the market perceives that such sales may occur.

We could also issue up to 6,339,919 additional shares (assuming the consummation of the anticipated reverse stock split, at a ratio of 12-to-1 and the issuance of 1,800,502 shares pursuant to the 2010 Amendment) of our common stock that are issuable upon the conversion of outstanding convertible debentures and promissory notes and the exercise of outstanding warrants and options or reserved for future issuance under our stock incentive plans (including our 2009 Stock Incentive Plan, which was approved by our stockholders at our 2009 Annual Meeting of Stockholders held on October 9, 2009), as further described in the following table:

	Number of Shares of Common Stock Issuable or Reserved For Issuance (assuming the consummation of the anticipated reverse stock split, at a ratio of 12-to-1)
Common stock issuable upon conversion of outstanding debentures and convertible promissory notes (after giving effect to the 2010 Amendment)	2,026,238
Common stock issuable upon exercise of outstanding warrants	3,042,406
Common stock reserved for issuance upon exercise of outstanding options or reserved for future incentive awards under our stock incentive plans	1,271,275
Total	6,339,919

Of the total options and warrants outstanding as of November 30, 2009, options and warrants exercisable for an aggregate of 2,650,794 shares of common stock (after giving effect to the anticipated 12-to-1 reverse stock split) would be considered dilutive to the value of our stockholders' interest in CryoPort because we would receive an amount per share that is less than the market price of our common stock on November 30, 2009.

We will have difficulty increasing our sales if we experience delays, difficulties or unanticipated costs in establishing the sales, distribution and marketing capabilities necessary to successfully commercialize our products.

We are continuing to develop sales, distribution and marketing capabilities in the Americas, Europe and Asia. It will be expensive and time-consuming for us to develop a global marketing and sales network. Moreover, we may choose, or find it necessary, to enter into additional strategic collaborations to sell, market and distribute our products. We may not be able to provide adequate incentive to our sales force or to establish and maintain favorable distribution and marketing collaborations with other companies to promote our products. In addition, any third party with whom we have established a marketing and distribution relationship may not devote sufficient time to the marketing and sales of our products thereby exposing us to potential expenses in exiting such distribution agreements. We, and any of our third party collaborators, must also market our products in compliance with federal, state, local and international laws relating to the provision of incentives and inducements. Violation of these laws can result in substantial penalties. Therefore, if we are unable to successfully motivate and expand our marketing and sales force and further develop our sales and marketing capabilities, or if our distributors fail to promote our products, we will have difficulty increasing our sales.

Our ability to grow and compete in our industry will be hampered if we are unable to retain the continued service of our key professionals or to identify, hire and retain additional qualified professionals.

A critical factor to our business is our ability to attract and retain qualified professionals including key employees and consultants. We are continually at risk of losing current professionals or being unable to hire additional professionals as needed. If we are unable to attract new qualified employees, our ability to grow will be adversely affected. If we are unable to retain current employees or strategic consultants, our financial condition and ability to maintain operations may be adversely affected.

We are dependent on new products and services, the lack of which would harm our competitive position.

Our future revenue stream depends to a large degree on our ability to bring new products and services to market on a timely basis. We must continue to make significant investments in research and development in order to continue to develop new products and services, enhance existing products and services, and achieve market acceptance of such products and services. We may incur problems in the future in innovating and introducing new products and services. Our development stage products and services may not be successfully completed or, if developed, may not achieve significant customer acceptance. If we are unable to successfully define, develop and introduce new, competitive products and services and enhance existing products and services, our future results of operations would be adversely affected. Development and manufacturing schedules for technology products and services are difficult to predict, and we might not achieve timely initial customer shipments of new products and services. The timely availability of these products and services and their acceptance by customers are important to our future success. A delay in new product or enhanced product introductions could have a significant impact on our results of operations.

Because of these risks, our research and development efforts may not result in any commercially viable products. If significant portions of these development efforts are not successfully completed, or any new or enhanced products are not commercially successful, our business, financial condition and results of operations may be materially harmed.

If we successfully develop products, but those products do not achieve and maintain market acceptance, our business will not be profitable.

The degree of acceptance of our CryoPort Express® Shipper, or any future product or services, by our current target markets, and any other markets to which we attempt to sell our products and services, and our profitability and growth will depend on a number of factors including, among others:

our shipper's ability to perform and preserve the integrity of the materials shipped;

relative convenience and ease of use of our shipper and/or web portal;

availability of alternative products;

pricing and cost effectiveness; and

effectiveness of our or our collaborators' sales and marketing strategy.

If any products we may develop do not achieve market acceptance, then we may not generate sufficient revenue to achieve or maintain profitability.

In addition, even if our products achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our products, are more cost effective, or render our products obsolete.

Our success depends, in part, on our ability to obtain patent protection for our products, preserve our trade secrets, and operate without infringing the proprietary rights of others.

Our policy is to seek to protect our proprietary position by, among other methods, filing United States patent applications related to our technology, inventions and improvements that are important to the development of our business. We have three issued U.S. patents and one recently filed provisional patent application, all relating to various aspects of our products and services. Our patents or provisional patent application may be challenged, invalidated or circumvented in the future or the rights granted may not provide a competitive advantage. We intend to vigorously protect and defend our intellectual property. Costly and time-consuming litigation brought by us may be necessary to enforce our patents and to protect our trade secrets and know-how, or to determine the enforceability, scope and validity of the proprietary rights of others.

We also rely upon trade secrets, technical know-how and continuing technological innovation to develop and maintain our competitive position. In the past our employees, consultants, advisors and suppliers have not always executed confidentiality agreements and invention assignment and work for hire agreements in connection with their employment, consulting, or advisory relationships. Consequently, we may not have adequate remedies available to us to protect our intellectual property should one of these parties attempt to use our trade secrets or refuse to assign any rights he or she may have in any intellectual property he or she developed for us. Additionally, our competitors may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our proprietary technology, or we may not be able to meaningfully protect our rights in unpatented proprietary technology.

We cannot assure you that our current and potential competitors and other third parties have not filed (or in the future will not file) patent applications for (or have not received or in the future will not receive) patents or obtain additional proprietary rights that will prevent, limit or interfere with our ability to make, use or sell our products either in the United States or internationally. In the event we are required to license patents issued to third parties, such licenses may not be available or, if available, may not be available on terms acceptable to us. In addition, we cannot assure you that we would be successful in any attempt to redesign our products or processes to avoid infringement or that any such redesign could be accomplished in a cost-effective manner. Accordingly, an adverse determination in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from manufacturing and selling our products or offering our services, which would harm our business.

We are not aware of any third party that is infringing any of our patents or trademarks nor do we believe that we are infringing on the patents or trademarks of any other person or organization.

Our products may contain errors or defects, which could result in damage to our reputation, lost revenues, diverted development resources and increased service costs and litigation.

Our products must meet stringent requirements and we must develop our products quickly to keep pace with the rapidly changing market. Products and services as sophisticated as ours could contain undetected errors or defects, especially when first introduced or when new models or versions are released. In general, our products may not be free from errors or defects after commercial shipments have begun, which could result in damage to our reputation,

lost revenues, diverted development resources, increased customer service and support costs, and litigation. The costs incurred in correcting any product errors or defects may be substantial and could adversely affect our business, results of operations and financial condition.

If we experience manufacturing delays or interruptions in production, then we may experience customer dissatisfaction and our reputation could suffer.

If we fail to produce enough shippers at our own manufacturing facility or at a third party manufacturing facility, or if we fail to complete our shipper recycling processes as planned, we may be unable to deliver shippers to our customers on a timely basis, which could lead to customer dissatisfaction and could harm our reputation and ability to compete. We currently acquire various component parts for our shippers from various independent manufacturers in the United States. We would likely experience significant delays or cessation in producing our shippers if a labor strike, natural disaster or other supply disruption were to occur at any of our main suppliers. If we are unable to procure a component from one of our manufacturers, we may be required to enter into arrangements with one or more alternative manufacturing companies which may cause delays in producing our shippers. In addition, because we depend on third party manufacturers, our profit margins may be lower, which will make it more difficult for us to achieve profitability. To date, we have not experienced any material delay that has adversely impacted our operations. As our business develops and the quantity of production increases, it becomes more likely that such problems could arise.

Because we rely on a limited number of suppliers, we may experience difficulty in meeting our customers' demands for our products in a timely manner or within budget.

We currently purchase key components of our products from a variety of outside sources. Some of these components may only be available to us through a few sources, however, management has identified alternative materials and suppliers should the need arise. We generally do not have long-term agreements with any of our suppliers.

Consequently, in the event that our suppliers delay or interrupt the supply of components for any reason, we could potentially experience higher product costs and longer lead times in order fulfillment. Suppliers that we materially rely upon include Spaulding Composites Company and Lydall Thermal Acoustical Sales.

Our CryoPort Express® Portal may be subject to intentional disruption that could adversely impact our reputation and future sales.

We have implemented our CryoPort Express® Portal which is used by our customers and business partners to automate the entry of orders, prepare customs documentation and facilitate status and location monitoring of shipped orders while in transit. Although we believe we have sufficient controls in place to prevent intentional disruptions, we could be a target of attacks specifically designed to impede the performance of the CryoPort Express® Portal. Similarly, experienced computer programmers may attempt to penetrate our CryoPort Express® Portal in an effort to search for and misappropriate proprietary or confidential information or cause interruptions of our services. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. Our activities could be adversely affected and our reputation, brand and future sales harmed if these intentionally disruptive efforts are successful.

Our services may expose us to liability in excess of our current insurance coverage.

Our products involve significant risks of liability, which may substantially exceed the revenues we derive from our services. We cannot predict the magnitude of these potential liabilities.

We currently maintain general liability insurance, with coverage in the amount of $1 million per occurrence, subject to a $2 million annual limitation, and product liability insurance with a $1 million annual coverage limitation. Claims may be made against us that exceed these limits.

Our liability policy is an “occurrence” based policy. Thus, our policy is complete when we purchased it and following cancellation of the policy it continues to provide coverage for future claims based on conduct that took place during the policy term. However, our insurance may not protect us against liability because our policies typically have various exceptions to the claims covered and also require us to assume some costs of the claim even though a portion of the claim may be covered. In addition, if we expand into new markets, we may not be aware of the need for, or be able to obtain insurance coverage for such activities or, if insurance is obtained, the dollar amount of any liabilities incurred could exceed our insurance coverage. A partially or completely uninsured claim, if successful and of significant magnitude, could have a material adverse effect on our business, financial condition and results of operations.

Complying with certain regulations that apply to shipments using our products can limit our activities and increase our cost of operations.

Shipments using our products and services are subject to various regulations in the countries in which we operate. For example, shipments using our products may be required to comply with the shipping requirements promulgated by the Centers for Disease Control ("CDC"), the Occupational Safety and Health Organization ("OSHA"), the Department of Transportation ("DOT") as well as rules established by the International Air Transportation Association ("IATA") and the International Civil Aviation Organization ("ICAO"). Additionally, our data logger may be subject to regulation and certification by the Food and Drug Administration ("FDA"), Federal Communications Commission ("FCC"), and Federal Aviation Administration ("FAA"). We will need to ensure that our products and services comply with relevant rules and regulations to make our products and services marketable, and in some cases compliance is difficult to determine. Significant changes in such regulations could require costly changes to our products and services or prevent use of our shippers for an extended period of time while we seek to comply with changed regulations. If we are unable to comply with any of these rule or regulations or fail to obtain any required approvals, our ability to market our products and services may be adversely affected. In addition, even if we are able to comply with these rules and regulations, compliance can result in increased costs. In either event, our financial results and condition may be adversely affected. We depend on our business partners and unrelated and frequently unknown third party agents in foreign countries to act on our behalf to complete the importation process and to make delivery of our shippers to the final user. The failure of these third parties to perform their duties could result in damage to the contents of the shipper resulting in customer dissatisfaction or liability to us, even if we are not at fault.

If we cannot compete effectively, we will lose business.

Our products, services and solutions are positioned to be competitive in the cold-chain shipping market. While there are technological and marketing barriers to entry, we cannot guarantee that the barriers we are capable of producing will be sufficient to defend the market share we wish to gain against future competitors. The principal competitive factors in this market include:

- acceptance of our business model and a per use consolidated fee structure;
- ongoing development of enhanced technical features and benefits;
- reductions in the manufacturing cost of competitors' products;
- the ability to maintain and expand distribution channels;
- brand name;
- the ability to deliver our products to our customers when requested;
- the timing of introductions of new products and services; and
- financial resources.

Current and prospective competitors have substantially greater resources, more customers, longer operating histories, greater name recognition and more established relationships in the industry. As a result, these competitors may be able to develop and expand their networks and product offerings more quickly, devote greater resources to the marketing and sale of their products and adopt more aggressive pricing policies. In addition, these competitors have entered and will likely continue to enter into business relationships to provide additional products competitive to those

we provide or plan to provide.

We may not be able to compete with our competitors in the industry because many of them have greater resources than we do.

We expect to continue to experience significant and increasing levels of competition in the future. In addition, there may be other companies which are currently developing competitive products and services or which may in the future develop technologies and products that are comparable, superior or less costly than our own. For example, some cryogenic equipment manufacturers with greater resources currently have solutions for storing and transporting cryogenic liquid and gasses and may develop storage solutions that compete with our products. Additionally, some specialty couriers with greater resources currently provide dry ice transportation and may develop other products in the future, both of which compete with our products. A competitor that has greater resources than us may be able to bring its product to market faster than we can and offer its product at a lower price than us to establish market share. We may not be able to successfully compete with a competitor that has greater resources and such competition may adversely affect our business.

Risks Relating to Our Current Financing Arrangements

Our outstanding convertible debentures impose certain restrictions on how we conduct our business. In addition, all of our assets, including our intellectual property, are pledged to secure this indebtedness. If we fail to meet our obligations to the debenture holders, our payment obligations may be accelerated and the collateral securing the indebtedness may be sold to satisfy these obligations.

We issued convertible debentures in October 2007 (the "October 2007 Debentures") and in May 2008 (the "May 2008 Debentures," and together with the October 2007 Debentures, the "Debentures"). The Debentures were issued to four institutional investors and have an outstanding principal balance of $5,981,425 as of November 30, 2009. In addition, in October 2007 and May 2008, we issued to these institutional investors warrants to purchase, as of November 30, 2009, an aggregate of 1,107,671 shares of our common stock (without regard to beneficial ownership limitations contained in the transaction documents and certain anti-dilution provisions, but after giving effect to the anticipated 12-to-1 reverse stock split). As collateral to secure our repayment obligations to the holders of the Debentures we have granted such holders a first priority security interest in generally all of our assets, including our intellectual property.

The Debentures, warrant agreements and related transactional documents contain various covenants that presently restrict our operating flexibility. Pursuant to the foregoing documents, we may not, among other things:

- effect a reverse stock split of our outstanding common stock;
- incur additional indebtedness, except for certain permitted indebtedness. Permitted indebtedness is defined to include lease obligations and purchase money indebtedness of up to an aggregate of $200,000 and indebtedness that is expressly subordinated to the Debentures and matures following the maturity date of the Debentures;
- incur additional liens on any of our assets except for certain permitted liens including but not limited liens for taxes, assessments and government charges not yet due and liens incurred in connection with permitted indebtedness;
- pay cash dividends;
- redeem any outstanding shares of our common stock or any outstanding options or warrants to purchase shares of our common stock except in connection with a the repurchase of stock from former directors and officers provided such repurchases do not exceed $100,000 during the term of the Debentures;
- enter into transactions with affiliates other than on arms-length terms; and
- make any revisions to the terms of existing contractual agreements for the Notes Payable to Former Officer, Related Party Notes Payable and the Line of Credit (as each is referred to in our Form 10-Q for the period ended June 30, 2009).

In addition, so long as the Debentures are outstanding;

- we must maintain a total cash balance of no less than $100,000 at all times;

we must maintain an average monthly operating cash burn of no more than $500,000 with operating cash burn is defined by taking net income (or loss) and adding back all non-cash items and excludes changes in assets, liabilities and financing activities;

we must maintain minimum current ratio of 0.5 to 1 with the calculation made by excluding the current portion of the convertible notes payable and accrued interest, and liability from derivative instruments from current liability for the current ratio;

our accounts payable shall not exceed $750,000; and

our accrued salaries shall not exceed $350,000.

These provisions could have important consequences for us, including, but not limited to, (i) preventing us from effecting our contemplated reverse stock split unless the debenture holders provide a waiver, (ii) making it more difficult for us to obtain additional debt financing, or obtain new debt financing on terms favorable to us, because a new lender will have to be willing to be subordinate to the debenture holders, (iii) causing us to use a portion of our available cash for debt repayment and service rather than other perceived needs, and/or (iv) impacting our ability to take advantage of significant, perceived business opportunities. Our failure to timely repay our obligations under the Debentures, which mature on July 1, 2010, or meet the covenants set forth in the Debentures and related transaction documents could give rise to a default under the Debentures or such transaction documents. In the event of an uncured default, all amounts owed to the holders may be declared immediately due and payable and the debenture holders will have the right to enforce their security interest in the assets securing the Debentures. In such event, the Debenture holders could take possession of any or all of our assets in which they hold a security interest, and dispose of those assets to the extent necessary to pay off our debts, which would materially harm our business.

