



Stereotaxis Awarded Exclusive Contract by Novation for Robotic Interventional Technology

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ST. LOUIS, Sept. 10 /PRNewswire-FirstCall/ -- Stereotaxis, Inc. (Nasdaq: STXS) announced that Novation, the leading health care supply contracting company, will add Stereotaxis' Niobe(R) Remote Magnetic Navigation and Odyssey(TM) systems to its capital products contract portfolio. This is an exclusive agreement; Stereotaxis' Niobe System will be the only robotic interventional technology among Novation's capital products offerings. This agreement is effective immediately.

Based in Irving, Texas, Novation serves more than 2,500 hospitals in VHA Inc., and University HealthSystem Consortium (UHC), two national health care alliances, and nearly 950 hospital members of Provista, LLC, one of the nation's largest supply chain improvement companies. In 2008, these members used Novation contracts to purchase nearly \$35 billion in supplies and services. Stereotaxis' contract with Novation enhances its opportunities to sell its capital products to the hospitals served by Novation, and eases contract negotiations between Stereotaxis and Novation's member hospitals.

"Novation prides itself in developing relationships with cutting-edge companies once they have established market leadership in a particular segment," said Michael Ainsworth, Director of Cardiovascular Contracting at Novation. "With the Niobe and Odyssey systems in our capital products portfolio, these breakthrough technologies will be more accessible to our membership. Capital equipment is among our specialties, representing up to 23 percent of our annual volume. We expect great things from our contract with Stereotaxis."

"We expect this exclusive contract to significantly enhance our U.S. growth opportunities," said Michael P. Kaminski, President and Chief Executive Officer of Stereotaxis. "Stereotaxis' Niobe System is creating a new standard for the treatment of cardiac arrhythmias and the performance of other interventional applications. Our Odyssey System is set to fundamentally alter how procedure data is stored and best practices are shared between clinicians, which can ultimately improve patient care. Our contract with Novation should help pave the way for many institutions to add these game-changing technologies in their cath labs."

About the Niobe(R) and Odyssey(TM) Systems

The Niobe Remote Magnetic Navigation System is installed in approximately 120 hospitals worldwide. It allows physicians to treat cardiovascular disorders with a great degree of efficiency, safety, and precision by controlling the magnetic field around the patient and directing magnetically enabled devices through the patient's anatomy. Sophisticated software integrates medical images to create virtual reconstructions of the patient's blood vessels and heart to help accurately guide the devices to the diseased tissue and deliver therapy while minimizing the need for x-ray exposure.

Overall, the Niobe Remote Magnetic Navigation System has been utilized in nearly 23,000 cases worldwide. These include ablations of a wide variety of cardiac arrhythmias in all four chambers of the heart and across a broad spectrum of patients ranging from pediatric to geriatric. Included in the Niobe clinical experience are several very compelling procedures in patients with congenital heart defects and patients with peripheral vascular occlusive disease.

The Odyssey portfolio of products provides an innovative information backbone for managing, controlling, recording and sharing procedures performed in interventional labs. The Odyssey Workstation standardizes data integration for magnetic and standard interventional labs by enhancing the physician workflow through a consolidated display of multiple systems and eliminating the challenge of interacting simultaneously with many separate diagnostic systems. Odyssey Cinema then captures a complete record of synchronized procedure data that can be viewed live or from a comprehensive archive of cases performed. Through its proprietary data compression technology, the Odyssey enables the sharing of live and recorded procedure data via a laptop anywhere over a secure high speed Internet connection. Hospitals can also share procedures with other institutions using Odyssey Connect providing a forum for defining clinical best practices across a broad spectrum of medical procedures.

About Stereotaxis

Stereotaxis designs, manufactures and markets an advanced cardiology instrument control system for use in a hospital's interventional surgical suite to enhance the treatment of coronary artery disease and arrhythmias. The Stereotaxis System is designed to enable physicians to complete more complex interventional procedures by providing image guided delivery of catheters and guidewires through the blood vessels and chambers of the heart to treatment sites. This is achieved using computer-controlled, externally applied magnetic fields that govern the motion of the working tip of the catheter or guidewire, resulting in improved navigation, shorter procedure time and reduced x-ray exposure. The core components of the Stereotaxis System have received regulatory clearance in the U.S., Europe, and Canada and elsewhere.

About Forward-Looking Statements

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe," "estimate," "project," "expect" or similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance for the Company's products in the marketplace, competitive factors, changes in government reimbursement procedures, dependence upon third-party vendors, and other risks discussed in the Company's periodic and other filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release. There can be no assurance that we will recognize revenue related to our purchase orders and other commitments in any particular period or at all because some of these purchase orders and other commitments are subject to contingencies that are outside of our control. In addition, these orders and commitments may be revised, modified or canceled, either by their express terms, as a result of negotiations, or by project changes or delays.

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