

## **CardioGenics Announces Further Update Regarding Status of Merck Agreement**

### *CardioGenics Beads Enter Final Stage of Testing Prior to Commercialization*

MISSISSAUGA, Ontario - March 10, 2010 - CardioGenics Holdings Inc. (OTC Bulletin Board: CGNH), a developer of technology and products targeting the IVD segment of the Point-Of-Care (POC) diagnostic market, announced today a further update regarding the status of its agreement with Merck Chimie s.a.s. ("Merck Chimie").

As mentioned in the Company's prior announcement and Current Report on Form 8-K filed on November 24, 2009, Merck Chimie completed their encapsulation of a "test batch" of CardioGenics' proprietary paramagnetic beads (the "CardioGenics Beads") and targeted December 2009 for delivery of the CardioGenics Beads to the Company for "bench testing" to determine adherence of the encapsulated beads to specifications established jointly by Merck Chimie and CardioGenics for the commercial product. In December 2009, the Company received the encapsulated "test batch" of the CardioGenics Beads from Merck Chimie and performed the necessary bench testing.

After analyzing the bench test results, the Company reported its findings to Merck Chimie and both parties agreed that Merck Chimie would undertake technical adjustments to the encapsulation process to meet the specifications. Consistent with the Company's recommendation, Merck Chimie will now encapsulate a second "test batch" of the CardioGenics Beads, incorporating such technical adjustments, and deliver the second "test batch" of the encapsulated CardioGenics Beads to the Company for what the parties anticipate will be the final bench test.

The Company expects to receive the second "test batch" of the encapsulated CardioGenics Beads from Merck Chimie during May, 2010. The Company will shortly thereafter perform its second bench test with those beads and anticipates meeting with Merck Chimie also during May, 2010 to discuss the bench test results and Merck Chimie's efforts for "scaling-up" production of the final encapsulated CardioGenics Beads for commercialization.

While being extremely close to satisfying the jointly developed specification for the commercial product, the Company nevertheless felt that some additional minor technical adjustments were necessary in the encapsulation process in order to optimize performance of the CardioGenics Beads during commercial use.

Dr. Yahia Gawad Chief Executive Officer of CardioGenics Holdings Inc., stated, "We are extremely satisfied with the efforts of Merck Chimie and the talent of their team who are working with our team to commercialize a superior product to meet market needs."

*About CardioGenics Holdings Inc.*

Through its CardioGenics subsidiaries, the Company develops technology and products targeting the immunoassay segment of the In-Vitro Diagnostic testing market. It has developed the QL Care Analyzer, a proprietary 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.

*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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