

## **Neurognostics, Inc. Signs a Strategic Partnership with Medical Numerics, Inc.**

Milwaukee, WI, March 29, 2006 - Neurognostics, Inc., a Milwaukee-based company specializing in functional Magnetic Resonance Imaging (fMRI) products and services, signed a strategic partnership agreement with Medical Numerics, Inc., a software development company specializing in medical image visualization and analysis. Working to provide the clinical community with the most comprehensive functional MR Imaging fMRI tools and applications, Neurognostics and Medical Numerics today announced a strategic alliance to deliver a new line of products to enhance fMRI's utility in a clinical setting. The new product line will be based on Medical Numerics' proprietary fMRI tool set, and Neurognostics' MindState fDPD fMRI application software.

"We are thrilled about the opportunity to work with Medical Numerics," said Neurognostics' CEO, Douglas M. Tucker, Ph.D., M.B.A. "Both of our goals include advancing fMRI technology into clinical practice. It made sense for us to collaborate on our efforts to develop clinically useful fMRI tools and make them available to the clinical community. We explored a range of options to deliver fMRI tools into the hands of clinicians worldwide and concluded that Medical Numerics' fMRI software solutions were by far the best. By partnering with Medical Numerics, we have the opportunity to add value by integrating our fMRI applications knowledge and expertise into one of the leading image visualization and analysis applications, and ultimately, leverage our expertise into the marketplace through Medical Numerics' software applications and its scanner OEM relationships."

"I am very excited about working with Neurognostics," said Bob Steagall, Chief Operating Officer of Medical Numerics. "In combining their domain expertise in fMRI for detecting and staging central nervous system disorders with our expertise in software engineering and fMRI for neurosurgical planning, we will be able to offer our scanner OEM partners a set of fMRI applications of unmatched clinical utility. Our OEM partners will in turn be able to provide leading-edge clinical fMRI tools of the highest quality to their customers, ultimately benefiting the patient."

Functional MRI is a powerful imaging tool with enormous potential to improve patient care. fMRI allows clinicians to measure brain function, enabling them to see how the brain "really works." The technology has a number of promising clinical applications, specifically in the areas of pre-surgical brain mapping for assessing neurological risk, early identification of psychiatric and central nervous system disorders, and measurement of the effects of therapies in neurodegenerative and neurodevelopmental disorders. To date, fMRI's clinical applications have been limited due to the technical complexity of implementing scanning hardware and the lack of validated clinical applications.

With help of companies like Neurognostics and Medical Numerics, fMRI has the potential to become a standard in patient care. From pre-surgical brain mapping to early identification of psychiatric and CNS disorders and measurement of therapeutic effect, fMRI has the potential to significantly impact the way physicians care for their patients.

Daroth Capital Advisors LLC acted as the exclusive financial advisor to Medical Numerics in this transaction.

**About Neurognostics, Inc.:** Founded in 2003, Neurognostics develops clinical applications for fMRI. Neurognostics strives to standardize the way fMRI is performed in a clinical setting, whether it is used in preoperative neurosurgical procedures or to assess and manage patients with various neurological and neurodevelopmental disorders. fMRI is a powerful imaging technique that extends the capability of Magnetic Resonance (MR) imaging by providing information about the functioning of imaged tissue. The Company hopes that its fMRI products and services will enable healthcare professionals to achieve new ways to care for their patients.

**About Medical Numerics, Inc.:** Medical Numerics, a wholly-owned subsidiary of Overwatch Geospatial Operations, is located in Sterling, VA., and is a leading developer of software applications for clinical fMRI and for medical imaging research. MEDx is one of the world's leading software packages for the visualization and analysis of advanced medical imaging research applications. Current users include the National Institutes of Health as well as numerous universities and teaching hospitals world-wide.

**About Daroth Capital Advisors LLC:** Daroth Capital Advisors LLC, a New York-based investment bank, provides a full array of financial advisory services to companies, financial sponsors and institutional investors. The firm works with its clients to identify, structure and execute diverse and innovative transactions. Daroth is registered as a broker dealer with the SEC and is a member of the NASD and SIPC. For more information, please visit [www.daroth.com](http://www.daroth.com).

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