

Merck Set to Distribute CardioGenics Beads for Central Lab Diagnostic Analyzers

*Shipments To Merck Customers Start Next Month;
CardioGenics To Receive 30 Percent Of Product Sales*

MISSISSAUGA, Ontario – August 03, 2010 - CardioGenics Holdings Inc. (OTCBB: CGNH), developer of the ultra-sensitive QL Care™ Point-Of-Care (POC) analyzer and products for the immunoassay segment of the In-Vitro Diagnostics market, announced that CardioGenics Inc. and Merck Chimie S.A.S. have agreed on a plan to commercialize CardioGenics' proprietary paramagnetic beads, with shipments to Merck-Chimie's customers scheduled to start mid-September 2010.

Merck-Chimie is one of the world's largest suppliers of paramagnetic diagnostic beads, a roughly \$1 billion product category. The beads are a key component of virtually every immunoassay analyzer. CardioGenics' proprietary technology enhances the signaling properties of the beads, increasing the sensitivity of immunoassay analyzers by up to seven fold. This can allow 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.

“Commercialization of CardioGenics' beads with Merck-Chimie is a key milestone for us and an important validation of our technology,” stated Yahia Gawad, MD, CEO of CardioGenics. “Merck's product launch will make a strong revenue contribution and help bring us to cash flow positive.”

Under the terms of the first agreement between Merck-Chimie and CardioGenics, net revenue from the sale of CardioGenics' beads to Merck's customers will be split between the two companies, with 70 percent of such proceeds to Merck and 30 percent to CardioGenics.

Separately, CardioGenics said its clinical and commercial development program for its portable QL Care Analyzer remains on schedule.

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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