In the event that we consummate this offering for minimum gross proceeds of $10,000,000 and comply with certain other provisions of the 2010 Amendment, then the foregoing limitations and covenants will terminate following consummation of this offering.

The issuance of our common stock upon conversion of the Debentures could encourage short sales by third parties, which could contribute to the future decline of our stock price and materially dilute existing stockholders' equity and voting rights.

The Debentures have the potential to cause significant downward pressure on the price of our common stock if they are converted, as is contemplated in the 2010 Amendment (at least with respect to approximately half of the outstanding balance which would be converted at an approximate price of $0.13 per share (or $1.51 per share assuming the consummation of a reverse stock split, at a ratio of 12-to-1)). This is particularly the case if the shares of common stock are placed into the market and exceed the market's ability to absorb such shares of common stock. Such an event could place further downward pressure on the price of our common stock. The opportunity exists for short sellers and others to contribute to the future decline of our stock price. Significant short sales of our stock would place downward pressure on the market price of our common stock, which could cause the price to further decline. If the foregoing factors cause a continual decline in our stock price, long-term holders of our common stock might be encouraged to start selling their shares of our common stock, creating a further imbalance on the sell side of the market for the stock, which could cause our stock price to further decline.

Risks Relating Principally to This Offering and Our Capital Structure

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We cannot specify with certainty all of the particular uses of approximately $13.3 million of the net proceeds we will receive from this offering. Other than our obligation to repay $3,266,995 of the Debentures pursuant to the 2010 Amendment, our management will have broad discretion in the application of the net proceeds. Accordingly, you will have to rely upon the judgment of our management with respect to the use of the proceeds, with only limited information concerning management's specific intentions. Our management may spend a portion or all of the net proceeds from this offering in ways that our stockholders may not desire or that may not yield a favorable return. The failure by our management to apply these funds effectively could harm our business. Pending its use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

Our existing stockholders will retain significant control over us following the completion of this offering.

The concentration of ownership of our stock may have the effect of delaying or preventing a change in control of CryoPort and may adversely affect the voting or other rights of other holders of our common stock. Upon completion of this offering, our directors, executive officers and debenture holders will beneficially own 5,105,661 shares (assuming the consummation of a reverse stock split, at a ratio of 12-to-1 and without regard to beneficial ownership limitations contained in certain warrants) of common stock assuming the exercise of all outstanding warrants, options and conversion of all convertible debt, and the effectiveness of the 2010 Amendment; or approximately 32.2% of our outstanding common stock. Of these shares of common stock, 2,219,539 shares, or approximately 14.0% of our outstanding common stock, will be owned by Enable Growth Partners LP (and affiliated funds), and 2,126,876 shares, or approximately 13.4% of our outstanding common stock, will be owned by BridgePointe Master Fund, Ltd.; provided, however, there are provisions in their warrant agreements that prohibit exercise of warrants to the extent that their respective beneficial ownership would exceed 4.99% as a result of such conversion or exercise (which limitation may be waived and increased to 9.99% upon not less than 61 days prior notice).

An active market for our common stock and warrants may not develop or be maintained, which could limit your ability to sell your common stock and/or warrants.

Prior to this offering, there has been a limited public market for our common stock and no market for our warrants and the public offering price may bear no relationship to the price at which our common stock and warrants will trade after this offering. There can be no assurance that an active public market for our common stock or warrants will develop or be sustained after this offering or how liquid that market might become. As a result, investors may not be able to sell their common stock or warrants at or above the public offering price or at the time that they would like to sell.

Our stock and warrant price may be volatile.

The market price of our common stock and warrants is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control, including, but not limited to:

- technological innovations or new products and services by us or our competitors;
- additions or departures of key personnel;
- sales of our common stock;
- our ability to integrate operations, technology, products and services;
- our ability to execute our business plan;
- operating results below expectations;
- loss of any strategic relationship;
- industry developments;
- economic and other external factors; and
- period-to-period fluctuations in our financial results.

You may consider any one of these factors to be material. The price of common stock and warrants may fluctuate widely as a result of any of the above listed factors. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock and warrants.

If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our common stock and warrants, the price of our common stock and warrants could decline.

The trading market for our common stock and warrants will rely in part on the research and reports that equity research analysts publish about us and our business. We do not control these analysts. The price of our common stock and warrants could decline if one or more equity analyst downgrades our stock or if analysts issue other unfavorable commentary or cease publishing reports about us or our business.

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A significant portion of our total outstanding shares of common stock may be sold into the public market in the near future, which could cause the market price of our common stock and warrants to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time after the expiration of the lock-up agreements described in "Underwriting and Plan of Distribution." These sales, or the market perception that the holders of a large number of shares of common stock intend to sell shares of common stock, could reduce the market price of our common stock and warrants. After this offering, we will have 9,093,445 shares of common stock outstanding based on the number of shares of common stock outstanding as of November 30, 2009 and the debenture holders conversion of a portion of the outstanding principal balance of their debentures pursuant to the 2010 Amendment, and assuming the consummation of a reverse stock split, at a ratio of 12-to-1. This includes the 3,125,000 shares of common stock that we are selling in this offering, which may be resold in the public market immediately. The remaining 5,968,445 shares of common stock, or 66% of our outstanding shares of common stock after this offering, including 1,800,502 shares of common stock we will issue to our debenture holders in connection with their conversion of a portion of the outstanding principal balance of the debentures pursuant to the 2010 Amendment, will be able to be sold, subject to any applicable volume limitations under federal securities laws, 180 days after the date of this prospectus, subject to extension in specified instances, due to lock-up agreements between the holders of these shares of common stock and the underwriters. However, the underwriters can waive the provisions of these lock-up agreements and allow these stockholders to sell their shares of common stock at any time.

We have not paid dividends on our common stock in the past and do not expect to pay dividends in the foreseeable future. Any return on investment may be limited to the value of our common stock.

We have never paid cash dividends on our common stock and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends on our common stock will depend on our earnings, financial condition and other business and economic factors affecting us at such time as the Board of Directors may consider the payment of any such dividends. In addition, we may not pay any dividends without obtaining the prior consent of the holders of our Debentures (provided, however, that this restriction will terminate upon the consummation of this offering pursuant to the 2010 Amendment). If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if the price of our common stock appreciates.

When we effect a reverse stock split, the liquidity of our common stock and market capitalization could be adversely affected.

At our 2009 Annual Meeting of Stockholders held on October 9, 2009, our stockholders approved a Certificate of Amendment to our Amended and Restated Articles of Incorporation to give our Board of Directors the authority to effect a reverse stock split of our issued and outstanding common stock at a ratio to be determined by the Board of Directors between 2-to-1 and 15-to-1, without further approval of our stockholders, upon a determination by the Board of Directors that such a reverse stock split is in the best interests of CryoPort and its stockholders, at any time before June 30, 2010. Subject to our compliance with the 2010 Amendment, the Board of Directors intends to effect a reverse stock split in order to increase the stock price to a level that will enable it to apply for listing on the NASDAQ Capital Market or other national stock exchange.

A reverse stock split is often viewed negatively by the market and, consequently, can lead to a decrease in our overall market capitalization. If the per share market price does not increase proportionately as a result of the reverse split, then the value of our company as measured by our market capitalization will be reduced, perhaps significantly. In addition, because the reverse split will significantly reduce the number of shares of our common stock that are outstanding, the liquidity of our common stock could be adversely affected and you may find it more difficult to purchase or sell shares of our common stock.

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Our stock-based incentive plan may dilute your percentage ownership interest and may also result in downward pressure on the price of our stock.

At our 2009 Annual Meeting of Stockholders held on October 9, 2009, our stockholders approved the CryoPort, Inc. 2009 Stock Incentive Plan (“2009 Plan”), which is designed to replace the CryoPort, Inc. 2002 Stock Incentive Plan (the "2002 Plan") and provides for the grant of stock-based incentives. A total of 1,000,000 shares of our common stock (after giving effect to the anticipated 12-to-1 reverse stock split) are reserved under the 2009 Plan for awards to our officers, directors, employees and consultants as determined by our Board of Directors. Stockholders would experience a dilution in ownership interest of approximately 15%, assuming the maximum issuance of 1,000,000 shares of common stock (after giving effect to the anticipated 12-to-1 reverse stock split) upon the exercise of stock options granted or other awards issued under the 2009 Plan. In addition, the existence of a significant number of shares of common stock reserved under the 2009 Plan may be perceived by the market as having a potential dilutive effect, which could lead to a decrease in the price of our common stock.

We may need additional capital, and the sale of additional shares of common stock or other equity securities could result in additional dilution to our stockholders.

We believe that our current cash and cash equivalents, anticipated cash flow from operations and the net proceeds from this offering will be sufficient to meet our anticipated cash needs for a period of 18 to 30 months. We may, however, require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If our resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities or obtain a credit facility. The sale of additional equity securities, or debt securities convertible into equity securities, could result in additional dilution to our stockholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations.

Provisions in our bylaws and Nevada law might discourage, delay or prevent a change of control of our company or changes in our management and, as a result, may depress the trading price of our common stock.

Provisions of our bylaws and Nevada law may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. The relevant bylaw provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include advance notice requirements for stockholder proposals and nominations, and the ability of our Board of Directors to make, alter or repeal our bylaws.

Absent approval of our Board of Directors, our bylaws may only be amended or repealed by the affirmative vote of the holders of at least a majority of our outstanding shares of capital stock entitled to vote.

In addition, Section 78.438 of the Nevada Revised Statutes prohibits a publicly-held Nevada corporation from engaging in a business combination with an interested stockholder (generally defined as a person which together with its affiliates owns, or within the last three years has owned, 10% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder) unless the business combination is approved in a prescribed manner.

The existence of the foregoing provisions and other potential anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

Our stock is deemed to be penny stock.

Our stock is currently traded on the OTC Bulletin Board and is subject to the "penny stock rules" adopted pursuant to Section 15(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The penny stock rules apply to companies not listed on a national exchange whose common stock trades at less than $5.00 per share or which have tangible net worth of less than $5,000,000 ($2,000,000 if the company has been operating for three or more years). Such rules require, among other things, that brokers who trade "penny stock" to persons other than "established customers" complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Penny stocks sold in violation of the applicable rules may entitle the buyer of the stock to rescind the sale and receive a full refund from the broker.

Many brokers have decided not to trade "penny stock" because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. In the event that we remain subject to the "penny stock rules" for any significant period, there may develop an adverse impact on the market, if any, for our securities. Because our securities are subject to the "penny stock rules," investors will find it more difficult to dispose of our securities. Further, for companies whose securities are traded in the OTC Bulletin Board, it is more difficult: (i) to obtain accurate quotations, (ii) to obtain coverage for significant news events because major wire services, such as the Dow Jones News Service, generally do not publish press releases about such companies, and (iii) to obtain needed capital.

If we fail to maintain effective internal controls over financial reporting, the price of our common stock may be adversely affected.

Our internal controls over financial reporting may have weaknesses and conditions that could require correction or remediation, the disclosure of which may have an adverse impact on the price of our common stock. We are required to establish and maintain appropriate internal controls over financial reporting. Failure to establish those controls (or any failure of those controls once established) could adversely impact our public disclosures regarding our business, financial condition or results of operations. In addition, management's assessment of internal controls over financial reporting may identify weaknesses and conditions that need to be addressed in our internal controls over financial reporting or other matters that may raise concerns for investors. Any actual or perceived weaknesses and conditions that need to be addressed in our internal control over financial reporting, disclosure of management's assessment of our internal controls over financial reporting, or disclosure of our independent registered public accounting firm's attestation to the effectiveness of our internal controls over financial reporting, when required, may have an adverse impact on the price of our common stock.

Standards for compliance with Section 404 of the Sarbanes-Oxley Act of 2002 are uncertain, and if we fail to comply in a timely manner, our business could be harmed and our stock price could decline.

Rules adopted by the SEC pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 require an annual assessment of our internal controls over financial reporting, and attestation of our assessment by our independent registered public accounting firm. The standards that must be met for management to assess the internal controls over financial reporting as effective are evolving and complex, and require significant documentation, testing, and possible remediation to meet the detailed standards. We expect to continue to incur significant expenses and to devote resources to continued Section 404 compliance during the remainder of fiscal 2010 and on an ongoing basis. It is difficult for us to predict how long it will take or how costly it will be to complete the assessment of the effectiveness of our internal controls over financial reporting to the satisfaction of our independent registered public accounting firm for each year, and to remediate any deficiencies in our internal controls over financial reporting. As a result, we may not be able to complete the assessment and remediation process on a timely basis. In addition, the attestation process by our independent registered public accounting firm will be new for fiscal 2011 and we may encounter problems or delays in completing the implementation of any requested improvements and receiving an attestation of our assessment by our independent registered public accounting firm. In the event that our Chief Executive Officer, Chief Financial Officer or independent registered public accounting firm determines that our internal controls over financial reporting are not effective as defined under Section 404, we cannot predict how regulators will react or how the market price of our common stock will be affected; however, we believe that there is a risk that investor confidence and share value may be negatively impacted.

If we fail to remain current in our reporting requirements, our securities could be removed from the OTC Bulletin Board, which would limit the ability of broker-dealers to sell our securities and the ability of stockholders to sell their securities in the secondary market.

Companies trading on the OTC Bulletin Board must be reporting issuers under Section 12 of the Exchange Act, and must be current in their reports under Section 13, in order to maintain price quotation privileges on the OTC Bulletin Board. If we fail to remain current on our reporting requirements, we could be removed from the OTC Bulletin Board. As a result, the market liquidity for our securities could be severely adversely affected by limiting the ability of broker-dealers to sell our securities and the ability of stockholders to sell their securities in the secondary market.

There is no guarantee that our shares of common stock or warrants will be listed on the NASDAQ Capital Market.

In connection with the filing of this registration statement, we applied for listing of our common stock and warrants on the NASDAQ Capital Market. After the consummation of this offering, we believe that we will satisfy the listing requirements and expect that our common stock and warrants will be listed on the NASDAQ Capital Market. Such listing, however, is not guaranteed. If such listing is approved, there can be no assurance any broker will be interested in trading our stock. Therefore, it may be difficult to sell your shares of common stock if you desire or need to sell them. Our lead underwriter, Rodman & Renshaw, LLC, is not obligated to make a market in our securities, and even if they make a market, they can discontinue market making at any time without notice. Neither we nor the underwriters can provide any assurance that an active and liquid trading market in our securities will develop or, if developed, that such market will continue.

If our common stock and warrants are approved for listing on the NASDAQ Capital Market, there is no guarantee that we will be able to maintain such listing for any period of time by perpetually satisfying NASDAQ's continued listing requirements.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements other than statements of historical fact contained in this prospectus, including statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “continu negative of these terms or other similar words. These statements are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. We discuss many of the risks in greater detail under the heading “Risk Factors.” Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. Forward-looking statements in this prospectus include, but are not necessarily limited to, those relating to:

- our intention to introduce new products or services,
- our expectations about the markets for our products or services,
- our expectations about securing strategic relationships with global couriers or large clinical research organization,
- our future capital needs,
- results of our research and development efforts, and
- success of our patent applications.

Forward-looking statements are subject to risks and uncertainties, certain of which are beyond our control. Actual results could differ materially from those anticipated as a result of the factors described in “Risk Factors” in this prospectus and detailed in our other SEC filings, including among others:

- the effect of regulation by United States and foreign governmental agencies,
- research and development efforts, including delays in developing, or the failure to develop, our products,
- the development of competing or more effective products by other parties,
- uncertainty of market acceptance of our products,
- errors in business planning attributable to insufficient market size or segmentation data,
- problems that we may face in manufacturing, marketing, and distributing our products,

problems that we may encounter in further development of CryoPort Express® Portal or its ability to scale to meet customer demand and needs,

problems relating to the development of wireless sensor monitoring devices, or regulatory approval relating to their use,

our inability to raise additional capital when needed,

delays in the issuance of, or the failure to obtain, patents for certain of our products and technologies,

problems with important suppliers and strategic business partners, and

difficulties or delays in establishing marketing relationships with international couriers.

Because of these risks and uncertainties, the forward-looking events and circumstances discussed in this prospectus might not transpire. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. All of the above factors are difficult to predict, contain uncertainties that may materially affect our actual results and may be beyond our control. New factors emerge from time to time, and it is not possible for our management to predict all of such factors or to assess the effect of each factor on our business.

