

CardioGenics to Continue Commercialization of its Magnetic Beads with Merck Chimie SAS

MISSISSAUGA, Ontario - February 01, 2011 - CardioGenics Holdings Inc. (OTC Bulletin Board: CGNH) announced today that CardioGenics and Merck Chimie SAS continue the commercialization process of CardioGenics' magnetic beads. Merck recently notified CardioGenics that while it is refining its encapsulation of the CardioGenics beads, it will also test a batch of magnetic beads coated with CardioGenics' proprietary silver-coating and polymer encapsulation processes (the "CardioGenics Encapsulated Beads") with the aim of commercializing the CardioGenics Encapsulated Beads while Merck Chimie is finalizing its own proprietary encapsulation of the CardioGenics beads.

CardioGenics also announced that it is accelerating its commercialization efforts for its magnetic beads and as a result, the Company has signed two significant Material Transfer Agreements ("MTA") with 2 major international life sciences companies. Under the first MTA with one of the top 3 beads production and distribution companies, CardioGenics will furnish them with its silver-coated magnetic beads for polymer coating by the distributor. In addition, the distributor will provide CardioGenics with their magnetized bead prototypes, which CardioGenics will then silver-coat with its proprietary silver-coating technology.

Under the second MTA with one of the top IVD companies, CardioGenics will furnish them with its silver-coated and polymer encapsulated magnetic beads for subsequent testing and evaluation in their various test products.

Magnetic beads are a key component of virtually every immunoassay analyzer in the world. CardioGenics' proprietary silver-coating technology enhances the signaling properties of magnetic beads, resulting in an increased sensitivity of immunoassay analyzers by up to seven fold. This can allow for more sophisticated data collection from patient samples being analyzed for the presence and progression of a disease— with no change to existing hardware or instrumentation. In addition to being used on CardioGenics' own beads, CardioGenics' proprietary silver coating can also be used on third-party magnetic beads to enhance their sensitivity.

Upon completion of the testing process, CardioGenics and the distributors will evaluate the test results and determine whether to further pursue commercialization of the resulting products. The Biosciences magnetic beads market is estimated to be in excess of \$1.2 billion worldwide.

About CardioGenics Holdings Inc.

Through its operating subsidiaries, the Company develops ultra-sensitive analyzers and other products targeting the immunoassay segment of the Point-Of-Care IVD testing market. It has developed the QL Care™ Analyzer, a proprietary and ultra-sensitive Point-Of-Care immuno-analyzer, which will run a number of diagnostic tests under development, the first of which will be a series of cardiovascular diagnostic tests. As part

of its core proprietary technology, the Company has also developed a proprietary method for silver coating paramagnetic microspheres (a fundamental platform component of immunoassay equipment), which improve instrument sensitivity to light. The Company's principal offices are located in Mississauga, Ontario, Canada. For more information please visit www.cardiogenics.com.

Safe Harbor Statement - Certain statements made herein that are not historical are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995 and may contain forward-looking statements, with words such as "anticipate," "believe," "expect," "future," "may," "will," "should," "plan," "projected," "intend," and similar expressions to identify forward-looking statements. These statements are based on the Company's beliefs and the assumptions it made using information currently available to it. Because these statements reflect the Company's current views concerning future events, these statements involve risks, uncertainties and assumptions. The actual results could differ materially from the results discussed in the forward-looking statements. In any event, undue reliance should not be placed on any forward-looking statements, which apply only as of the date of this press release. Accordingly, reference should be made to the Company's periodic filings with the Securities and Exchange Commission.

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