

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	RELEASE BY SECURED PARTY

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Black Diamond Commercial Finance, L.L.C.		10/02/2006	LIMITED LIABILITY COMPANY:

**RECEIVING PARTY DATA**

<b>Name:</b>	Zila, Inc.
<b>Street Address:</b>	5227 N. 7th Street
<b>City:</b>	Phoenix
<b>State/Country:</b>	ARIZONA
<b>Postal Code:</b>	85014
<b>Entity Type:</b>	CORPORATION:

<b>Name:</b>	Zila Biotechnology, Inc.
<b>Street Address:</b>	5227 N. 7th Street
<b>City:</b>	Phoenix
<b>State/Country:</b>	ARIZONA
<b>Postal Code:</b>	85014
<b>Entity Type:</b>	CORPORATION:

<b>Name:</b>	Zila Nutraceuticals, Inc.
<b>Street Address:</b>	5227 N. 7th Street
<b>City:</b>	Phoenix
<b>State/Country:</b>	ARIZONA
<b>Postal Code:</b>	85014
<b>Entity Type:</b>	CORPORATION:

<b>Name:</b>	Zila Pharmaceuticals, Inc.
<b>Street Address:</b>	5227 N. 7th Street
<b>City:</b>	Phoenix
<b>State/Country:</b>	ARIZONA

**CH \$265.00 2486154**

Postal Code:	85014
Entity Type:	CORPORATION:

Name:	Zila Swab Technologies, Inc.
Street Address:	5227 N. 7th Street
City:	Phoenix
State/Country:	ARIZONA
Postal Code:	85014
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 10

Property Type	Number	Word Mark
Registration Number:	2486154	PALMETTX
Registration Number:	2289046	THE FIRST TO LAST
Registration Number:	1538868	THE HEARTBEAT OF VITAMIN C
Registration Number:	2559722	THE INTELLIGENT USE OF NATURE
Serial Number:	76606051	ESTER-KIDS.
Serial Number:	78691057	ESTER
Serial Number:	78691062	ESTER
Serial Number:	76624580	ESTER-CRAN
Serial Number:	78691047	ESTER-O
Serial Number:	78691058	ESTER-OMEGA

CORRESPONDENCE DATA

Fax Number: (602)382-6070  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 6023826000  
 Email: jeslick@swlaw.com  
 Correspondent Name: Snell & Wilmer L.L.P.  
 Address Line 1: One Arizona Center, 400 E. Van Buren St  
 Address Line 2: Julie Eslick  
 Address Line 4: Phoenix, ARIZONA 85004-2202

ATTORNEY DOCKET NUMBER:	44903.0014
NAME OF SUBMITTER:	Julie Eslick
Signature:	/Julie Eslick/
Date:	10/02/2006

**Total Attachments: 3**

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NOTICE OF RELEASE OF  
SECURITY INTEREST IN TRADEMARKS

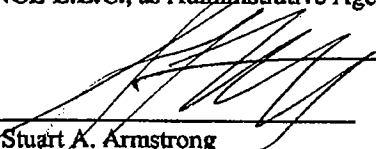
Reference is made to Guarantee and Collateral Agreement dated as of March 24, 2006, and recorded with the United States Patent and Trademark Office at Reel 3280 and Frame 0730 on March 30, 2006, between (i) Zila, Inc., Zila Biotechnology, Inc., Zila Nutraceuticals, Inc., Zila Pharmaceuticals, Inc. and Zila Swab Technologies, Inc. (collectively referred to herein as "Grantors") and individually as "Grantor"; and (ii) Black Diamond Commercial Finance, L.L.C., as Agent (in such capacity, the "Agent") in favor of the financial institutions and other entities from time to time parties to the Credit Agreement, dated as of March 24, 2006 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among Grantors, the Lenders (as defined in the Credit Agreement) and the Agent.