This prospectus also contains estimates and other industry and statistical data developed by independent parties and by us relating to market size, growth and segmentation of markets. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified these estimates generated by independent parties and contained in this prospectus and, accordingly, we cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of the units that we are offering will be approximately $13.3 million, based on an assumed public offering price of $4.80 per unit, after deducting underwriting discounts and commissions and estimated offering expenses that we must pay. We intend to use those net proceeds primarily to repay a portion of the outstanding principal balance of the Debentures, build up our inventory of shippers, for capital expenditures, including establishing selected global staging and refurbishing sites, and for working capital and general corporate purposes. We may also use these proceeds to finance the acquisition of complimentary businesses or services. We currently have no agreements or commitments for any specific acquisitions at this time.

As of November 30, 2009, the outstanding principal balance of the Debentures was $5,981,425. The Debentures mature on July 1, 2010 and, as of November 30, 2009, had an interest rate of 8%. Pursuant to the 2010 Amendment, upon the consummation of this offering, we must repay $3,266,995 of the principal balance of the Debentures with some of the net proceeds from this offering. We increased the principal balance of the Debentures by $628,826 during the prior twelve (12) months which reflects the conversion of accrued interest payable into principal and the conversion of both accrued interest payable and future interest payable into principal pursuant to the terms of the September 2009 Amendment to the Debentures.

Pending any use, as described above, we plan to invest the net proceeds in investment-grade, short-term, interest-bearing securities.

MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Presently, our common stock is traded through the OTC Bulletin Board under the symbol CYRX. We intend to list our common stock and warrants on the NASDAQ Capital Market under the symbols “CYPT” and “CYPTW,” respectively. There can be no assurances that an active public market for our common stock will develop or be sustained. The following table sets forth, for the periods indicated, the high and low sales prices for our common stock assuming the consummation of a reverse stock split, at a ratio of 12-to-1.

Fiscal 2010	High	Low
1st Quarter	$ 10.80	$ 4.92
2nd Quarter	8.40	4.44

Fiscal 2009	High	Low
1st Quarter	$ 13.80	$ 8.04
2nd Quarter	12.00	6.00
3rd Quarter	9.00	5.64
4th Quarter	6.60	3.96

Fiscal 2008	High	Low
1st Quarter	$ 39.60	$ 9.24
2nd Quarter	20.40	7.32
3rd Quarter	17.64	8.40
4th Quarter	16.44	10.20

Number of Stockholders

As of November 30, 2009, there were approximately 136 holders of record of our common stock and approximately 1,600 beneficial owners of our common stock.

Dividend Policy

Historically, we have not paid any dividends to the holders of our common stock and we do not expect to pay any such dividends in the foreseeable future as we expect to retain our future earnings for use in the operation and expansion of our business.

Securities Authorized For Issuance Under Equity Compensation Plans

CryoPort currently maintains two equity compensation plans, the 2002 Plan and the 2009 Plan. Our Compensation and Governance Committee is responsible for making reviewing and recommending grants of options under these plans which are approved by the Board of Directors. The 2002 Plan, which was approved by CryoPort's stockholders in October 2002, allows for the grant of options to purchase up to 416,666 shares (assuming the consummation of a reverse stock split, at a ratio of 12-to-1) of CryoPort's common stock. The 2002 Plan provides for the granting of options to purchase shares of CryoPort's common stock at prices not less than the fair market value of the stock at the date of grant and generally expire 10 years after the date of grant. The stock options are subject to vesting requirements, generally three or four years. The 2002 Plan also provides for the granting of restricted shares of common stock subject to vesting requirements. As of November 30, 2009, a total of 254,983 shares (after giving effect to the anticipated 12-to-1 reverse stock split) of common stock remained available for future option grants under the 2002 Plan.

The 2009 Plan provides for the grant of stock-based incentives. The 2009 Plan allows for the grant of up to 1,000,000 shares (after giving effect to the anticipated 12-to-1 reverse stock split) of our common stock for awards to our officers, directors, employees and consultants. The 2009 Plan provides for the grant of incentive stock options, nonqualified stock options, restricted stock rights, restricted stock, performance share units, performance shares, performance cash awards, stock appreciation rights, and stock grant awards. The 2009 Plan also permits the grant of awards that qualify for the "performance-based compensation" exception to the $1,000,000 limitation on the deduction of compensation imposed by Section 162(m) of the Code. As of November 30, 2009, a total of 942,500 shares (after giving effect to the anticipated 12-to-1 reverse stock split) of our common stock remained available for future grants under the 2009 Plan.

Reverse Stock Split

Our stockholders have approved a proposal to grant discretionary authority to our Board of Directors to amend our Amended and Restated Articles of Incorporation to effect a reverse stock split of our issued and outstanding common stock at any time before June 30, 2010 at any whole number ratio between a 2-to-1 reverse stock split and a 15-to-1 reverse stock split, with the exact exchange ratio and timing of the reverse stock split (if at all) to be determined at the discretion of the Board of Directors, without decreasing the number of our shares of authorized capital stock.

The reverse stock split will be effected simultaneously for all our then existing common stock and the exchange ratio will be the same for all of our shares of issued and outstanding common stock. The reverse stock split will affect all of our stockholders uniformly and will not affect any stockholder's percentage ownership interests in us, except to the extent that the reverse stock split results in any of our stockholders owning a fractional share. If this occurs, we will pay a cash payment in lieu of issuing fractional shares. Shares of common stock issued pursuant to the reverse stock split will remain fully paid and nonassessable. The information in the following table is based on 50,015,318 shares of common stock (not adjusted for the anticipated 12-to-1 reverse stock split) issued and outstanding as of November 30, 2009.

Proposed Reverse Stock Split	Percentage Reduction in the Outstanding Shares of Common Stock	Common Stock Outstanding After the Reverse Stock Split	Common Stock Authorized After the Reverse Stock Split
2-to-1	50%	25,007,659	250,000,000
5-to-1	80%	10,003,063	250,000,000
12-to-1	912/3%	4,167,943	250,000,000
15-to-1	931/3%	3,334,355	250,000,000

DETERMINATION OF OFFERING PRICE

The public offering price of the units offered by this prospectus will be based on the closing market price of the stock immediately prior to the closing date of this offering, adjusted for the anticipated reverse stock split on a 12-to-1 basis, prior to the effectiveness of the registration statement of which this prospectus is a part. We have applied for listing of our common stock and warrants on the NASDAQ Capital Market under the symbols “CYPT” and “CYPTW,” respectively. No assurance can be given that our application will be approved.

CAPITALIZATION

The following table sets forth our cash and cash equivalents, convertible debentures, notes payable and capitalization as of September 30, 2009 on an actual (after giving effect to the anticipated 12-to-1 reverse stock split) and on a pro forma as adjusted basis to give effect to the sale of the units by us in this offering at an assumed public offering price of $4.80 per share (the pro forma adjusted closing share price on December 30, 2009, after giving effect to the anticipated 12-to-1 reverse stock split), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us and the application of the estimated net proceeds of this offering as described under “Use of Proceeds.”

This table should be read in conjunction with our consolidated financial statements and related notes and the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Use of Proceeds,” and “Description of Capital Stock” appearing elsewhere in this prospectus.

	September 30, 2009	
	Actual	As Adjusted
Cash and cash equivalents	$ 1,120,758	$ 11,153,763
Derivative liabilities	18,404,578	1,119,595
Convertible notes payable and accrued interest, net of discount of $775,960	639,647	639,647
Current portion of convertible debentures and other long-term debt, net of debt discounts of $2,468,355	$ 3,883,070	$ -
Convertible notes payable, net of current portion and discount of $6,351,425	$ -	$ -
Stockholders’ equity:		
Common stock, $0.001 par value: 250,000,000 shares authorized; 3,965,470 issued and outstanding, actual; and 9,093,445 shares issued and outstanding, as adjusted(1)	$ 3,965	$ 9,093
Additional paid-in capital	$ 24,446,002	$ 70,257,975
Retained deficit	$ (47,828,293)	$ (62,444,336)
Total stockholders’ equity (deficit)	$ (23,378,326)	$ 7,822,732

(1) The above table assumes the issuance of 1,800,502 shares of our common stock to the holders of our convertible debentures upon their conversion of a portion of the outstanding principal amount of such debentures upon the consummation of this offering pursuant to the 2010 Amendment, issuance of 68,519 shares of our common stock to the holders of our convertible debentures upon their conversion of a portion of the outstanding principal amount of such debentures with a conversion price of $5.40 prior to this offering, the issuance of 133,955 shares of our common stock for services and the exercise of warrants prior to this offering and excludes the following:

- 225,736 shares of common stock reserved for issuance upon the conversion of outstanding convertible promissory notes with a conversion price of $6.12 per share;
- 3,042,406 shares of common stock reserved for issuance upon the exercise of outstanding warrants with a weighted average exercise price of $5.52 per share;
- 74,292 shares of common stock reserved for issuance upon the exercise of outstanding stock options with a weighted average exercise price of $7.05 per share;
- 254,453 shares of common stock available for future grant under our 2002 Stock Incentive Plan and an additional 942,500 shares of common stock available for future grant under our 2009 Stock Incentive Plan;

3,125,000 shares of common stock issuable upon the exercise of the warrants to be issued in connection with this offering; and

156,250 shares of common stock that may be issued to Rodman & Renshaw, LLC upon exercise of the warrant we will sell to them (representing 5% of the shares of common stock sold by us in this offering, excluding the over-allotment option).

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the public offering price per unit you pay and the as adjusted net tangible book value per share of our common stock after this offering. Our net tangible book value as of September 30, 2009 was ($23,637,942), or ($5.96) per share of common stock (after giving effect to the anticipated 12-to-1 reverse stock split). We calculate net tangible book value per share by calculating the difference between the total assets less goodwill and other intangible assets and total liabilities, and dividing the result by the number of shares of common stock outstanding.

Net tangible book value dilution per share represents the difference between the amount per unit paid by new investors who purchase units in this offering and the pro forma net tangible book value per share of common stock immediately after completion of this offering as of September 30, 2009, after giving effect to:

the sale by us of 3,125,000 units at an assumed public offering price of $4.80 per share, each unit consisting of one share of common stock and one warrant to purchase one share of common stock at an exercise price of $5.28 per share and the application of the estimated net proceeds to us in this offering as described under “Use of Proceeds”;

the issuance of 1,800,502 shares of common stock to the holders of our convertible debentures upon their conversion of a portion of the outstanding principal amount of such debentures upon the consummation of this offering pursuant to the 2010 Amendment;

the issuance of 68,519 shares of common stock to the holders of our convertible debentures upon their conversion of a portion of the outstanding principal amount of such debentures prior to this offering;

the issuance of 133,955 shares of common stock for services and the exercise of warrants prior to this offering; and

the estimated underwriting discounts and commissions and offering expenses payable by us.

		Adjusted
Public offering price per share	$	4.80
Net tangible book value as of September 30, 2009	$	(5.96)
Increase attributable to this offering	$	6.79
Adjusted net tangible book value per share after this offering	$	0.83
Dilution in net tangible book value per share to new investors	$	3.97

The following table summarizes as of November 30, 2009, on a pro forma basis to reflect the same adjustments described above, the number of shares of common stock purchased from us, the total consideration paid and the average price per share paid by:

The existing common stockholders (including the holders of our Debentures who are converting a portion of the outstanding principal amount of the Debentures upon the consummation of this offering pursuant to the 2010 Amendment); and

The new investors in this offering, assuming the sale of 3,125,000 units offered hereby at a public offering price of $4.80 per share.

The calculations are based upon total consideration given by new and existing stockholders, before any deduction of estimated underwriting discounts and commissions and offering expenses.

	Shares of common stock Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing Stockholders	5,968,445	66%	$ 10,683,494	42%	$ 1.79
New Investors	3,125,000	34%	$ 15,000,000	58%	$ 4.80
Total	9,093,445	100%	$ 25,683,494	100%	$ 2.82

The above table excludes an aggregate of up to 6,779,933 additional shares of common stock reserved and available for future issuance (i) upon the conversion of all outstanding convertible promissory notes, (ii) the exercise of all outstanding stock options and warrants to purchase common stock, (iii) the exercise of all warrants issued in connection with this public offering, and (iv) under our employee 2002 Plan and our 2009 Plan as of September 30, 2009. As of September 30, 2009, options to purchase 74,292 shares of common stock have been granted, but have not been exercised pursuant to the 2002 Plan and the 2009 Plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes that appear elsewhere in this prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, particularly in "Risk Factors."

General Overview

We are a provider of an innovative cold chain frozen shipping system dedicated to providing superior, affordable cryogenic shipping solutions that ensure the safety, status and temperature, of high value, temperature sensitive materials. We have developed a line of cost effective reusable cryogenic transport containers (referred to as "shippers") capable of transporting biological, environmental and other temperature sensitive materials at temperatures below 0° Celsius. These dry vapor shippers are one of the first significant alternatives to dry ice shipping and achieve 10-plus day holding times compared to one to two day holding times with dry ice.

Our value proposition comes from both providing safe transportation and an environmentally friendly, long lasting shipper, and through our value added services that offer a simple hassle-free solution for our customers. These value-added services include an internet-based web portal that enables the customer to initiate shipping service, track the progress and status of a shipment, and provides in-transit temperature monitoring services of the shipper. CryoPort also provides a fully ready charged shipper containing all freight bills, customs documents and regulatory paperwork for the entire journey of the shipper to our customers at their pick up location.

Our principal focus has been the further development and commercial launch of CryoPort Express® Portal, an innovative IT solution for shipping and tracking high-value specimens through overnight shipping companies, and our CryoPort Express® Shipper, a line of dry vapor cryogenic shippers for the transport of biological and pharmaceutical materials. A dry vapor cryogenic shipper is a container that uses liquid nitrogen in dry vapor form, which is suspended inside a vacuum insulated bottle as a refrigerant, to provide storage temperatures below minus 150° Celsius. The dry vapor shipper is designed using innovative, proprietary, and patented technology which prevents spillage of liquid nitrogen and pressure build up as the liquid nitrogen evaporates. A proprietary foam retention system is employed to ensure that liquid nitrogen stays inside the vacuum container, even when placed upside-down or on its side, as is often the case when in the custody of a shipping company. Biological specimens are stored in a specimen chamber, referred to as a "well," inside the container and refrigeration is provided by harmless cold nitrogen gas evolving from the liquid nitrogen entrapped within the foam retention system surrounding the well. Biological specimens transported using our cryogenic shipper can include clinical samples, diagnostics, live cell pharmaceutical products (such as cancer vaccines, semen and embryos, infectious substances) and other items that require and/or are protected through continuous exposure to frozen or cryogenic temperatures (below minus 150° Celsius).

During our early years, our limited revenue was derived from the sale of our reusable product line. Our current business plan focuses on per-use leasing of the shipping container and added-value services that will be used by us to provide an end-to-end and cost-optimized shipping solution to life science companies moving pharmaceutical and biological samples in clinical trials and pharmaceutical distribution.

Going Concern

As reported in the Report of Independent Registered Public Accounting Firm to our March 31, 2009 and 2008 consolidated financial statements, we have incurred recurring losses and negative cash flows from operations since inception. These factors, among others, raise substantial doubt about our ability to continue as a going concern.

There are significant uncertainties which negatively affect our operations. These are principally related to (i) the expected ramp up of sales of the new CryoPort Express® System, (ii) the absence of any commitment or firm orders from key customers in our target markets, (iii) the success in bringing additional products currently under development to market with our key customers, and (iv) risks associated with scaling company operations to meet demand. Moreover, there is no assurance as to when, if ever, we will be able to conduct our operations on a profitable basis. Our limited historical sales for our reusable product, limited introductory sales to date of the CryoPort Express® System and the lack of any purchase requirements in our existing distribution agreements, make it impossible to identify any trends in our business prospects.

We have not generated significant revenues from operations and have no assurance of any future revenues. We generated revenues from operations of $35,124, incurred a net loss of $16,705,151 and used cash of $2,586,470 in our operating activities during the year ended March 31, 2009. We generated revenues from operations of $22,181, had a net loss of $7,536,045, which included a loss on the change in fair value of our derivative liabilities of $1,401,550 and used cash of $1,145,497 in our operating activities during the six months ended September 30, 2009. In addition, we had a working capital deficit of $22,902,096, and have cash and cash equivalents of $1,120,758 at September 30, 2009. Our working capital deficit at September 30, 2009 included $18,404,758 relating to derivative liabilities, the balance of which represented the fair value of warrants and embedded conversion features related to our convertible debentures and were reclassified from equity during the six months ended September 30, 2009 (see Note 9 in the accompanying unaudited consolidated financial statements). Currently management has projected that cash on hand, including cash borrowed under the convertible promissory notes issued in the first, second, and third quarters of fiscal 2010, will be sufficient to allow us to continue our operations into the fourth quarter of fiscal 2010 until more significant funding can be secured. These matters raise substantial doubt about our ability to continue as a going concern.

Results of Operations

The following table sets forth, for the periods indicated, certain information derived from our consolidated statements of operations.

