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News Release

Velocimed® Announces Closing of Series D Financing and Significant Milestones Achieved for the Proxis®, Premere™ and Venture™ Products

Minneapolis, MN, September 21, 2004 - Velocimed LLC., a developer and manufacturer of medical devices used in the treatment of cardiovascular and neurovascular diseases, announced today it has completed a Series D financing round totaling $16.5 million. The company received funding from Warburg Pincus, The Vertical Group, RiverVest Venture Partners and Arnerich Massena & Associates.
"The funds from this significant round of financing will be used to complete the pivotal U.S. clinical trial for the Proxis Embolic Protection System, and to launch the Premere PFO Closure System and Venture Wire Control Catheter internationally," said Dr. Wahr, the Velocimed President and CEO.

The Proxis™ Embolic Protection System is the first proximal embolic protection device designed for coronary applications. Embolic protection is important clinically because particles, or embolic debris, are dislodged in virtually all vessels undergoing interventional procedures. The loose debris can travel downstream and block blood flow in smaller vessels which can lead to further damage to the heart muscle.

The Proxis System works by briefly stopping and then reversing flow in the treated vessel to remove particulate debris that may be dislodged during stent placement. Since the Proxis system is deployed in a proximal (i.e. upstream) segment of the target vessel, debris can be prevented from flowing downstream without the need for crossing the blockage to place a protective retrieval device. In addition, the Proxis System will provide clinicians an embolic protection option for treatment of lesions that are not suitable for the deployment of distal embolic protection devices, including those that are very tight and those located downstream in a diseased vessel.

The PROXIMAL Trial is a randomized, multi-center study that will include 600 patients at up to 80 centers. The trial compares the Proxis System to currently approved distal embolic protection systems. The primary endpoint is 30-day Major Adverse Cardiac Event (MACE) rate. Enrollment in the PROXIMAL Trial has been excellent and is expected to be completed in early 2005.

In addition, the company announces the completion of the CLOSE UP trial for the Premere™ PFO Closure System. The CLOSE UP trial was conducted at four centers in Germany. Prof. Horst Sievert from the Cardiovascular Center Frankfurt, Sankt Katharinen was the Principal Investigator for the trial. The safety trial enrolled a total of 30 patients. The data has been used to support a CE Mark submission.

The Premere PFO Closure System was designed specifically and exclusively for PFO Closure. The Premere has two independently deployed anchors that pivot independently of each other and have extremely low surface area. The anchors are connected by a tether which allows the anchors to be adjusted to fit any length PFO track. These features allow the Premere System to conform to the patient's anatomy without tissue distortion and permit rapid endothelialization.

"The Premere PFO Closure System will now allow me to close virtually any PFO much more safely than with current devices. Especially the problem of the PFO with a long tunnel is solved now," remarked Prof. Sievert.

Velocimed also discloses the first human use of the Venture Wire Control Catheter. The Venture is an innovative device designed to provide steering control and backup support to help steer guide wires through highly tortuous or otherwise challenging coronary anatomy. The Venture has a deflectable tip that can bend up to 90 degrees. This feature, combined with its excellent torquability, permits the physician operator to direct the guide wire precisely where it needs to go.

The Venture was used for the first time by Dr. John Webb at St. Paul's Hospital in Vancouver, Canada. "The Venture Catheter has the potential to be a useful tool in the cath lab. It can make selected difficult cases easier," commented Dr. Webb.

Velocimed is a developer, manufacturer and marketer of medical devices whose products will be used in a broad range of interventional cardiology and neurology applications. Velocimed is a privately held company located in Minneapolis, Minnesota. For more information visit the company's website at www.velocimed.com.

This press release contains forward-looking statements. The Company wishes to caution the reader of this press release that actual results may differ from those discussed in the forward-looking statements and may be adversely affected by, among other things, risks associated with litigation, clinical trials, the regulatory approval process, reimbursement policies and commercialization of new technologies.