Pursuant to the Guarantee and Collateral Agreement, Grantors granted to Agent, on behalf of itself and the Lenders, a security interest in Grantors' right, title, and interest in the trademarks and trademark registrations listed on Schedule A hereto (the "Trademarks").

Agent hereby re-assigns and releases to Grantor, without recourse, representation or warranty, express or implied, of any kind, all right, title and interest that Agent has in the Trademarks; all proceeds of the foregoing; all general intangibles associated with the foregoing, including without limitation, all goodwill associated in any way with such Trademarks; the right to sue for past, present and future infringements; and all rights corresponding thereto associated with such Trademarks.

This release shall be governed by and construed in accordance with the laws of the State of New York without regard to conflicts of law principles.

**BLACK DIAMOND COMMERCIAL  
FINANCE L.L.C., as Administrative Agent**

By:   
Name: Stuart A. Armstrong  
Title: Duly Authorized Signatory  
Dated:

**SCHEDULE A**

	<i>Title</i>	<i>App/Serial No.</i>	<i>Patent No.</i>
1.	Apparatus for Endoscopic Examination of Body Cavity Using Chemiluminescent Light Source		5179938
2.	Method for Endoscopic Examination of Body Cavity Using Chemiluminescent Light Source		5329938
3.	Body Cavity Light Using Diffuse Light Source		6496718
4.	Detection of Malignant Lesions of the Oral Cavity Utilizing Toluidine Blue Rinse		4321251
5.	Dry Handle Swab Assembly		6406451
6.	Dry Handle Swab Assembly and Unit		4952204
7.	Disposable Dry-Handle Mascara Applicator Assembly		5826600
8.	Biological Stain Composition, Method of Preparation and Use for Delineation of Epithelial Cancer		5372801
9.	Method and Kit for Epithelial Cancer Screening		6417003
10.	Methods and Compositions for In Vivo Detection of Oral Cancers and Precancerous Conditions		5882627
11.	In Vivo Stain Composition, Process of Manufacture and Methods of Use to Identify Dysplastic Tissue		6086852
12.	Process for Manufacture of In Vivo Stain Composition		6194573
13.	Method for Detecting and Diagnosing Epithelial Cancer		6459920
14.	In Vivo Stain Compounds and Methods of Use to Identify Dysplastic Tissue		6830743
15.	Method for Detecting and Killing Epithelial Cancer Cells		6649144
16.	Improved Diagnostic Method for Detecting Dysplastic Epithelial Tissue		6967015
17.	Process for Manufacture of In Vivo Stain Composition		6372904
18.	Compositions and Methods for Administering Vitamin C		4822816
19.	Compositions and Methods for Administering Therapeutically Active Compounds		4968716
20.	Compositions and Methods for Administering Therapeutically Active Compounds		5070085
21.	Stable Liquid Mineral Ascorbate Compositions and Methods of Manufacture and Use		6197813
22.	Methods and Compositions for Potentiating Cancer Chemotherapeutic Agents		6468980
23.	Vitamin C Composition		6878744
24.	Light Stabilized In Vivo Stain Composition and Method of Manufacture	10/487,329	
25.	Method for Detecting and Killing Epithelial Cancer Cells	10/019,494	
26.	Stain-Directed Molecular Analysis for Cancer Prognosis and Diagnosis	10/484,420	
27.	Light-Directed Molecular Analysis for Cancer Prognosis and Diagnosis	10/484,409	

39.	PALMETTX	12/14/1999	2486154
40.	The First to Last	10/6/1998	2289046
41.	The Heartbeat of Vitamin C	8/18/1988	1538868
42.	The Intelligent Use of Nature	12/14/1999	2559722
43.	ESTER-KIDS	76/606,051	Allowed
44.	ESTER	78/691,057	Pending
45.	ESTER Stylized	78/691,062	Pending
46.	ESTER-CRAN	76/624,580	Pending
47.	ESTER-O	78/691,047	Pending
48.	ESTER-OMEGA	78/691,058	Pending