	Fiscal Year			For the Six Months Ended September 30, (unaudited)	
	2009 (‘000)	2008 (‘000)	2007 (‘000)	2009 (‘000)	2008 (‘000)
Revenues	$ 35	$ 84	$ 67	$ 22	$ 19
Cost of sales	546	386	177	326	253
Gross loss	(511)	(302)	(110)	(304)	(234)
Operating expenses:					
Selling, general and administrative expenses	2,387	2,551	1,899	1,507	1,340
Research and development expenses	297	166	88	181	216
Total operating expenses	2,684	2,717	1,987	1,688	1,556
Loss from operations	(3,195)	(3,019)	(2,097)	(1,992)	(1,790)
Other income (expense):					
Interest income	32	50	-	4	24
Interest expense	(2,693)	(1,593)	(228)	(4,143)	(1,214)
Loss on sale of fixed assets	-	-	-	(1)	-
Change in fair value of derivative liabilities	-	-	-	(1,402)	-
Loss on extinguishment of debt	(10,847)	-	-	-	(6,811)
Total other expense, net	(13,508)	(1,543)	(228)	(5,542)	(8,001)
Loss before income taxes	(16,703)	(4,562)	(2,325)	(7,534)	(9,791)
Income taxes	2	2	2	2	1
Net loss	$ (16,705)	$ (4,564)	$ (2,327)	$ (7,536)	$ (9,792)
Net loss available to common stockholders per common share:					
Basic and diluted loss per common share	$ (4.86)	$ (1.38)	$ (0.90)	$ (2.02)	$ (2.85)
Weighted average common shares outstanding:					

Basic and diluted (after giving effect to the anticipated 12-to-1 reverse stock split)	3,436,515	3,285,427	2,578,596	3,712,997	3,424,432

Six months ended September 30, 2009 compared to six months ended September 30, 2008:

Revenues. During the six months ended September 30, 2009, CryoPort generated $22,181 from shipper sales compared to revenues of $19,406 in the same period of the prior year, an increase of $2,775 (14%). The low revenues in both years was primarily due to CryoPort's shift initiated in mid-2006 in its sales and marketing focus from the reusable shipper product line. CryoPort discontinued sales of the reusable shippers to allow resources to focus on further development and launch of the CryoPort Express® System and its introduction into the biopharmaceutical industry sector during fiscal 2009, which resulted in the slight increase in sales year over year. The slow increase in product sales was the result of delays in CryoPort securing adequate funding for the manufacturing and full commercialization of the CryoPort Express®.

Cost of Sales. Cost of sales for the six month period ended September 30, 2009 increased $73,113 (29%) to $326,444 from $253,331 for the six month period ended September 30, 2008 primarily as the result of increased fixed overhead manufacturing costs which resulted from CryoPort's discontinuation of the reusable shippers and refocus of manufacturing operation for the CryoPort Express® System. During both periods, cost of sales exceeded sales due to fixed manufacturing costs and plant underutilization.

Gross Loss. Gross loss for the six month period ended September 30, 2009 increased by $70,338 (30%) to $304,263 compared to $233,925 for the six month period ended September 30, 2008. The increase in gross loss is due to low revenues and increased fixed overhead manufacturing costs which resulted from the refocus of CryoPort's manufacturing operations as discussed above and plant under utilization.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $167,771 (13%) to $1,507,502 for the six month period ended September 30, 2009 as compared to $1,339,731 for the six month period ended September 30, 2008 due primarily to a $189,136 (17%) increase in general and administrative expenses from $1,124,148 for the six month period ended September 30, 2008 to $1,313,284 for the six month period ended September 30, 2009 and by a $21,365 (10%) decrease in sales and marketing expenses from $215,583 for the six month period ended September 30, 2008 to $194,218 for the six month period ended September 30, 2009. The increase in general and administrative expenses was due to increases in legal and accounting fees, consulting fees and travel expenses. The increase in legal fees was associated with CryoPort's strategic partnering activities and debt restructuring. The decrease in selling expenses was primarily related to a decrease in advertising and promotional costs, consulting and travel costs due to a reduction over prior year costs for additional market research, product development and the development of customer relationships for the commercialization of the CryoPort Express® System. These increases in general and administrative expenses were partially offset by CryoPort's efforts to minimize overall costs and diversion of resources to the focus on market development and sales ramp up of the CryoPort Express® System.

Research and Development Expenses. Research and development expenses decreased by $35,453 (16%) to $180,791 for the six month period ended September 30, 2009 as compared to $216,244 for the six month period ended September 30, 2008. Prior year expenses included consulting costs associated with software development for the web based system to be used with the CryoPort Express® One-Way Shipper, and to other research and development activity related to the CryoPort Express® One-Way Shipper System, as CryoPort strove to develop improvements in both the manufacturing processes and product materials for the purpose of achieving additional product cost efficiencies.

Interest Expense. Interest expense increased $2,929,388 to $4,143,256 for the six month period ended September 30, 2009 as compared to $1,213,868 for the six month period ended September 30, 2008. This increase was due to $3,737,569 of amortized debt discount, $25,579 of amortized financing fees, and $380,108 of accrued interest, primarily related to the Debentures and the Private Placement Debentures that were issued during the six month period

ended September 30, 2009. These increases were partially offset by a reduction in interest expense for related party notes payable and notes payable to officers as the result of the payments made against the principal note balances.

Interest Income. CryoPort recorded interest income of $3,714 for the six month period ended September 30, 2009 as compared to $24,008 for the six month period ended September 30, 2008. Prior year interest income included the impact of increased cash balances related to the funds received in connection with the Debentures.

Gain (Loss) on Extinguishment of Debt. CryoPort incurred a loss on extinguishment of debt of $6,902,941 during the six months ended September 30, 2008 as the result of the April 30, 2008 Amendment of the October Debentures which provided for a six month deferral of principal payments. The loss consists of a combination of the $5,858,344 increase in the fair market value of warrants issued in connection with the October 2007 Debentures as a result of the increase in the number of shares of common stock to be purchased under each of the October Warrants and to the decrease in the exercise price of October 2007 Warrants from $10.80, $11.04 and $19.20 to $7.20 each, the elimination of the April 30, 2008 unamortized balance of deferred financing costs of $312,197 and the $732,400 reduction in the unamortized discount balance related to the October 2007 Debentures to reflect the present value of the debentures as of April 30, 2008 (see Note 8 of the accompanying unaudited consolidated financial statements). There was no loss on extinguishment of debt during the six months ended September 30, 2009.

CryoPort incurred a gain on extinguishment of debt of $91,727 during the six months ended September 30, 2008 as the result of the August 29, 2008 Amendment of the October Debentures which provided for an increase of $866,202 in the principal balance of the October Debentures for the interest that would have been paid September 30, 2008 and December 31, 2008 and for 15% of the aforementioned interest and the outstanding principal as of the date of the amendment. The gain consists of a combination of the $866,202 increase in principal offset by the $899,004 increase in the unamortized discount balance and the previously accrued interest of $58,925 related to the October Debentures to reflect the present value of the debentures as of August 29, 2008 (see Note 8 of the accompanying unaudited consolidated financial statements). There was no gain on extinguishment of debt in the six months ended September 30, 2009.

Net Loss. As a result of the factors described above, the net loss for the six months ended September 30, 2009 decreased by $2,255,729 to $7,536,045 or ($2.02) per share compared to $9,791,774 or ($2.85) per share for the six months ended September 30, 2008, assuming the consummation of a reverse stock split, at a ratio of 12-to-1. Loss from operations for the six months ended September 30, 2009 increased $202,656 to $1,992,556 compared to $1,789,900 for the six months ended September 30, 2008.

Year Ended March 31, 2009 Compared to Year Ended March 31, 2008:

Revenues. During the year ended March 31, 2009, CryoPort generated revenues of $35,124 compared to revenues of $83,564 during the year ended March 31, 2008, a decrease of $48,440 (58.0%). These low revenues in both years is primarily due to CryoPort’s shift initiated in mid-2006 in its sales and marketing focus from the reusable shipper product line. Further, the decrease in revenues was caused by the discontinuation of the sales of the reusable shippers early fiscal 2009 to allow resources to focus on the further development and launch of the CryoPort Express® System and its introduction into the biopharmaceutical industry sector during fiscal 2009 and to the delays in CryoPort’s securing adequate funding for the manufacturing and full commercialization of the CryoPort Express®.

Cost of Sales. Cost of sales for the year ended March 31, 2009 increased $159,781 (41.4%) to $546,152 from $386,371 for the year ended March 31, 2008 as the result of increased fixed overhead manufacturing costs resulting from CryoPort’s discontinuation of the reusable shippers and preparation of manufacturing operation for the launch of the new CryoPort Express® System during fiscal 2009. During both periods, cost of sales exceeded sales due to fixed manufacturing costs and plant underutilization.

Gross Loss. Gross loss for the year ended March 31, 2009 increased by $208,221 (68.8%) to $511,028 compared to $302,807 for the year ended March 31, 2008. The increase in the gross loss is due to decreased revenues and increased fixed overhead manufacturing costs resulting from CryoPort’s discontinuation of the reusable shippers and preparation of manufacturing operation for the launch of the new CryoPort Express® System during fiscal 2009.

Selling, General and Administrative Expenses. Selling, general and administrative expenses decreased by $163,491 (6.4%) to $2,387,287 for the year ended March 31, 2009 compared to $2,550,778 for the year ended March 31, 2008 due mainly to a decrease in general and administrative costs of $213,453 (9.6%) which was partially offset by an increase in selling expenses of $49,962 (15.4%). The decrease in general and administrative expenses was primarily due to CryoPort's efforts to minimize overall costs and diversion of resources to the focus on market development and sales ramp up of the CryoPort Express® System. These general and administrative cost reductions were partially offset by increases in legal and accounting fees, insurance premiums and travel expenses. The increased selling expenses were primarily related to increased advertising and promotional costs, consulting and travel costs as the result of additional market research, product development and the development of customer relationships for the commercialization of the CryoPort Express® System.

Research and Development Expenses. Research and development expenses increased by $131,151 (78.9%) to $297,378 for the year ended March 31, 2009 as compared to $166,227 for the year ended March 31, 2008 in relation to the progression of the research and development activity, related to the initial development of the web based customer service portal utilized by the CryoPort Express® System. Further these efforts are expected to lead to the introduction of shippers of varying sizes based on market requirements, constructed of lower cost materials and utilizing high volume manufacturing methods that will make it practical to provide the cryogenic packages offered by the CryoPort Express® System. Other research and development effort has been directed toward third party certification testing and improvements to the liquid nitrogen retention system to render it more reliable in the general shipping environment and to the design of the outer packaging.

Interest Expense. Interest expense increased $1,100,665 to $2,693,383 for the year ended March 31, 2009 as compared to $1,592,718 for the year ended March 31, 2008. This increase is primarily due to the interest costs related to the Debentures including primarily increases of $1,008,130 resulting from the amortization of additional debt discounts and $150,913 of interest expense on the face value of the debentures which were partially offset by reductions in amortization of deferred financing fees and interest expense for related party notes payable as the result of the payments made against the principal note balances.

Interest Income. CryoPort recorded interest income of $32,098 for the year ended March 31, 2009 as compared to $50,076 for the year ended March 31, 2008 as the result of decreased cash balances related to the use of funds for operations during the year.

Loss on Extinguishment of Debt. CryoPort incurred a total combined loss on extinguishment of debt of $10,846,573 during the year ended March 31, 2009 as the result of the resulting change in valuation of the debt and related warrants associated with the Amendments to the October 2008 Debentures in April 2008, August 2008 and January 2009 and the change in valuation of the debt and related warrants associated with the January 2009 Amendment to the May 2008 Debentures. The loss consists of a combined total loss on extinguishment of debt on the October 2007 Debentures of $9,449,498 and $1,397,075 on the May 2008 Debentures. There was no loss on extinguishment of debt during the year ended March 31, 2008.

Net Loss. As a result of the factors described above, the net loss for the year ended March 31, 2009 increased by $12,141,097 (266%) to $16,705,151 or ($4.86) per share compared to $4,564,054 or ($1.38) per share for the year ended March 31, 2008, assuming the consummation of a reverse stock split, at a ratio of 12-to-1.

Liquidity and Capital Resources

As of September 30, 2009, we had cash and cash equivalents of $1,120,758 and negative working capital of $22,902,096. CryoPort's working capital deficit at September 30, 2009 included $18,404,578 of derivative liabilities, the balance of which represented the fair value of warrants and embedded conversion features related to CryoPort's convertible debentures and were reclassed from equity during the six months ended September 30, 2009. As of March 31, 2009, CryoPort had cash and cash equivalents of $249,758 and negative working capital of $3,693,015.

Net cash used in operating activities was $1,145,497 for the six months ended September 30, 2009, compared to net cash used in operating activities of $1,584,022 for the six months ended September 30, 2008. Net loss for the six months ended September 30, 2009 of $ 7,536,045 included a non-cash loss of $1,401,550 due to the change in valuation of our derivative liabilities and non-cash expenses of $3,737,569 due primarily to discount amortization related to our convertible debt instruments. Offsetting the cash impact of our net operating loss (excluding non-cash items) was an increase in accrued interest payable of $278,325 primarily due to our Private Placement Debentures and an increase in accounts payable of $175,268 due primarily to increased general and administrative expenses. Net cash used in operating activities of $1,584,022 for the six months ended September 30, 2008 reflected a net operating loss

of $9,791,774, which included a non-cash loss on extinguishment of debt of $6,811,214 and non-cash expenses of $958,856 due primarily to discount amortization related to our convertible debt instruments. In addition to our net operating loss and related cash impact, inventories increased by $299,393 and were offset by the positive cash impact of an increase in accrued interest payable related to our May 2008 debenture.

Net cash used in investing activities for the six months ended September 30, 2009 was $34,139 compared to net cash used in investing activities of $53,676 for the comparable period in 2008. Net cash used in investing activities for the six months ended September 30, 2009 primarily reflected payment of trademark costs. Net cash used in investing activities for the six months ended September 30, 2008 was comprised primarily of fixed asset purchases.

Net cash provided by financing activities for the six months ended September 30, 2009 was $2,050,636 and was primarily related to proceeds from our Private Placement Debentures of $1,321,500, which were partially offset by payment of deferred financing costs and payments on our related party notes payable. Net cash provided by financing activities of $625,713 for the six months ended September 30, 2008 reflected proceeds from our May 2008 Debentures of $1,062,500, which were partially offset by payments for financing costs, repayments on convertible and related party notes payable.

Contractual Obligations and Commitments

The following summarizes CryoPort's contractual obligations at March 31, 2009, and the effects such obligations are expected to have on liquidity and cash flow in future periods:

	Payments Due by Period				
Contractual Obligations	Total	Less than 1 Yr	1-3 Years	4-5 Years	After 5 Years
Related Party Notes	$ 1,129,500	$ 150,000	$ 224,000	$ 192,000	$ 563,500
Convertible Debentures (a)	6,681,629	4,454,424	2,227,205	-	-
Operating Lease	221,000	156,000	65,000	-	-
Note Payable to P. Berry	143,950	90,000	53,950	-	-
Line of Credit	90,310	90,310	-	-	-
Private Placement Convertible Debt	60,000	60,000	-	-	-
Total Contractual Cash Obligations	$ 8,326,389	$ 5,000,734	$ 2,570,155	$ 192,000	$ 563,500

(a) Pursuant to the 2010 Amendment, a portion of the outstanding principal balance of the Debentures will be converted into shares of common stock upon completion of this offering.

Impact of Inflation. From time to time, CryoPort experiences price increases from third party manufacturers and these increases cannot always be passed on to CryoPort's customers. While these price increases have not had a material impact on CryoPort's historical operations or profitability in the past, they could affect revenues in the future.

Research and Development

We have completed the research and development efforts associated with initial phases of the web-based order entry and tracking system and the CryoPort Express® Shippers, a line of dry vapor cryogenic shippers, the essential components of our CryoPort Express® System, which has been developed to provide a one-call total solution for the transport of temperature sensitive, biological and pharmaceutical materials. We continue to provide ongoing research associated with the CryoPort Express® System, as we develop improvements in both the manufacturing processes and product materials and in the web-based customer service portal for the purpose of achieving additional cost efficiencies and customer functionality. As with any research effort, there is uncertainty and risk associated with whether these efforts will produce results in a timely manner so as to enhance our market position. For the six months ended September 30, 2009 and 2008, research and development costs were $180,791 and $216,244, respectively. CryoPort's sponsored research and development costs related to future products and redesign of present products are expensed as incurred and include such costs as salaries, employee benefits, costs determined utilizing the Black-Scholes option-pricing model for options issued to the Scientific Advisory Board and prototype design and materials costs.

