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Naviscan PET Systems, Inc. Enters Into Exclusive License, Research and Development Agreement with Mayo for Patented Molecular Imaging Agents

San Diego, CA - November 29, 2005 - Naviscan PET Systems, Inc., a privately held company that manufactures and develops high-resolution PET scanners, announced today that it has entered into an agreement with Mayo Foundation for Medical Education and Research (Mayo Clinic) to clinically validate and commercialize a dynamic patented molecular imaging agent for use with Positron Emission Tomography (PET) and other imaging modalities.

In accordance with the Bayh-Dole Act of 1980, Mayo Clinic has licensed the vitamin B-12 molecular imaging agent technology invented by Dr. Douglas A. Collins to Naviscan PET Systems, Inc and will receive royalties from this license. Researchers at the Mayo Clinic have published studies that cancers have high uptake of radioactive B-12, especially in breast tumors.

"Molecular imaging agents based on Vitamin B-12 show great promise for the early detection of small tumors, especially in patients with dense breasts," commented Dr. Douglas Collins, inventor and researcher at Mayo Clinic. "The sensitivity of mammography in detecting cancers in patients with dense breasts ranges from 35 to 65 percent, presenting a great need for a technology with the ability to accurately image and detect the presence of tumors. This is particularly important since there are approximately 10 million women with dense breasts that are screened annually."

Naviscan PET Systems, Inc. is the first company to obtain FDA clearance for a high-resolution PET scanner designed to image small body parts. The device was developed to help physicians and researchers diagnose and locate cancer, guide interventions, and advance new clinical therapies.

The PEM Flex™ *Solo* PET scanner has proven resolution of 1.5 mm intrinsically, 2.0 mm in-plane, which is unprecedented for clinical devices.

"The combination of the Mayo Clinic's patented Vitamin B-12 molecular imaging agent and Naviscan's high-resolution PET scanner holds great promise for the future in terms of early detection of breast cancers," said Paul Grayson, newly-appointed CEO of Naviscan PET Systems, Inc. and a Managing Director of Sanderling Ventures. "We sought out Naviscan's technology to strategically invest in this important imaging technology platform."

Naviscan is planning clinical trial work with Mayo Clinic and other luminary sites in the U.S. to prove the value of the PEM Flex in breast cancer patients, as well as for evaluating PEM's role with high-risk patients.

About Naviscan PET Systems

Naviscan PET Systems, Inc., founded in 1995, designs and develops compact, high-resolution positron emission tomography (PET) scanners that are intended to guide challenging radiological and surgical procedures and to guide minimally invasive therapy in the breast and prostate. Naviscan has developed PET scanners employed in clinical research studies, funded in part by the National Institutes of Health, at leading academic institutions. Results of these studies have been published in numerous peer-reviewed journals. The Company is headquartered in San Diego, California.

About Sanderling Ventures

Founded in 1979, Sanderling is among the oldest investment firms dedicated to building new biomedical companies. Sanderling demonstrates that significant companies are best built in close working partnerships with entrepreneurs.

Sanderling's unique approach combines a specialized investment focus with active management and long-term commitment to ensure the highest rates-of-return for both its entrepreneurs and investors. For more information on Sanderling Ventures and its portfolios please visit www.sanderling.com.