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REPORT ON MEETING WITH FDA AND CORPORATE UPDATE

***** FDA Agrees with the Clinical Trial Plan and the Company Readies for its 510K Submission *****

SEATTLE, WASHINGTON, January 18, 2011 – VentriPoint Diagnostics Ltd. (TSXV: VPT; OTC: VPTDF.PK) is providing the following corporate update.

Clinical Trials and Regulatory Approvals

FDA: On January 5, 2012, the Company met with the FDA to review its plans for the clinical trial and regulatory submission for the first application the VMS™ heart analysis system for the congenital heart disease known as Tetralogy of Fallot. The FDA informed the Company it had answered all their questions and addressed all of their earlier observations pertaining to the clinical trial. The clinical trial has begun and it is the Company's expectation that the study results will be satisfactory and supportive of a 510 (k) submission. The Company has had a number of positive interactions with the FDA and welcomed this opportunity to receive additional advice on its plans.

Tetralogy of Fallot: The Tetralogy of Fallot clinical trial has begun in the United States and is designed to show substantial equivalency between the gold-standard, MRI method, and our 2D-ultrasound, VMS™ technique. Based on advice from the FDA, the study has been designed to collect images at multiple sites and to analyze them in core labs. Nationwide Hospital in Columbus Ohio is the lead center for the study and the University of Nebraska has been announced as a second site (see press release on December 1, 2011). Several other clinical sites are expected to join the study and will be announced as they begin patient recruitment. The Company is announcing today that Nationwide has also been selected as the core lab for the analysis of MRI studies and the Hospital for Sick Children in Toronto has been selected to do all the analyses of the VMS™ studies.

To date, 20 patients have been enrolled in the study and a total of 75 evaluable cases are required for study completion. The Company anticipates enrollment will accelerate as the other centers become operational. The data collection should be completed this spring and a response from the FDA is anticipated this summer. As usual, it all depends on the rate of recruitment by our existing and new centres. It is interesting that some patients agreed to participate in the study but withdrew when they had to undergo the MRI procedure. ***While frustrating to our clinical teams, it reinforces our overall value proposition that people would rather not have an MRI and some refuse.***

The Company estimates the market for product for Tetralogy of Fallot to be \$200 million dollars and is aggressively marketing this product in Europe and Canada, where it is approved for clinical use. The company has a target of placing 50 VMS™ devices in 2012 and anticipates that sales will increase dramatically this year, when FDA approval for Tetralogy of Fallot is achieved and approval for pulmonary hypertension is received in Europe and Canada.

Pulmonary Hypertension: The second application for our VMS™ technology is pulmonary arterial hypertension and this FDA trail should overlap with the latter part of the congenital heart disease clinical trail. Pulmonary arterial hypertension is the most serious form of the five recognized groups of pulmonary hypertension. It affects individuals of all ages from infancy to the elderly and the majority of patients continue to be diagnosed too late for treatment to be fully effective. It can occur for no known

reason but will typically occur in association with many common conditions such as chronic liver disease and liver cirrhosis; connective tissue disorders such as scleroderma or systemic lupus erythematosus (lupus); congenital heart disease (even if repaired) and HIV.

The use of VMS™ in all forms of pulmonary hypertension is a large single market for our game-changing product for 20 million patients with breathing problems, right heart defects and chronic disease, who are at risk for pulmonary hypertension. This application is estimated to be a \$1 billion market, worldwide.

The Company has begun its clinical evaluation of the pulmonary arterial hypertension application at the University of Chicago. This should be complete in a few weeks and, if successful, the Company will use the data to file for CE Mark and Canadian approvals for this indication. Several leading medical centers have agreed to be part of this pivotal clinical trial. Based on our experience with the Tetralogy of Fallot trial, the Company has already started the Internal Review Board and budget-approval processes with these major cardiovascular centers, as this is the most time-consuming part of the process. The sites will be selected shortly and will become operational as soon as possible. The complete list of distinguished participating medical centers, the lead investigators and the core lab in the study will be announced once all centers are ready to begin data collection.