Our research and development efforts are focused on continually improving the features of the CryoPort Express® System including the web-based customer service portal and the CryoPort Express® Shippers. Further, these efforts are expected to lead to the introduction of shippers of varying sizes based on market requirements, constructed of

lower cost materials and utilizing high volume manufacturing methods that will make it practical to provide the cryogenic shippers offered by the CryoPort Express® System. Other research and development effort has been directed toward improvements to the liquid nitrogen retention system to render it more reliable in the general shipping environment and to the design of the outer packaging.

Critical Accounting Policies

CryoPort's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. CryoPort bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, however, in the past the estimates and assumptions have been materially accurate and have not required any significant changes. Specific sensitivity of each of the estimates and assumptions to change based on other outcomes that are reasonably likely to occur and would have a material effect is identified individually in each of the discussions of the critical accounting policies described below. Should we experience significant changes in the estimates or assumptions which would cause a material change to the amounts used in the preparation of our financial statements, material quantitative information will be made available to investors as soon as it is reasonably available.

CryoPort believes the following critical accounting policies, among others, affect our more significant judgments and estimates used in the preparation of our unaudited consolidated financial statements:

Allowance for Doubtful Accounts. CryoPort maintains allowances for doubtful accounts for estimated losses resulting from the inability of CryoPort's customers to make required payments. The allowance for doubtful accounts is based on specific identification of customer accounts and CryoPort's best estimate of the likelihood of potential loss, taking into account such factors as the financial condition and payment history of major customers. CryoPort evaluates the collectability of CryoPort's receivables at least quarterly. Such costs of allowance for doubtful accounts is subject to estimates based on the historical actual costs of bad debt experienced, total accounts receivable amounts, age of accounts receivable and any knowledge of the customers' ability or inability to pay outstanding balances. If the financial condition of CryoPort's customers were to deteriorate, resulting in impairment of their ability to make payments, additional allowances may be required. The differences could be material and could significantly impact cash flows from operating activities.

Inventory. CryoPort writes down its inventories for estimated obsolescence or unmarketable inventory equal to the difference between the cost of inventory and the estimated market value based upon assumptions about future demand, future pricing and market conditions. Inventory reserve costs are subject to estimates made by CryoPort based on historical experience, inventory quantities, age of inventory and any known expectations for product changes. If actual future demands, future pricing or market conditions are less favorable than those projected by management, additional inventory write-downs may be required and the differences could be material. Such differences might significantly impact cash flows from operating activities. Once established, write-downs are considered permanent adjustments to the cost basis of the obsolete or unmarketable inventories.

During our early years, our limited revenue was derived from the sale of our reusable product line. Our current business plan focuses on per-use leasing of the shipping container and added-value services that will be used by us to provide an end-to-end and cost-optimized shipping solution.

We provide shipping containers to our customers and charge a fee in exchange for the use of the containers. CryoPort's arrangements are similar to the accounting standard for leases since they convey the right to use the containers over a period of time. We retain title to the containers and provide our customers the use of the containers for a specified shipping cycle. At the culmination of a customer's shipping cycle, the container is returned to us. As a result, during the quarter ended September 30, 2009, we reclassified the containers from inventory to fixed assets upon commencement of the loaned-container program.

Intangible Assets. Intangible assets are comprised of patents and trademarks and software development costs. CryoPort capitalizes costs of obtaining patents and trademarks which are amortized, using the straight-line method over their estimated useful life of five years. CryoPort capitalizes certain costs related to software developed for internal use. Software development costs incurred during the preliminary or maintenance project stages are expensed as incurred, while costs incurred during the application development stage are capitalized and amortized using the straight-line method over the estimated useful life of the software which is five years. Capitalized costs include purchased materials and costs of services including the valuation of warrants issued to consultants using the Black-Scholes option pricing model.

Impairment of Long-Lived Assets. CryoPort assesses the recoverability of its long-lived assets by determining whether the depreciation and amortization of long-lived assets over their remaining lives can be recovered through projected undiscounted cash flows. The amount of long-lived asset impairment is measured based on fair value and is charged to operations in the period in which long-lived asset impairment is determined by management. Manufacturing fixed assets are subject to obsolescence potential as result of changes in customer demands, manufacturing process changes and changes in materials used. CryoPort is not currently aware of any such changes that would cause impairment to the value of its manufacturing fixed assets.

Deferred Financing Costs. Deferred financing costs represent costs incurred in connection with the issuance of the convertible notes payable. Deferred financing costs are being amortized over the term of the financing instrument on a straight-line basis, which approximates the effective interest method.

Accrued Warranty Costs. CryoPort estimates the costs of the standard warranty, which is included with the reusable shippers at no additional cost to the customer for a period up to one year. These estimated costs are recorded as accrued warranty costs at the time of product sale. These estimated costs are subject to estimates made by CryoPort based on the historical actual warranty costs, number of products returned for warranty repair, and length of warranty coverage.

Revenue Recognition. Four conditions must be met before revenue can be recognized: (i) there is persuasive evidence that an arrangement exists; (ii) delivery has occurred or service has been rendered; (iii) the price is fixed or determinable; and (iv) collection is reasonably assured. CryoPort records a provision for sales returns and claims based upon historical experience. Actual returns and claims in any future period may differ from CryoPort's estimates.

During our early years, our limited revenue was derived from the sale of our reusable product line. Our current business plan focuses on per-use leasing of the shipping container and added-value services that will be used by us to provide an end-to-end and cost-optimized shipping solution.

We provide shipping containers to our customers and charge a fee in exchange for the use of the containers. CryoPort's arrangements are similar to the accounting standard for leases since they convey the right to use the containers over a period of time. We retain title to the containers and provide our customers the use of the containers for a specified shipping cycle. At the culmination of a customer's shipping cycle, the container is returned to us. As a result, during the quarter ended September 30, 2009, we reclassified the containers from inventory to fixed assets upon commencement of the loaned-container program.

Stock-Based Compensation. CryoPort accounts for share-based payments to employees and directors in the consolidated financial statements based upon their fair values. CryoPort uses the Black-Scholes option pricing model to estimate the grant-date fair value of share-based awards. Fair value is determined at the date of grant. The consolidated financial statement effect of forfeitures is estimated at the time of grant and revised, if necessary, if the actual effect differs from those estimates. The estimated average forfeiture rate for the periods ended June 30, 2009 and 2008 was zero as CryoPort has not had a significant history of forfeitures and does not expect forfeitures in the future.

All transactions in which goods or services are the consideration received by non-employees for the issuance of equity instruments are accounted for based on the fair value of the consideration received by non-employees or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date used to determine the fair value of the equity instrument issued is the earlier of the date on which the third party performance is complete or the date on which it is probable that performance will occur.

Derivative Liabilities. Our issued and outstanding common stock purchase warrants and embedded conversion features previously treated as equity pursuant to the derivative treatment exemption were no longer afforded equity treatment, and the fair value of these common stock purchase warrants and embedded conversion features, some of which have exercise price reset features and some that were issued with convertible debt, from equity to liability status as if these warrants were treated as a derivative liability since their date of issue. The common stock purchase warrants were not issued with the intent of effectively hedging any future cash flow, fair value of any asset, liability or any net investment in a foreign operation. The warrants do not qualify for hedge accounting, and as such, all future changes in the fair value of these warrants will be recognized currently in earnings until such time as the warrants are exercised or expire. These common stock purchase warrants do not trade in an active securities market, and as such, we estimate the fair value of these warrants using the Black-Scholes option pricing model.

Convertible Debentures. If the conversion feature of conventional convertible debt provides for a rate of conversion that is below market value, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by CryoPort as a debt discount. In those circumstances, the convertible debt will be recorded net of the discount related to the BCF. CryoPort amortizes the discount to interest expense over the life of the debt using the effective interest method.

Recent Accounting Pronouncements

In September 2006, the FASB issued new standards that defined fair value, established a framework for measuring fair value in accordance with GAAP, and required enhanced disclosures about fair value measurements. This framework became effective for financial statements issued for fiscal years beginning after November 15, 2007. In February 2008 the FASB delayed the effective date of the fair value framework for non-financial assets and liabilities, other than those that are recognized or disclosed at fair value on a recurring basis, to fiscal years beginning after November 15, 2008. In addition, in October 2008, the FASB clarified the application of the framework in an inactive market and to illustrate how an entity would determine fair value in an inactive market. Our adoption of the fair value framework and for non-financial assets and liabilities did not have a material impact on our consolidated financial statements.

In November 2007, the Emerging Issues Task Force (EITF) issued guidance that required collaborators to present the results of activities for which they act as the principal on a gross basis and report any payments received from (made to) other collaborators based on other applicable GAAP or, in the absence of other applicable GAAP, based on analogy to authoritative accounting literature or a reasonable, rational, and consistently applied accounting policy election. The guidance clarified that the determination of whether transactions within a collaborative arrangement are part of a vendor-customer (or analogous) relationship. The guidance was effective for fiscal years beginning after December 15, 2008 and did not have a material impact on our consolidated financial statements.

In December 2007, the FASB revised the requirements for accounting for business combinations, which requires companies to record most identifiable assets, liabilities, noncontrolling interests, and goodwill acquired in a business combination at "full fair value." The revised guidelines require companies to record fair value estimates of contingent consideration and certain other potential liabilities during the original purchase price allocation and to expense acquisition costs as incurred. These revised standards apply to all business combinations, including combinations by contract alone. Further, all business combinations are to be accounted for by applying the acquisition method. The revised business combination accounting standards were effective for fiscal years beginning on or after December 15, 2008. Our adoption of the business combination accounting standards did not have a material impact on our consolidated financial statements and any future business combinations will be evaluated under this accounting standard.

In December 2007, the FASB issued new standards that required noncontrolling interests (previously referred to as minority interests) be treated as a separate component of equity, not as a liability or other item outside of permanent equity. These guidelines apply to the accounting for noncontrolling interests and transactions with non-controlling interest holders in consolidated financial statements and will be applied prospectively to all noncontrolling interests, including any that arose before the effective date except that comparative period information must be recast to classify noncontrolling interests in equity, attribute net income and other comprehensive income to noncontrolling interests, and provide other required disclosures. Our adoption of accounting for noncontrolling interests at the beginning of fiscal year 2009 had no impact on our consolidated financial statements.

In March 2008, the FASB issued new standards that required enhanced disclosures regarding derivatives and hedging activities, including: (i) the manner in which an entity uses derivative instruments; (ii) the manner in which derivative instruments and related hedged items are accounted for under existing guidance; and (iii) the effect of derivative

instruments and related hedged items on an entity's financial position, financial performance and cash flows. The standards are effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. Our adoption of the enhanced derivative and hedging activity disclosures did not have a material impact on our consolidated financial statements.

In April 2009, the FASB expanded fair value disclosures required for all financial instruments to interim periods for publicly traded entities. Entities are required to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments in financial statements on an interim basis and to highlight any changes of the methods and significant assumptions from prior periods. It does not require interim disclosures of credit or market risks. The revised disclosure requirements did not have a material impact on our consolidated financial statements.

In May 2009, the FASB issued established general standards of accounting for and disclosures of events that occur after the balance sheet date, but before financial statements are issued or are available to be issued (subsequent events). These standards are effective prospectively for interim or annual financial periods ending after June 15, 2009. The Company’s adoption of these standards did not have a material impact on our consolidated financial statements. We have evaluated subsequent events through the date of our issuance of the consolidated financial statements.

In June 2009, the FASB issued The FASB Accounting Standard Codification and the Hierarchy of Generally Accepted Accounting Principles (the Codification) as a single source of authoritative nongovernmental GAAP to be launched July 1, 2009. The Codification does not change current GAAP, but is intended to simplify user access to all authoritative GAAP by providing all the authoritative literature related to a particular topic in one place. The Codification became effective for us in the interim period ending September 30, 2009, and as a result all references made to GAAP use the new Codification numbering system prescribed by the FASB. However, as the Codification is not intended to change existing GAAP, it is not expected to have any impact on our financial position, operating results or cash flows.

Change in Accounting Principle

In June 2008, the EITF issued guidance to address concerns regarding the meaning of "indexed to an entity’s own stock" as outlined in the accounting guidance for derivative instruments and hedging activities. Equity-linked instruments (or embedded features) that otherwise meet the definition of a derivative are not accounted for as derivatives if certain criteria are met, one of which is that the instrument (or embedded feature) must be indexed to the entity’s own stock. Guidance is provided on how to determine if equity linked instruments (or embedded features) such as warrants to purchase our stock and convertible notes are considered indexed to our stock. Our warrant and convertible-debt agreements contained adjustment (or ratchet) provisions in the agreements, and accordingly, we determined that these instruments were not indexed to our common stock. As a result, we were required to account for these instruments as derivatives or liabilities. We adopted the guidance beginning April 1, 2009, and applied the provisions to outstanding instruments as of that date. The cumulative effect at April 1, 2009 to record, at fair value, a liability for the warrants and embedded conversion feature, including the effects on the discounts on the convertible notes of $2,595,059, resulted in an aggregate reduction to equity of $13,875,623, consisting of a reduction to additional paid-in capital of $4,217,730 and an increase in the accumulated deficit of $9,657,893 to reflect the change in the accounting. Under the new guidance our warrants and embedded conversion features will be carried at fair value and adjusted quarterly through earnings.

BUSINESS

Overview

We are a provider of an innovative cold chain frozen shipping system dedicated to providing superior, affordable cryogenic shipping solutions that ensure the safety, status and temperature of high value, temperature sensitive materials. We have developed a line of cost effective reusable cryogenic transport containers (referred to as "shippers") capable of transporting biological, environmental and other temperature sensitive materials at temperatures below 0° Celsius. These dry vapor shippers are one of the first significant alternatives to dry ice shipping and achieve 10-plus day holding times compared to one to two day holding times with dry ice.

Our value proposition comes from both providing safe transportation and an environmentally friendly, long lasting shipper, and through our value added services that offer a simple hassle-free solution for our customers. These value-added services include an internet-based web portal that enables the customer to initiate shipping service, track the progress and status of a shipment, and provides in-transit temperature monitoring services of the shipper. CryoPort also provides a fully ready charged shipper containing all freight bills, customs documents and regulatory paperwork for the entire journey of the shipper to its customers at their pick up location.

Our principal focus has been the further development and commercial launch of CryoPort Express® Portal, an innovative IT solution for shipping and tracking high-value specimens through overnight shipping companies, and our CryoPort Express® Shipper, a line of dry vapor cryogenic shippers for the transport of biological and pharmaceutical materials. A dry vapor cryogenic shipper is a container that uses liquid nitrogen in dry vapor form, which is suspended inside a vacuum insulated bottle as a refrigerant, to provide storage temperatures below minus 150° Celsius. The dry vapor shipper is designed using innovative, proprietary, and patented technology which prevents spillage of liquid nitrogen and pressure build up as the liquid nitrogen evaporates. A proprietary foam retention system is employed to ensure that liquid nitrogen stays inside the vacuum container, even when placed upside-down or on its side, as is often the case when in the custody of a shipping company. Biological specimens are stored in a specimen chamber, referred to as a “well,” inside the container and refrigeration is provided by harmless cold nitrogen gas evolving from the liquid nitrogen entrapped within the foam retention system surrounding the well. Biological specimens transported using our cryogenic shipper can include clinical samples, diagnostics, live cell pharmaceutical products (such as cancer vaccines, semen and embryos, infectious substances) and other items that require and/or are protected through continuous exposure to frozen or cryogenic temperatures (below minus 150 ° Celsius).

Corporate History and Structure

CryoPort, Inc. is a Nevada corporation originally incorporated under the name G.T.5-Limited (“GT5”) on May 25, 1990. In connection with a Share Exchange Agreement, on March 15, 2005 we changed our name to CryoPort, Inc. and acquired all of the issued and outstanding shares of common stock of CryoPort Systems, Inc., a California corporation, in exchange for 2,009,009 shares (after giving effect to the anticipated 12-to-1 reverse stock split) of our common stock (which represented approximately 81% of the total issued and outstanding shares of common stock following the close of the transaction). CryoPort Systems, Inc, which was originally formed in 1999 as a California limited liability company, and subsequently reorganized into a California corporation on December 11, 2000, remains the operating company under CryoPort, Inc.

Market Opportunity

As a result of growing globalization, including with respect to such areas as life science clinical trials and distribution of pharmaceutical products, the requirement for effective solutions for keeping certain clinical samples and pharmaceutical products at frozen temperatures takes on added significance due to extended shipping times, custom

delays and logistics challenges. Today, such goods are traditionally shipped in cardboard insulated containers packed with dry ice, gel/freezer packs or a combination thereof. The current dry ice solutions have limitations that severely limit their effective and efficient use for both short and long-distances (e.g., international). Conventional dry ice shipments often require labor intensive “re-icing” operations resulting in higher labor and shipping costs.

