



CardioMag Imaging™



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FOR IMMEDIATE RELEASE
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CardioMag Exhibits its New Heart-Scanning Technology At European Society of Cardiology Congress (ESC)

**- Company Presents Details of its MagnetoCardioGraphic System
At the Emerging Cardiac Technology Session -**

September 8, 2004: CardioMag Imaging, Inc. (CMI), headquartered in Schenectady, NY, introduced its new MagnetoCardioGraphic (MCG) system to the attendees of Europe's most important cardiology meeting (ESC) held this year in Munich, Germany from August 28 to September 1, 2004.

The Company presented an overview of the unique features of its MagnetoCardioGraphic (MCG) system in a special session describing important new developments in cardiac diagnostic instrumentation. That presentation highlighted characteristics of CMI's systems that include an ability to measure cardiac electromagnetic activity in a fast, safe and accurate fashion which allows cardiologists to non-invasively obtain visual displays of cardiac function during a 10-minute test.

Attendees were able to hear a number of presentations by cardiologists from Italy and Germany who have successfully used CMI's systems in open, unshielded environments for several years, accumulating clinical data for rapid identification of various heart ailments.

The Company is preparing to introduce its MCG system at the American Heart Association (AHA) meeting to be held in New Orleans from November 7 to November 10, 2004. Clinical trial system installations in the U.S. include Cedars Sinai Hospital in Los Angeles, Mayo Clinic in Rochester, MN. and Johns Hopkins in Baltimore, MD.

The Company recently received the important US FDA certification that allows it to now sell its system in the United States for the measurement and identification of cardiac signals. Other regulatory approvals such as the prestigious CE mark for Europe, International Standards ISO 9001 and ISO 13485 Quality Management and Quality Assurance Standards, Medical Device Directive, as well as Canadian Medical Devices Regulations and U.L. certification for Safety of its 2409 MCG system were also obtained by CardioMag Imaging.

CardioMag Imaging™, Inc., a privately held company formed in 1999, has sold MCG systems in Europe and Asia, and the recent FDA clearance now opens up the largest medical equipment market in the world. At less than half the price of an MRI machine, CardioMag's MCG system will bring a cost-effective new device to assist cardiac health care providers. The Company is in the process of raising \$12 million equity capital for expansion and worldwide marketing.

Safe Harbor Statement: The statements presented in this press release which are not historical facts are forward looking statements which involve various important assumptions, risks, uncertainties and other factors set forth here, including but not limited to, market acceptance by healthcare providers, obtaining FDA approval for future claims, insurance reimbursement policies, and growth of the market.

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