

THREE PATENTS ISSUED TO MAGNETECS IN JANUARY 2011

Company Files Eight Patent Applications in the Fourth Quarter of 2010

INGLEWOOD, Calif., February 2, 2011 -- Magnetecs Corporation, a designer and manufacturer of robotic catheterization control systems for minimally invasive surgical procedures, today reported that the United States Patent Office has issued three patents to the Company related to its robotic Catheter Guidance Control and Imaging (CGCI) system for minimally invasive medical procedures, including catheter ablation for arrhythmia treatment. Magnetecs' CGCI system is the first to dynamically focus and concentrate electromagnetic energy into a compact, powerful and easy-to-control sphere, akin to how lasers focus light into a precisely directed beam.

The three patents issued to Magnetecs cover:

- The System and Method for Radar-Assisted Catheter Guidance and Control (USPTO Patent No. 7,873,402 B2);
- System and Method for a Magnetic Catheter Tip (USPTO Patent No. 7,873,401 B2);
 and
- Apparatus for Magnetically Deployable Catheter with Mosfet Sensor and Method for Mapping and Ablation (USPTO Patent No. 7,869,854 B2).

In addition, Magnetecs filed eight patent applications in the fourth quarter of 2010. These patent filings supplement the Company's extensive portfolio of intellectual property. The Company has 52 currently active patents and applications, including 17 patents issued in the U.S., U.K., Italy, France, Germany, Hong Kong, Japan, and China.

"Magnetecs has allocated significant resources to the growth and protection of the Company's intellectual property portfolio," said Josh Shachar, Chief Executive Officer and Chief Technology Officer of Magnetecs Corporation. "We have built a powerful and highly defensible patent portfolio in the field of magnetic and robotic guidance and control, and we intend to continue to enhance the substantial value of the Company's intellectual property."

CGCI HUMAN STUDIES ONGOING IN MADRID

Human studies using CGCI for patients with arrhythmia, or irregular heartbeat, began on October 7, 2010 at Hospital General Universitario La Paz in Madrid, Spain. The studies are being conducted by Dr. Jose Merino, Director of the Arrhythmia and Electrophysiology Research Unit of the hospital.

To-date 30 patients have participated in the study in which a highly detailed map of the heart is created using the CGCI system's magnetically guided catheter. The primary outcome of the study, which is expected to be completed during the next few weeks, measures intracardiac anatomic site target acquisition and repetition of acquisition. A description of the study can be found on the ClincalTrials.gov site at:

http://clinicaltrials.gov/ct2/show/NCT01222156?term=remote+navigation&rank=1

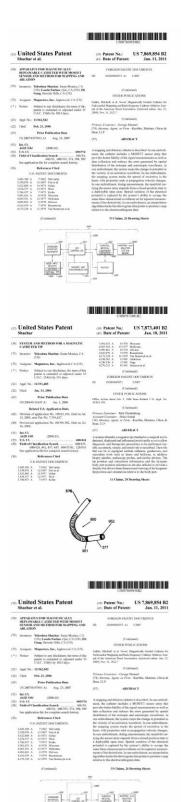
A subsequent study of 40 patients is expected to begin in the second quarter of 2011, in which both mapping and ablation procedures will be conducted using the CGCI system.



CGCI Madrid Control Room showing Dr. Jose Merino at controls and Josh Shachar, CEO of Magnetecs Corporation, standing at center in background

CGCI SUBMISSION FOR CE MARK CERTIFICATION

CGCI uses an array of eight electromagnets in a unique configuration to intelligently guide a magnetically-tipped catheter. This configuration enables a physician to precisely and consistently control surgical tools in highly dynamic or previously inaccessible environments, while enhancing both the physician's dexterity and the patient's safety. The first study focuses on mapping of the heart, which is a diagnostic procedure that is performed for patients who



have arrhythmia. Magnetecs expects this study to lead to a CE Mark application for commercialization in Europe in 2011. Additional human studies for ablation are expected to lead to approval of the CGCI system for therapeutic procedures used to correct heart arrhythmia.

ABOUT CGCI

Previous magnetic guidance systems use large, independent magnets which emit a substantial, continuous magnetic field, have limited control capabilities, and require shielding. In contrast, Magnetecs' CGCI system creates an electromagnetic field that is largely contained in the electromagnetic array and focused in an area no larger than the patient's chest. CGCI emits a magnetic field only when in use and can dynamically adjust and manipulate this field to achieve unprecedented three-dimensional catheter-guidance precision and responsiveness, all with safety and reliability. A unified solution for robotic guidance, control and imaging of electrophysiology and other procedures, the CGCI system is integrated with sophisticated cardiac mapping and navigation technologies, including intracardiac echocardiography (ICE) and other advanced electrophysiology lab technologies and equipment. Magnetecs is planning additional applications of the Company's electromagnetic technology in the fields of interventional cardiology, gastroenterology, neurology, and gynecology.

ABOUT MAGNETECS

Magnetecs Corporation designs and manufactures a unique and highly efficient robotic catheterization control system for minimally invasive surgical procedures and the advanced specialized tools used in these procedures. The Company believes that its proprietary Catheter Guidance Control and Imaging (CGCI) system will greatly improve the efficacy, safety and cost efficiency of many common minimally invasive surgeries. Magnetecs has established advanced electrophysiology surgical suites for CGCI development and testing at the Company's headquarters facility in Inglewood, California. For additional information on CGCI and Magnetecs Corporation, please visit the Company's website at www.magnetecs.com.

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