We believe that our patented cryogenic shippers make us well positioned to take advantage of the growing demand for effective and efficient international transport of temperature sensitive materials resulting from continued globalization. Of particular significance is the trend within the pharmaceutical and biotechnology industries toward globalization. We believe this presents a new and unique opportunity for pharmaceutical companies, particularly early or developmental stage companies, to conduct some of their clinical trials in foreign countries where the cost may be cheaper and/or because the foreign countries significantly larger population provides a larger pool of potential patients suffering from the indication that the drug candidate is being designed to treat. We also plan to provide domestic shipping solutions in situations and regions where there is a high priority placed on maintaining the integrity of materials shipped at cryogenic temperatures and where we can be cost effective.

Our product offering and service offering consists of our CryoPort Express® Shippers, a line of reusable dry vapor shippers, our Smart Pak data logger, a temperature monitoring system (which, together with our CryoPort Express® Shippers, comprise our new business model referred to as the CryoPort Express® System) and a containment bag which is used in connection with the shipment of infectious or dangerous goods using the CryoPort Express® Shipper.

The CryoPort Express® Shippers

Our CryoPort Express® Shippers are a line of multiple size, cryogenic dry vapor shippers capable of maintaining cryogenic temperatures of minus 150° Celsius or below for a period of 10 or more days. A dry cryogenic shipper is a device that uses liquid nitrogen contained inside a vacuum insulated bottle which serves as a refrigerant to provide storage temperatures below minus 150° Celsius. Our CryoPort Express® shipper is designed to ensure that there is no pressure build up as the liquid nitrogen evaporates or spillage of liquid nitrogen. We have developed a proprietary foam retention system to ensure that liquid nitrogen stays inside the vacuum container, which allows the shipper to be designated as a dry shipper meeting International Air Transport Association (“IATA”) requirements. Biological or pharmaceutical specimens are stored in a specimen chamber, referred to as a “well”, inside the container and refrigeration is provided by cold nitrogen gas evolving from the liquid nitrogen entrapped within the foam retention system. Specimens that may be transported using our cryogenic shipper include live cell pharmaceutical products such as cancer vaccines, diagnostic materials, semen and embryos, infectious substances and other items that require continuous exposure to frozen or cryogenic temperatures (e.g., temperatures below minus 150° Celsius).

The technology underlying the CryoPort Express® Shipper was developed by modifying and advancing technology from our first generation of reusable cryogenic dry shippers. While our CryoPort Express® Shippers share many of the characteristics and basic design details of our earlier shippers, we are manufacturing our CryoPort Express® Shippers from alternative, lower cost materials, which will reduce overall operating costs. We maintain ongoing development efforts related to our shippers which are principally focused on material properties, particularly those properties related to the low temperature requirement, the vacuum retention characteristics, such as the permeability of the materials, and lower cost materials in an effort to meet the market needs for achieving a lower cost frozen and cryogenic shipping solution. Other advances additional to the development work on the cryogenic container include both an improved liquid nitrogen retention system and a secondary protective, spill proof packaging system. This secondary system, outer packaging has a low cost that lends itself to disposability, and it is made of recyclable materials. Further, it adds an additional liquid nitrogen retention capability to further assure compliance with IATA and ICAO regulations that prohibit egress of liquid nitrogen from the shipping package. IACO stands for the International Civil Aviation Organization, which is a United Nations organization that develops regulations for the safe transport of dangerous goods by air.

Our CryoPort Express® Shippers are lightweight, low-cost, re-usable dry vapor liquid nitrogen storage containers that we believe combine the best features of packaging, cryogenics and high vacuum technology. A CryoPort Express® Shipper is composed of an aluminum metallic dewar flask, with a well for holding the biological material in the inner chamber. The dewar flask, or "thermos bottle," is an example of a practical device in which the conduction, convection and radiation of heat are reduced as much as possible. The inner chamber of the shipper is surrounded by a high surface, low density open cell plastic foam material which retains the liquid nitrogen in-situ by absorption, adsorption and surface tension. Absorption is defined as the taking up of matter in bulk by other matter, as in the dissolving of a gas by a liquid, whereas adsorption is the surface retention of solid, liquid or gas molecules, atoms or ions by a solid or liquid. This material absorbs liquid nitrogen several times faster than currently used materials, while providing the shipper with a hold time and capacity to transport biological materials safely and conveniently. The annular space between the inner and outer dewar chambers is evacuated to a very high vacuum (10-6 Torr). The specimen-holding chamber has a primary cap to enclose the specimens, and a removable and replaceable secondary cap to further enclose the specimen holding container and to contain the liquid nitrogen. The entire dewar vessel is then wrapped in a plurality of insulating and cushioning materials and placed in a disposable outer packaging made of recyclable material.

We believe the above product configuration satisfies the needs of the markets that require the temperature-critical, frozen and refrigerated transport of biological materials, such as the pharmaceutical clinical trials, gene biotechnology, infectious materials handling, and animal and human reproduction markets. Due to our proprietary technology and innovative design, our shippers are less prone to losing functional hold time when not kept in an upright position than the competing products because such proprietary technology and innovative design prevent the spilling or leakage of the liquid nitrogen when the container is tipped or on its side which would adversely affect the functional hold time of the container.

An important feature of the CryoPort Express® Shippers is their compliance with the stringent packaging requirements of IATA Packing Instructions 602 and 650, respectively. These instructions include the internal pressure (hydraulic) and drop performance requirements.

The CryoPort Express® System

The CryoPort Express® System is comprised of the CryoPort Express® Shipper, the CryoPort Express® Smart Pak data logger, CryoPort Express® Portal, which manages order entry and all aspects of shipping operations, and CryoPort Express® Analytics, which monitors shipment performance metrics and evaluates temperature monitoring data collected by the data logger during shipment. The CryoPort Express® System is focused on improving the reliability of frozen shipping while reducing the customers' overall operating costs. This is accomplished by providing a complete end-to-end solution for the transport and monitoring of frozen or cryogenically preserved biological or pharmaceutical materials shipped though overnight shipping companies.

CryoPort Express® Portal

The CryoPort Express® Portal is used by CryoPort, our customers and our business partners to automate the entry of orders, prepare customs documentation and to facilitate status and location monitoring of shipped orders while in transit. As an example, the CryoPort Express® Portal is fully integrated with IT systems at FedEx and runs in a browser requiring no software installation. It is used by CryoPort to manage shipping operations and to reduce administrative costs typically provisioned through manual labor relating to order-entry, order processing, preparation of shipping documents and back-office accounting. It is also used to support the high level of customer service expected by the industry. Certain features of the CryoPort Express® Portal reduce operating costs and facilitate the scaling of CryoPort's business, but more importantly they offer significant value to the customer in terms of cost avoidance and risk mitigation. Examples these features include automation of order entry, development of Key

Performance Indicators (“KPI”) to support our efforts for continuous process improvements in our business, and programmatic exception monitoring to detect and sometimes anticipate delays in the shipping process, often before the customer or the shipping company becomes aware of it. In the future we will add rate and mode optimization and in-transit monitoring of temperature, location and state of health (discussed below), via wireless communications.

The CryoPort Express® Portal also serves as the communications nerve center for the management, collection and analysis of Smart Pak data harvested from Smart Pak data loggers in the field. Data is converted into pre-designed reports containing valuable and often actionable information that becomes the quality control standard or “pedigree” of the shipment. This high value information can be utilized by CryoPort to provide consultative services to the customer relating to cryogenics.

The CryoPort Express® Smart Pak

Temperature monitoring is a high value feature from our customers' perspective as it is an effective and reliable method to determine that the shipment materials were not damaged or degraded during shipment due to temperature fluctuations. We recently completed successful testing of Phase II of our Smart Pak System which is a self-contained automated data logger capable of recording the internal and external temperatures of samples shipped in our CryoPort Express® Shipper, and we anticipate commercial launch of this added feature in 2010.

Phase III of our Smart Pak System is anticipated to launch by the end of fiscal year 2010, and consists of adding a smart chip to each shipper with wireless connectivity to enable our customers to monitor a shipper's location, specimen temperature and overall state of health via our web portal. A key feature of the Phase III product is automatic downloading of data which requires no customer intervention.

CryoPort Express® Analytics

Our continued development of the CryoPort Express® Portal is a strategic element of our business strategy and the CryoPort Express® Portal system has been designed to support planned future features with this thought in mind. Analytics is a term used by IT professionals to refer to performance benchmarks or Key Performance Indicators (KPI's) that management utilizes to measure performance against desired standards. Examples include time-based metrics for order processing time and on-time deliveries by our shipping partners, as well as profiling shipping lanes to determine average transit times and predicting an exception if a shipment is taking longer than it should based on historical metrics. The analytical results will be utilized by CryoPort to render consultative customer services.

Biological Material Holders

We have also developed a patented containment bag which is used in connection with the shipment of infectious or dangerous goods using the CryoPort Express® Shipper. Up to five vials, watertight primary receptacles, are placed onto aluminum holders and up to fifteen holders (75 vials) are placed into an absorbent pouch which is designed to absorb the entire contents of all the vials in the event of leakage. This pouch containing up to 75 vials is then placed in a watertight secondary packaging Tyvek bag capable of withstanding cryogenic temperatures, and then sealed. This bag is then placed into the well of the cryogenic shipper.

Future Products

We are continuing our research and development efforts which are expected to lead to the introduction of additional dry vapor shippers, including larger and smaller size units constructed of lower cost materials and utilizing high volume manufacturing methods. We are also exploring the use of alternative phase change materials in place of liquid nitrogen in order to seek entry into the ambient temperature and chilled (2° to 8° Celsius) shipping markets.

Competitive Strengths

We believe that our cryogenic shipping systems provide us with the following competitive strengths:

Maintaining the Integrity of Materials Shipped. We have developed our CryoPort Express® Shippers, a line of cryogenic dry vapor shippers, to be capable of maintaining cryogenic temperatures of minus 150° Celsius or less for 10-plus days. Our CryoPort Express® Shippers were developed with a view towards meeting the needs of the global biotechnology and pharmaceutical industries which require the ability to transport live cell pharmaceutical products, such as cancer vaccines, diagnostic materials, reproductive tissues, infectious and other biological substances, and other items at constant frozen or cryogenic temperatures. Traditional methods that have been serving this market, such as dry ice, are only capable of maintaining such temperatures for a period of one to two days (depending on the size of the package and amount of dry ice used), thereby potentially jeopardizing the integrity of the transported materials during longer shipments. We believe our CryoPort Express® Shippers are the first significant alternative to using dry ice that achieves 10-plus day holding times.

Durability of Shipping Devices. Because the outer shell of our CryoPort Express® Shippers are made from durable materials, as compared to corrugated cardboard boxes with Styrofoam inserts or similar materials, the risk of damage to the container and its contents is significantly reduced. Where corrugated cardboard boxes are susceptible to being crushed or damaged during shipment, our shippers, which have been tested and are capable of withstanding drops of up to 30 feet, significantly reduce the risk of damage to the packaged materials. The durability and long holding times of our shippers has greater significance for international (or other long distance) shipments due to the increased shipping times and amplified risk of damage during transit and mishandling during shipment.

Cost. We believe we have developed a solution for the shipment of temperature sensitive materials which is not only more effective, but also more cost efficient, especially in international shipping. Shipping temperature sensitive materials using the traditional method of dry ice requires multiple steps, manual intervention/monitoring, and the coordination of re-icing tasks at several locations to provide a solution lasting for more than several days. The cost of developing and maintaining the infrastructure necessary to support these operations frequently depend on off-shore third party contractors which adds significant cost. Because our cryogenic shippers are capable of hold times of 10 plus days, customers will not require the same extensive infrastructure needed for dry ice shipments. Furthermore, because our shippers do not rely on dry ice (which is a hazardous material that produces CO2 gas as it sublimates), there are more freight courier alternatives available for our shippers and generally lower freight charges.

Tracking and Monitoring. We have developed a sophisticated web portal with user friendly features that will be used for capturing customer orders and tracking shipments. Our portal enables CryoPort employees to manage multi-route shipments with minimal amount of human resources by using programmed analogs and exception monitoring. In addition, our customers are able to place orders, track shipments, and monitor the status of their package through our web portal. CryoPort is also able to internally manage its shipper inventory, track incoming and outgoing assets, report on shipping performance metrics, and invoice for shipping services through the technology employed through its web portal.

The Green Alternative. Unlike shippers using dry ice, the internal core of our cryogenic shippers absorbs liquid nitrogen in a gaseous state which then maintains the required cryogenic temperatures. Dry ice is a hazardous material because it produces excess CO2 gas as it sublimates which is a noted greenhouse gas and which may be dangerous in confined spaces where there is an absence or low rates of ventilation. Use of our shippers does not result in the emission of greenhouse gases or other potentially toxic materials. In addition, shippers using dry ice are made of corrugated cardboard with Styrofoam inserts. These shippers are typically not reusable, resulting in the disposal of the cardboard box. Further, Styrofoam should not be disposed of in landfills because it is not biodegradable. Our shippers do not contain Styrofoam, nor do they present similar landfill disposal issues or other environmental

challenges.

Technology. Once our CryoPort Express® System is fully operational, it will represent the most complete and comprehensive shipping solution available in the market for high-value temperature sensitive materials. It will reduce operating costs for CryoPort and its customers and it will provide customized analytics to monitor shipping efficiency and the health and status of the materials entrusted to our care.

Key Business Strategies

Relationship with Global Couriers. We believe that our near term success is best achieved by establishing strategic relationships with global couriers which will enable us to provide a seamless, end-to-end shipping solution to our customers. In addition, we will be able to leverage the couriers' established express, ground and freight infrastructures and penetrate new markets with minimal investment. To this end, we recently entered into our first strategic relationship with a global courier on January 13, 2010 when we signed an agreement with Federal Express Corporation ("FedEx") pursuant to which we will lease to FedEx such number of our cryogenic shippers that FedEx shall, from time to time, order for its customers. Under this agreement, FedEx has the right to and shall, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related value-added goods and services, such as our data logger, web portal and planned CryoPort Express Smart Pak System , In addition to FedEx, our management team is commencing discussions with other global couriers in an effort to establish partnerships pursuant to which the couriers would provide preferred shipping rates, access to logistics, tracking, and customs clearance capabilities. As in the case of our agreement with FedEx, we expect that other global freight couriers will utilize their sales forces to promote and sell transportation of shippers and our frozen shipping services. We can not assure you that we will be able to consummate an agreement with any other global couriers.

Target Large Clinical Research Organizations and Life Science Companies. Along with our efforts to establish strategic relationships with global couriers, we intend to increase our marketing efforts to the large CROs and pharmaceutical and biotechnology companies engaged in the management and/or conduct of both domestic and international clinical trials. Management has been in active dialogue with selected large CROs, and pharmaceutical and biotechnology companies to introduce this new frozen shipping solution and to discuss these potential customers' shipping needs. Several of these meetings have been joint presentations including representatives from a global courier. We can not assure you that we will be able to consummate an agreement with one or more large CROs, or pharmaceutical or biotechnology companies.

Position CryoPort Express® Portal as a New Customer Tool for Cost Optimization and Risk Mitigation. In 2008, we began development of an internal IT system, CryoPort Express® Portal, which today is used by customers to automate the entry of orders, prepare customs documentation, and facilitate status and location monitoring of shipped orders while in transit. The CryoPort Express® Portal is fully integrated with IT systems at FedEx and runs in a browser requiring no software installation. It is used by CryoPort to manage shipping operations typically provisioned by manual labor thereby reducing administrative costs relating to order-entry, order processing, preparation of shipping documents, back-office accounting and to support the high level of customer service expected by the industry. In addition to reducing operating costs and facilitate scaling of CryoPort's operations, more importantly we believe the CryoPort Express® Portal offers significant value to the customer in terms of cost avoidance and risk mitigation. Examples include automation of order entry, development of Key Performance Indicators ("KPI") to support our efforts for continuous process improvements in our business, and programmatic exception monitoring to detect and sometimes anticipate delays in the shipping process, often before the customer or the shipping company becomes aware of the delays. In the future we intend to add rate and mode optimization and in-transit monitoring of temperature, location and state-of-health monitoring via wireless communications.

Complete Development of Our Smart Pak Monitoring Device. In July 2008, we launched Phase I of our CryoPort Express® Portal which enabled our customers to enter orders and track their packages during transit. We recently completed successful testing of Phase II of our Smart Pak Monitoring Device which is an automated data logger capable of tracking the internal and external temperatures of samples shipped in our CryoPort Express® Shipper. We anticipate commercial launch of this new feature in 2010. Phase III of our Smart Pak Monitoring Device development plan, which we expect to launch by the end of fiscal year 2010, consists of adding a wireless communications capability to each shipper to enable monitoring of a shipper's location, specimen temperature, and overall state of health of the contents during transit. We anticipate that, due to the high value and importance placed on the contents

of the shipper by the customer, location and state-of-health monitoring the contents will become a new standard in the industry pioneered by CryoPort and fully integrated into CryoPort Express® Portal.

Completing the development of our Smart Pak Wireless Monitoring Device is a key component of our CryoPort Express® System which, once fully implemented, will provide customers with a one-stop solution, via our web portal, to manage the scheduling and shipping of temperature sensitive biological or pharmaceutical samples and drug materials, as well as any other materials requiring cryogenic transport.

