

RITA Medical Systems Announces Decision on Preliminary Motions in Patent Interference

MOUNTAIN VIEW, Calif., Feb. 26 /PRNewswire/ -- RITA Medical Systems, Inc. (Nasdaq: RITA) today announced it received notice of a decision on preliminary motions in a patent interference proceeding in the US Patent and Trademark Office (USPTO) regarding RITA's US Patent No. 5,536,267. The patent interference was declared by the USPTO in July, 1999 and was provoked by RadioTherapeutics Corporation (RTC), a competitor of the company.

The decision found that one of many claims of this patent covering the curvature of the array at the tip of our disposable devices (claim no. 32) is invalid. The company believes this decision is in error and, if it is confirmed at a final USPTO hearing later this year, plans to have it reviewed by a United States District Court. This court review process would be expected to take several years to resolve. It is important to note that even during this process RITA's patent claim would continue to stand.

The decision did not give any patent rights to RTC and set further proceedings to determine whether any such rights may be issued to RTC. Even if these further proceedings result in the decision that RTC should receive certain patent rights, no patent claim could actually be issued to RTC in this matter until the conclusion of a lengthy court review process.

Barry Cheskin, RITA's President and CEO stated, "This decision does not impair in any way the company's ability to sell its products. In addition, it is important to realize that our patent portfolio is extensive with very early priority dates. We have 36 issued patents with 41 more allowed or pending, and we feel very confident in our intellectual property portfolio."

RITA Medical Systems develops, manufactures and markets innovative products for patients with solid cancerous or benign tumors. The proprietary RITA® system uses radiofrequency energy to heat tissue to a high enough temperature to ablate it or cause cell death. While the company's current focus is on liver cancer, the company believes that its minimally invasive technology may in the future be applied to other types of tumors, including tumors of the lung, bone, breast, prostate and kidney. The company has received regulatory clearance in major markets worldwide, including the United States. In March 2000, RITA became the first radiofrequency ablation company to receive specific FDA clearance for unresectable liver lesions in addition to its previous general FDA clearance for the ablation of soft tissue. The company has sold over 20,000 of its disposable devices throughout the world.

The statements in this news release related to the company's patent portfolio, the interference proceeding and the review process are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties could include, but are not limited to, the outcome of current patent actions, the company's inability to protect its intellectual property and potential intellectual property lawsuits. Further information regarding these and other risks is included in the company's S-1 registration statement and other recent filings with the Securities and Exchange Commission, including the company's Report on Form 10-Q for the quarter ended September 30, 2000.

NOTE: RITA is a registered trademark of RITA Medical Systems, Inc.

SOURCE RITA Medical Systems, Inc.

Web site: <http://www.ritamedical.com>

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