Product Development

Much of 2011 has been spent upgrading both hardware and software based on the feedback from the users and developing new applications such as pulmonary hypertension. The new version 1.1 is completed and undergoing final testing. With almost a full year of cardiologists using VMS™ version 1.0, over 200 minor bugs were identified and corrected, and features adapted and added to maintain compatibility with newer models of ultrasound machines. The major hardware feature expansion is the ability to interface with the newer digital ultrasound machines, which will likely take over the market in the next 5 years. An important software enhancement is the ability to export our VMS studies to the hospital Picture Archiving and Communication System (PACS), enabling third party DICOM viewers to review the VMS™ results. We will update our existing sites remotely with the new version as soon as it has been released for general use.

A dynamic user network has been established and it continually informs the Company about how VMS™ use can be expanded to treat more patients. The Medical Advisory Board is reviewing new applications and with Pulmonary Hypertension application almost complete, the Company will select the next new applications shortly. For competitive reasons, these will not be announced until they are ready for clinical validation.

Sales and Marketing

The Company exhibited at six major cardiology conferences in 2011. In addition, our users made several keynote presentations about the VMS™ and its advantages over conventional MRI and 3D ultrasound. These clinical studies have also been submitted for publication in major heart journals. As a result, hundreds of professionals have expressed a desire to have more information about the VMS™. To address this overwhelming interest, the Company recently hired a sales manager for Europe who is located in the Netherlands (see press release on December 7, 2011).

The strategy of allowing leading hospitals to use the VMS™ for research and publishing papers, prior to purchasing the VMS™ is paying off. The papers are being published (see press release on January 5, 2012). Hospitals are now purchasing the VMS™ units and the Company had first revenues in 3Q11

and more in 4Q11. The users are starting to change the procedures in their hospitals to make the VMS™ the “standard-of-care” for their patients with congenital heart disease.

Corporate Governance, Medical Advisory Board and Financing

2011 was a busy year for Corporate Governance and the Medical Advisory Board. Two new Directors (see press release on July 20, 2011) and two new Medical Advisors (see press releases on April 29, 2011 and May 5, 2011) were added. The Company will continue to recruit medical advisors, who can help it identify unmet medical needs, where new VMS™ applications can fill the gap.

The company completed three financings in 2011 (See press releases on January 20, 2011, July 19, 2011 and December 22, 2011) in a financial climate in which capital was very difficult to attract. In addition to providing capital to invest in technology and operations, the Company refinanced \$1.2 million of secured debt during December and thereby replaced this secured obligation with approximately \$600K of unsecured debt and converting the remainder to common stock. Most of this investment was from existing shareholders, who were pleased with the progress of the company throughout the year. In a year in which most small-cap public companies lost significant value (-38% average for TSXV (<http://www.standardandpoors.com/indices/sp-tsx-venture-composite/en/us/?indexId=spcadntxv-cadw---p-ca---->), VentriPoint has held its share price while raising capital, such that the enterprise value of the Company has increased. It has averaged in excess of 80,000 shares per day -- good liquidity for a small cap company.

Partnerships

The company is actively seeking partnerships with large manufacturers of ultrasound equipment for combination products and distribution. There is considerable interest in developing a stand-alone system for pulmonary hypertension, as this would be a completely new application for ultrasound. Discussions are ongoing and agreements will be announced as they are completed.

Targets for 2012

The company is focused on:

1. Completing the clinical trials for Tetralogy of Fallot and obtaining FDA approval for this application, which will allow clinical sales in the United States;
2. Completing the clinical trials for pulmonary hypertension and obtaining CE Mark, Heath Canada and FDA approvals for this application, which will open a new market for ultrasound that will be uniquely served by VMS™;
3. Launching of VMS™ version 1.1
4. Growing revenue quarter over quarter to become cash flow positive and profitable;
5. Seeking partnerships with existing ultrasound manufacturers for combination products and distribution;
6. Developing additional applications in pediatric and adult cardiology to expand the addressable market;
7. Refinancing of existing debt and establishing a working capital credit line to fund inventory and accounts receivables.

About VentriPoint Diagnostics Ltd.

VentriPoint has created a diagnostic ultrasound tool to monitor patients with heart disease, a leading cause of death in developed countries. Management believes the VMS™ is the first cost-effective and accurate diagnostic tool for measuring right ventricle heart function. Congenital heart disease is the first application in a suite of applications for all major heart diseases including pulmonary hypertension,

cardiovascular disease and heart failure, which management believes has a multibillion-dollar market potential. Canada and Europe (CE Mark) have granted approval for the sale of VentriPoint's VMS™ heart analysis system and VentriPoint is pursuing the US-FDA approval through the 510(k) process.

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