Expand to New Markets. To date our marketing efforts have focused on select companies in the global CRO, and biotechnology and pharmaceutical industries. Once we have expanded our market presence in these industries and established the strategic relationships referenced above, we intend to explore opportunities in other markets following the first year of commercialization where there is a need to ship temperature sensitive materials such as the food, environmental, semiconductor and petroleum industries.

Re-Purpose Product Capability. Presently, CryoPort products address the needs of biotechnology and pharmaceutical customers who require sustainable frozen shipping temperatures generally between the range of minus 80° to minus 150° Celsius. While the frozen market represents a large opportunity for CryoPort, an adjacent market exists for the shipment of materials at chilled temperatures. Based on a report prepared by DHL Worldwide Express, Inc. in April 2001, the market for pharmaceutical shipments at chilled temperatures is more than double the market for cryogenic and frozen shipments. CryoPort's technology may be applicable to these markets as well since the design concepts of CryoPort products can be applied to stabilize materials at any desired temperature. CryoPort is exploring these expansions of its current business model.

Sales and Marketing

We currently have one internal sales person who manages both our direct sales efforts and our limited third party resellers, which include Miller Supply, Air Liquide and Tegrant. Our current distribution channels cover the Americas, Europe and Asia. During the fiscal year ended March 31, 2009, Miller Supply accounted for 18% of our overall sales volumes. These sales comprised our shipping accessories and our first generation reusable dry vapor shippers which we discontinued during the past fiscal year.

Our geographical sales for the year ended March 31, 2009 were as follows:

USA	81.9%
Europe	17.3%
Canada	0.8%

We plan to further expand our sales and marketing efforts through the establishment of a strategic relationship with a global courier and, subject to available financial resources, the hiring of additional sales and marketing personnel.

Customers

To date, most of our customers have been in the pharmaceutical or medical industries. As we initially focus or efforts to increase revenues, we believe that the primary target customers for our CryoPort Express® System are concentrated in the following markets, for the following reasons:

Pharmaceutical clinical trials / Contract Research Organizations;

Gene biotechnology;

Transport of infectious materials and dangerous goods;

Pharmaceutical distribution; and

Human assisted reproduction/artificial insemination.

Pharmaceutical Clinical Trials. Every pharmaceutical company developing a new drug must be approved by the FDA who conducts clinical trials to, among other things, test the safety and efficacy of the potential new drug. Presently, a significant amount of clinical trial activity is managed by a number of large CROs. Due to the growing downsizing trend in the pharmaceutical industry, CROs are going to obtain an increasing share of the clinical trial market.

In connection with the clinical trials, due to globalization the companies may enroll patients from all over the world who regularly submit a blood or other specimen at the local hospital, doctor's office or laboratory. These samples are then sent to specified testing laboratories, which may be local or in another country. The testing laboratories will typically set the requirements for the storage and shipment of blood specimens. In addition, several of the drugs used by the patients require frozen shipping to the sites of the clinical trials. While both domestic and international shipping of these specimens is accomplished using dry ice today, international shipments especially present several problems, as dry ice, under the best of circumstances, can only provide freezing for one to two days, in the absence of re-icing (which is quite costly). Because shipments of packages internationally can take longer than one to two days or be delayed due to flight cancellations, incorrect destinations, labor problems, ground logistics, customs and safety reasons, dry ice is not always a reliable and cost effective option. Clinical trial specimens are often irreplaceable because each one represents clinical data at a prescribed point in time, in a series of specimens on a given patient, who may be participating in a trial for years. Sample integrity during the shipping process is vital to retaining the maximum number of patients in each trial. Our shippers are ideally suited for this market, as our longer hold time ensures that specimens can be sent over long distances with minimal concern that they will arrive in a condition that will cause their exclusion from the trial. There are also many instances in domestic shipments where the CryoPort Express® Shipper will provide higher reliability and be cost effective.

Furthermore, the IATA requires that all airborne shipments of laboratory specimens be transmitted in either IATA 650 or 602 certified packaging. We have developed and obtained IATA certification of the CryoPort Express® System, which is ideally suited for this market, in particular due to the elimination of the cost to return the reusable shipper.

Gene Biotechnology. The gene biotechnology market includes basic and applied research and development in diverse areas such as stem cells, cloning, gene therapy, DNA tumor vaccines, tissue engineering, genomics, and blood products. Company's participating in the foregoing fields rely on the frozen transport of specimens in connection with their research and development efforts, for which our CryoPort Express® Shippers are ideally suited.

Transport of Infectious Materials and Dangerous Goods. The transport of infectious materials must be classified as such and must maintain strict adherence to regulations that protect public safety while maintaining the viability of the material being shipped. Some blood products are considered infective and must be treated as such. Pharmaceutical companies, private research laboratories and hospitals ship tissue cultures and microbiology specimens, which are also potentially infectious materials, between a variety of entities, including private and public health reference laboratories. Almost all specimens in this infectious materials category require either a refrigerated or frozen environment. We believe our CryoPort Express® Shipper is ideally suited to meet the shipping requirements of this market.

Partly in response to the attack on the World Trade Center and the anthrax scare, government officials and health care professionals are focusing renewed attention on the possibility of attacks involving biological and chemical weapons such as anthrax, smallpox and sarin gas. Efforts expended on research and development to counteract biowarfare agents requires the frozen transport of these agents to and from facilities conducting the research and development. Vaccine research, including methods of vaccine delivery, also requires frozen transport. We believe our CryoPort Express® Shipper is ideally suited to this type of research and development.

Pharmaceutical Distribution. The current focus for the CryoPort Express® System also includes the area of pharmaceutical distribution. There are a significant number of therapeutic drugs and vaccines currently or soon to be,

undergoing clinical trials. After the FDA approves them for commercial marketing, it will be necessary for the manufacturers to have a reliable and economical method of distribution to the physician who will administer the product to the patient. Although there are not now a large number of drugs requiring cryogenic transport, there are a number in the development pipeline. It is likely that the most efficient and reliable method of distribution will be to ship a single dosage to the administering physician. These drugs are typically identified to individual patients and therefore will require a complete tracking history from the manufacturer to the patient. The most reliable method of doing this is to ship a unit dosage specifically for each patient. Because the drugs require maintenance at frozen or cryogenic temperatures, each such shipment will require a frozen or cryogenic shipping package. CryoPort anticipates being in a position to service that need.

Assisted Human Reproduction. We estimate that artificial insemination procedures in the United States account for at least 50,000 doses of semen annually. Since relatively few sperm banks provide donor semen, frozen shipping is almost always involved. As with animal semen, human semen must be stored and shipped at cryogenic temperatures to retain viability, stabilize the cells, and ensure reproducible results. This can only be accomplished with the use of liquid nitrogen or LN2 dry vapor shippers. CryoPort anticipates that this market will continue to increase as this practice gains acceptance in new areas of the world.

In addition to the above markets, our longer-term plans include expanding into new markets including, the diagnostics, food, environmental, semiconductor and petroleum industries.

Industry Overview

Our products and services are sold into a rapidly growing niche of the packaging industry focused on the temperature sensitive packaging and shipping of biological materials. Expenditures for “value added” packaging for frozen transport have been increasing for the past several years and, due in part to continued globalization, are expected to continue to increase even more in the future as more domestic and international biotechnology firms introduce pharmaceutical products that require continuous refrigeration at cryogenic temperatures. We believe this will require a greater dependence on passively controlled temperature transport systems (i.e., systems having no external power source).

We believe that growth in the following markets has resulted in the need for increased efficiencies and greater flexibility in the temperature sensitive packaging market:

Pharmaceutical clinical trials, including transport of tissue culture samples;

Pharmaceutical commercial product distribution;

Transportation of diagnostic specimens;

Transportation of infectious materials;

Intra laboratory diagnostic testing;

Transport of temperature-sensitive specimens by courier;

Analysis of biological samples;

Environmental sampling;

Gene and stem cell biotechnology and vaccine production; and

Food engineering.

Many of the biological products in these above markets require transport in a frozen state as well as the need for shipping containers which have the ability to maintain a frozen, cryogenic environment (e.g., minus 150° Celsius) for a period ranging from two to ten days (depending on the distance and mode of shipment). These products include semen, embryo, tissue, tissue cultures, cultures of viruses and bacteria, enzymes, DNA materials, vaccines and certain pharmaceutical products. In some instances, transport of these products requires temperatures at, or approaching, minus 196° Celsius.

One problem faced by many companies operating in these specialized markets is the limited number of cryogenic shipping systems serving their needs, particularly in the areas of pharmaceutical companies conducting clinical trials. The currently adopted protocol and the most common method for packaging frozen transport in these industries is the use of solid carbon dioxide (dry ice). Dry ice is used in shipping extensively to maintain a frozen state for a period of one to four days. Dry ice is used in the transport of many biological products, such as pharmaceuticals, laboratory specimens and certain infectious materials that do not require true cryogenic temperatures. The common approach to shipping these items via ground freight is to pack the product in a container, such as an expanded polystyrene (Styrofoam) box or a molded polyurethane box, with a variable quantity of dry ice. The box is taped or strapped shut and shipped to its destination with freight charges based on its initial shipping weight.

With respect to shipments via specialized courier services, there is no standardized method or device currently in use for the purpose of transporting temperature-sensitive frozen biological specimens. One common method for courier transport of biologicals is to place frozen specimens, refrigerated specimens, and ambient specimens into a compartmentalized container, similar in size to a 55 quart Coleman or Igloo cooler. The freezer compartment in the container is loaded with a quantity of dry ice at minus 78° Celsius, while the refrigerated compartment at 8° Celsius utilizes ice substitutes.

Two manufacturers of the polystyrene and polyurethane containers frequently used in the shipping and courier transport of dry ice frozen specimens are Insulated Shipping Containers, Inc. and Tegrant (formerly SCA Thermosafe). When these containers are used with dry ice, the average sublimation rate (e.g., the rate at which dry ice turns from a solid to a gaseous state) in a container with a 1½ inch wall thickness is slightly less than three pounds per 24 hours. Other existing refrigerant systems employ the use of gel packs and ice substitutes for temperature maintenance. Gels and eutectic solutions (phase changing materials) with a wide range of phasing temperatures have been developed in recent years to meet the needs of products with varying specific temperature control requirements.

The use of dry ice and ice substitutes, however, regardless of external packaging used, are frequently inadequate because they do not provide low enough storage temperatures and, in the case of dry ice, last for only a few days without re-icing. As a result, companies run the risk of increased costs due to lost specimens and additional shipping charges due to the need to re-ice.

Some of the other disadvantages to using dry ice for shipping or transporting temperature sensitive products are as follows:

Availability of a dry ice source;

Handling and storage of the dry ice;

Cost of the dry ice;

Weight of containers when packed with dry ice;

Securing a shipping container with a high enough R-value (which is a measure of thermal resistance) to hold the dry ice and product for the required time period;

Securing a shipping container that meets the requirements of IATA, the DOT, the CDC, and other regulatory agencies; and

The emission of green house gases into the environment.

Due to the limitations of dry ice, shipment of specimens at true cryogenic temperatures can only be accomplished using liquid nitrogen dry vapor shippers, or by shipping over actual liquid nitrogen. While such shippers provide solutions to the issues encountered when shipping with dry ice, they too are experiencing some criticisms by users or potential users. For example, the cost for these products typically can range from $650 to $3,000 per unit, which can substantially limit their use for the transport of many common biologics, particularly with respect to small quantities such as is the case with direct to the physician drug delivery. Because of the initial cost and limited production of these containers, they are designed to be reusable. However, the cost of returning these heavy containers can be significant, particularly in international markets, because most applications require only one-way shipping. We expect to provide a cost effective solution compared to dry ice. We believe we will provide an overall cost savings of 10% to 20% for international and specialty shipments compared to dry ice.

Another problem with these existing systems relates to the hold time of the unit in a normal, upright position versus the hold time when the unit is placed on its side or inverted. If a container is laying on its side or is inverted the liquid nitrogen is prone to leaking out of the container due to a combination of factors, including a shift in the equilibrium height of the liquid nitrogen in the absorbent material and the relocation of the point of gravity, which affects the hold time and compromises the dependability of the dry shipper, particularly when used in circumstances requiring lengthy shipping times. Due to the use of our proprietary technology, our CryoPort Express® Shippers are not prone to leakage when on their side or inverted, thereby protecting the integrity of our shipper's hold time.

Competition

Within our intended markets for our CryoPort Express® Shippers, there is limited known competition. We intend to become competitive by reason of our improved technology in our products and through the use of our service enabled business model. The CryoPort Express® System provides a simple, effective solution for the frozen or cryogenic transport of biological or pharmaceutical materials using CryoPort Express® Portal, our web-based order-entry system, which manages the scheduling and shipping of the CryoPort Express® Shippers. In addition to the traditional dry ice shipping, suppliers, such as MVE/Chart Industries, Taylor Wharton, and Air Liquide, have various models of dry shippers available that are prohibitive for multi-use and multi-shipment purposes due to their significantly greater unit costs and unit weights (which may substantially increase the shipping cost). On the other hand, they are more established and have larger organizations and have greater financial, operational, sales and marketing resources and experience in research and development than we do. Factors that we believe give us a competitive advantage are attributable to our shipping container which allows our shipper to retain liquid nitrogen when placed in non-upright positions, the overall “leak-proofness” of the our package which determines compliance with shipping regulations and the overall weight and volume of the package which determines shipping costs, and our business model represented by the merged integration of our shipper with CryoPort Express Portal and Smart Pak data logger into a seamless shipping, tracking and monitoring solution. Other companies that offer potentially competitive products include Industrial Insulation Systems, which offers cryogenic transport units and has partnered with Marathon Products Inc., a manufacturer and global supplier of wireless temperature data collecting devices used for documenting environmentally sensitive products through the cold chain and Kodiak Thermal Technologies, Inc. which offers, among other containers, a repeat use active-cool container that uses free piston stirling cycle technology. While not having their own shipping devices, BioStorage Technologies is potentially a competitive company through their management services offered for cold-chain logistics and long term biomaterial storage. In addition, BioMatrica, Inc. is developing and offering technology that stabilizes biological samples and research materials at room temperature. They presently offer these technologies primarily to research and academic institutions, however, their technology may eventually enter the broader cold-chain market.

Research and Development

Our research and development efforts are focused on continually improving the features of the CryoPort Express® System including the web based customer service portal and the CryoPort Express® Shippers. Further these efforts are expected to lead to the introduction of shippers of varying sizes based on market requirements, constructed of lower cost materials and utilizing high volume manufacturing methods that will make it practical to provide the cryogenic packages offered by the CryoPort Express® System. Other research and development effort has been directed toward improvements to the liquid nitrogen retention system to render it more reliable in the general shipping environment and to the design of the outer packaging. Alternative phase change materials in place of liquid nitrogen may be used to increase the potential markets these shippers can serve such as ambient and 2-8°C markets. Our research and development expenditures during the six months ended September 30, 2009 and for the fiscal years ended March 31, 2009 and 2008 were $180,791, $297,378 and $166,227, respectively.

Manufacturing

The component parts for our products are primarily manufactured at third party manufacturing facilities. We also have a warehouse at our corporate offices in Lake Forest, California, where we are capable of manufacturing certain parts and fully assemble our products. Most of the components that we use in the manufacture of our products are available from more than one qualified supplier. For some components, however, there are relatively few alternate sources of supply and the establishment of additional or replacement suppliers may not be accomplished immediately, however, we have identified alternate qualified suppliers which we believe could replace existing suppliers. Should this occur, we believe the maximum disruption of production could be a short period of time, on the order of approximately four to six weeks.

Primary manufacturers used by us include Spaulding Composites Company, Peterson Spinning and Stamping, Lydall Industrial Thermal Solutions, and Ludwig, Inc. There are no specific agreements with any manufacturer nor are there any long term commitments to any manufacturer. We believe that any of the manufactures currently used by us could be replaced within a short period of time as none have a proprietary component or a substantial capital investment specific to our products.

Our production and manufacturing process incorporates innovative technologies developed for aerospace and other industries which are cost effective, easier to use and more functional than the traditional dry ice devices and other methods currently used for the shipment of temperature-sensitive materials. Our manufacturing process uses non-hazardous cleaning solutions which are provided and disposed of by a supplier approved by the Environmental Protection Agency (the “EPA”). EPA compliance costs for us are therefore negligible.

Intellectual Property

In order to remain competitive, we must develop and maintain protection on the proprietary aspects of its technologies. We rely on a combination of patents, copyrights, trademarks, trade secret laws and confidentiality agreements to protect our intellectual property rights. We currently own four registered United States trademarks and three issued United States patents primarily covering various aspects of our products. In addition, we have filed a patent application for various aspects of our shipper and web-portal, which includes, in part, various aspects of our business model referred to as the CryoPort Express® System, and we intend to file additional patent applications to strengthen our intellectual property rights. The technology covered by the above indicated issued patents relates to matters specific to the use of liquid nitrogen dewars in connection with the shipment of biological materials. The concepts include those of disposability, package configuration details, liquid nitrogen retention systems, systems related to thermal performance, systems related to packaging integrity, and matters generally relevant to the containment of liquid nitrogen. Similarly, the trademarks mentioned relate to the cryogenic temperature shipping activity. Issued patents and trademarks currently owned by us include:

Type:	No.	Issued	Expiration
Patent	6,467,642	Oct. 22, 2002	Oct. 21, 2022
Patent	6,119,465	Sep. 19, 2000	Sep. 18, 2020
Patent	6,539,726	Apr. 1, 2003	Mar. 31, 2023
Trademark	7,583,478,7	Oct. 9, 2002	Oct. 8, 2012
Trademark	7,586,797,8	Apr. 16, 2002	Apr. 16, 2012

Trademark	7,748,667,3	Feb. 3, 2009	Feb. 3, 2019
Trademark	7,737,454,1	Mar. 17, 2009	Mar. 17, 2019

Our success depends to a significant degree upon our ability to develop proprietary products and technologies and to obtain patent coverage for these products and technologies. We intend to file trademark and patent applications covering any newly developed products, methods and technologies. However, there can be no guarantee that any of our pending or future filed applications will be issued as patents. There can be no guarantee that the U.S. Patent and Trademark Office or some third party will not initiate an interference proceeding involving any of our pending applications or issued patents. Finally, there can be no guarantee that its issued patents or future issued patents, if any, will provide adequate protection from competition.

Patents provide some degree of protection for our proprietary technology. However, the pursuit and assertion of patent rights involve complex legal and factual determinations and, therefore, are characterized by significant uncertainty. In addition, the laws governing patent issuance and the scope of patent coverage continue to evolve. Moreover, the patent rights we possess or are pursuing generally cover our technologies to varying degrees. As a result, we cannot ensure that patents will issue from any of our patent applications, or that any of its issued patents will offer meaningful protection. In addition, our issued patents may be successfully challenged, invalidated, circumvented or rendered unenforceable so that our patent rights may not create an effective barrier to competition. Moreover, the laws of some foreign countries may not protect our proprietary rights to the same extent, as do the laws of the United States. There can be no assurance that any patents issued to us will provide a legal basis for establishing an exclusive market for our products or provide us with any competitive advantages, or that patents of others will not have an adverse effect on our ability to do business or to continue to use our technologies freely.

We may be subject to third parties filing claims that our technologies or products infringe on their intellectual property. We cannot predict whether third parties will assert such claims against us or whether those claims will hurt our business. If we are forced to defend against such claims, regardless of their merit, we may face costly litigation and diversion of management's attention and resources. As a result of any such disputes, we may have to develop, at a substantial cost, non-infringing technology or enter into licensing agreements. These agreements may be unavailable on terms acceptable to it, or at all, which could seriously harm our business or financial condition.

We also rely on trade secret protection of our intellectual property. We attempt to protect trade secrets by entering into confidentiality agreements with third parties, employees and consultants, although, in the past, we have not always obtained such agreements. It is possible that these agreements may be breached, invalidated or rendered unenforceable, and if so, our trade secrets could be disclosed to our competitors. Despite the measures we have taken to protect our intellectual property, parties to such agreements may breach confidentiality provisions in our contracts or infringe or misappropriate our patents, copyrights, trademarks, trade secrets and other proprietary rights. In addition, third parties may independently discover or invent competitive technologies, or reverse engineer our trade secrets or other technology. Therefore, the measures we are taking to protect our proprietary technology may not be adequate.

Government Regulation

The shipping of diagnostic specimens, infectious substances and dangerous goods, whether via air or ground, falls under the jurisdiction of many states, federal and international agencies. The quality of the containers, packaging materials and insulation that protect a specimen determine whether or not it will arrive in a usable condition. Many of the regulations for transporting dangerous goods in the United States are determined by international rules formulated under the auspices of the United Nations. For example, the ICAO is the United Nations organization that develops regulations (Technical Instructions) for the safe transport of dangerous goods by air. If shipment is by air, compliance with the rules established by IATA is required. IATA is a trade association made up of airlines and air cargo couriers that publishes annual editions of the IATA Dangerous Goods Regulations. These regulations interpret and add to the ICAO Technical Instructions to reflect industry practices. Additionally, the CDC has regulations (published in the Code of Federal Regulations) for interstate shipping of specimens, and the OSHA also addresses the safe handling of Class 6.2 Substances. Our CryoPort Express® Shipper meets packing instruction 602 and 650 and is certified for the shipment of Class 6.2 Dangerous Goods per the requirements of the ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air and IATA. Our present and planned future versions of the CryoPort Smart Pak data logger will likely be subject to regulation by FAA, FCC, FDA, IATA and possibly other agencies which may be difficult to determine on a global basis.

We are also subject to numerous other federal, state and local laws relating to such matters as safe working conditions, manufacturing practices, environmental protection, fire hazard control, and disposal of hazardous or potentially hazardous substances. We may incur significant costs to comply with such laws and regulations now or in the future.

Employees

As of November 30, 2009, we had six full-time employees and four consultants. Two of the consultants work for us on a full-time basis.

Insurance

We currently maintain general liability insurance, with coverage in the amount of $1 million per occurrence, subject to a $2 million annual limitation. Claims may be made against us that exceed these limits. In fiscal year 2009, we did not experience any claims against our professional liability insurance.

Our liability policy in an “occurrence” based policy. Thus, our policy is complete when we purchased it and following cancellation of the policy it continues to provide coverage for future claims based on conduct that took place during the policy term. However, our insurance may not protect us against liability because our policies typically have various exceptions to the claims covered and also require us to assume some costs of the claim even though a portion of the claim may be covered. In addition, if we expand into new markets, we may not be aware of the need for, or be able to obtain insurance coverage for such activities or, if insurance is obtained, the dollar amount of any liabilities incurred could exceed our insurance coverage. A partially or completely uninsured claim, if successful and of significant magnitude, could have a material adverse effect on our business, financial condition and results of operations.

We also maintain product liability insurance with coverage in the amount of $1,000,000 per year.

DESCRIPTION OF PROPERTY

CryoPort’s corporate, research and development, and warehouse facilities are located in one leased office and warehouse building with approximately 12,000 square feet. The facilities are located at 20382 Barents Sea Circle, Lake Forest, CA 92630. CryoPort currently makes base lease payments of approximately $13,000 per month, due at the beginning of each month, pursuant to a two year lease through August 2010 with renewal options for three additional one year lease terms. The landlord is Viking Investors, Barents Sea, LLC. The facilities are in good condition and are suitable for CryoPort’s current requirements. CryoPort currently does not own any real property.

LEGAL PROCEEDINGS

In the ordinary course of business, we are at times subject to various legal proceedings and disputes, including product liability claims. We currently are not aware of any such legal proceedings or claim that we believe will have, individually or in the aggregate, a material adverse effect on our business, operating results or cash flows. It is our practice to accrue for open claims based on our historical experience and available insurance coverage.

DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers

The following table sets for the name and age of each director and executive officer, the year first elected as a director and/or executive officer and the position(s) held with CryoPort:

Name	Age	Position	Date Elected
Larry G. Stambaugh	62	Chairman of the Board, Chief Executive Officer, President and Director	2008-2009
Bret Bollinger	41	Vice President of Operations	2008
Catherine Doll	48	Chief Financial Officer, Treasurer and Assistant Corporate Secretary	2009
Carlton M. Johnson, Jr.	48	Director and Secretary	2009
Adam M. Michelin	64	Director	2005
John H. Bonde	64	Director	2010

Background of Directors and Officers:

Larry G. Stambaugh, age 62, was elected as CryoPort's Chairman of the Board on December 5, 2008 and became President and Chief Executive Officer on February 20, 2009. Mr. Stambaugh is currently a Principal of Apercu Consulting, a firm that he established in 2006. From December 1992 to January 2006, Mr. Stambaugh served as Chairman and Chief Executive Officer of Maxim Pharmaceuticals, a public company developing cancer and infectious disease drugs which he co-founded. From December 2007 to February 2008, Mr. Stambaugh reorganized two biotechnology companies owned by Arrowhead Research Corporation, a public holding company, Calando Pharmaceuticals and Insert Therapeutics and served as Chief Executive Officer of each subsidiary. Mr. Stambaugh has more than 30 years' experience building global businesses and setting strategies and has an extensive background in life sciences and clean tech including relationships with and knowledge of Contract Research Organizations, biotech and pharmaceutical companies. Mr. Stambaugh serves on several boards including EcoDog, Ridge Diagnostics, Corporate Directors Forum and BioCom. Mr. Stambaugh earned his BBA Accounting/Finance from Washburn University in 1969.

Bret Bollinger, age 41, became Vice President of Operations for CryoPort in February 2008. Prior to joining CryoPort, Mr. Bollinger was Director of Operations and Engineering for Triangle Brass Manufacturing from July 2003 to January 2008. Mr. Bollinger served as a Business Process Consultant for Vistant Corporation, a division of Cardinal Health from July of 2001 through July 2003 and as Operations and Order Fulfillment Manager for Ingersoll-Rand's Safety and Security Sector, Falcon Lock Company from July of 1999 to July of 2001. Mr. Bollinger has an extensive background in manufacturing environments, including experience with opening both manufacturing and assembly plants domestically as well as in Mexico. In addition, he has experience in new product design and implementation. Mr. Bollinger holds a Bachelor of Science in Mechanical Engineering from Sacramento State University.

Catherine Doll, age 49, became Chief Financial Officer, Treasurer and Assistant Corporate Secretary effective as of August 20, 2009. Ms. Doll is the owner and chief executive officer of The Gilson Group, LLC, which she founded in 2006. The Gilson Group, LLC provides financial and accounting consulting services to public companies, including

Sarbanes Oxley Section 404 compliance, SEC and financial reporting, budgeting and forecasting and finance and accounting systems implementations and conversions. From 1996 to 2006, Ms. Doll was an associate with Resources Global Professionals, where she provided management, financial and accounting services for a variety of clients. Ms. Doll received a B.A. in Economics, with an emphasis in accounting, from the University of California, Santa Barbara, in 1983. She has over 25 years of accounting and financial reporting experience.

Carlton M. Johnson, Jr., age 48, was elected as a director and Secretary to the Board of Directors on May 4, 2009 and serves as Chairman of the Compensation and Governance Committee and is a member of the Audit Committee. Mr. Johnson has been In-House Legal Counsel for Roswell Capital Partners, LLC since 1996. Mr. Johnson has been a member of the Alabama Bar since 1986, the Florida Bar since 1988 and the State Bar of Georgia since 1997. He was a stockholder in the Pensacola, Florida Bar Registered (AV rated) law firm of Smith, Sauer, DeMaria & Johnson from 1988 to 1996. Mr. Johnson holds a degree in History/Political Science from Auburn University and Juris Doctorate from Samford University, Cumberland School of Law. Mr. Johnson also serves on the boards of Peregrine Pharmaceuticals, Inc. and Patriot Scientific Corporation. Mr. Johnson’s appointment to the Board of Directors fulfills an agreement between CryoPort and BridgePointe Master Fund Ltd. (“BridgePointe”) to have a representative of BridgePointe on CryoPort’s Board of Directors pursuant to the Debentures, as amended.

Adam M. Michelin, age 65, became a member of CryoPort's Board of Directors in June 2005 and serves as Chairman of the Audit Committee and as a member of the Compensation and Governance Committee. Mr. Michelin is currently the President and Chief Executive Officer of Redux Holdings, Inc., positions he has held since January 2006. Mr. Michelin has held several executive leadership positions including, Chief Executive Officer of Enterprise Group from March 2005, Principle of Kibel Green, Inc., a position he held for 11 years prior to joining Enterprise Group, and Partner of KPMG LLP for 10 years. Mr. Michelin has over 30 years of practice in the areas of executive leadership, operations and is very experienced in evaluating, structuring and implementing solutions for companies in operational and/or financial crisis. Mr. Michelin received his Juris Doctorate from the University of West Los Angeles and his Bachelor of Science from Tri State University.

John H. Bonde, 64, was elected as a director to the Board on January 7, 2010 and serves as a member of Audit Committee. Mr. Bonde is the Chief Executive Officer of eQsys, Inc., a position he has held since November 2008. From January 2005 through January 2006, Mr. Bonde served as the Division President of CGS Systems. Mr. Bonde has extensive experience leading the operation of complex telecommunication and information service providers and has been a director of numerous private companies in the past. Mr. Bonde earned his Bachelor of Science in Economics from City University of New York, Queens College in 1969 and a Masters of Science in Business Policy from Columbia University in 1982.

The officers of CryoPort hold office until their successors are elected and qualified, or until their death, resignation or removal.

None of the directors or officers holds a directorship in any other reporting company except: Adam Michelin is Director, CEO/President and Treasurer of Redux Holdings, Inc. (RDXH) and CEO/Chairman Naturade Inc. (NRDCQ); and Carlton Johnson is a member of the board of directors of Peregrine Pharmaceuticals, Inc. (PPHM) and Patriot Scientific Corporation (PTSC).

None of the directors or officers listed above has:

Had a bankruptcy petition filed by or against any business of which that person was a general partner of executive officer either at the time of the bankruptcy or within two years prior to that time;

Had any conviction in a criminal proceeding, or been subject to a pending criminal proceeding;

Been subject to any order, judgment, or decree by any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting such person's involvement in any type of business, securities or banking activities; and

Been found by a court of competent jurisdiction, the Commission, or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law.

Committees of the Board of Directors

Our Board of Directors has established an Audit Committee and a Compensation and Governance Committee. We do not have a formal nominating committee.

Audit Committee

The functions of the Audit Committee are to (i) review the qualifications of the independent auditors, our annual and interim financial statements, the independent auditor's report, significant reporting or operating issues and corporate policies and procedures as they relate to accounting and financial controls; and (ii) to consider and review other matters relating to our financial and accounting affairs. The Board of Directors has adopted an Audit Committee charter, which is available on CryoPort's website at www.cryoport.com under the tab "Corporate Governance" which is found under the heading "Company." Information on our website does not constitute a part of this prospectus.

The members of the Audit Committee are Adam Michelin, who is the Audit Committee Chairman, and Carlton M. Johnson, Jr. and John H. Bonde. CryoPort has determined that (i) Adam Michelin qualifies as an "audit committee financial expert" as defined in Item 401(h) of Regulation S-K of the SEC rules and is "independent" within the meaning of NASDAQ Rule 5605(a)(2) and the related rules of the SEC, and (ii) Carlton M. Johnson, Jr. and John H. Bonde are "independent" within the meaning of NASDAQ Rule 5605(a)(2) and the related rules of the SEC.

Compensation and Governance Committee.

The purpose of the Compensation and Governance Committee is to discharge the Board of Directors' responsibilities relating to compensation of CryoPort's directors and executives, to produce an annual report on executive compensation for inclusion in CryoPort's proxy statement, as necessary, and to oversee and advise the Board of Directors on the adoption of policies that govern CryoPort's compensation programs including stock and benefit plans. The Compensation and Governance Committee does not operate under a charter.

The current members of the Compensation and Governance Committee are Carlton M. Johnson, Jr., who is the Chairman of the Compensation and Governance Committee, and Mr. Adam Michelin, each of whom is independent under applicable independence requirements. Each of the current members of the Compensation and Governance Committee is a "non-employee director" under Section 16 of the Exchange Act and an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code").

Nominating Committee

CryoPort does not have a formal nominating committee. The function of the nominating committee is handled by CryoPort's Compensation and Governance Committee. The Board of Directors does not believe that a nominating committee is necessary because the independent directors participate in the nominating process.

The following table provides information regarding the compensation earned during fiscal years 2009 and 2008 by our named executive officers:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Salary(1) ($)	Bonus(7) ($)	Option Awards(8) ($)	All Other Compensation(14) ($)	Total Compensation ($)
Larry G. Stambaugh, President, Chief Executive Officer and Chairman	2009	48,000(2)	-	28,695(9)	-	76,695
	2008	-	-	-	-	-
Peter Berry, Former President and Chief Executive Officer	2009	205,000(3)	-	-	7,040	259,435
	2008	136,000(3)	30,000	47,395(10)	3,300	216,695
Dee S. Kelly, CPA, Former Chief Financial Officer and Vice President of Finance	2009	116,000(4)	-	-	-	120,000
	2008	100,000(4)	16,000	64,639(11)	-	186,639
Bret Bollinger, Vice President of Operations	2009	124,000(5)	-	119,398(12)	6,890	188,288
	2008	21,667(5)	-	52,983(12)	1,196	75,846
Kenneth Carlson Former Vice President of Sales and Marketing	2009	110,000(6)				
	2008	106,000(6)				