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Innovative Embolization Technology Used to Treat Cancerous Liver Tumors

FREMONT, Calif., July 11 /PRNewswire-FirstCall/ -- RITA Medical Systems, Inc. (Nasdaq: RITA), a publicly-traded medical device company focused solely on cancer therapies, today announced the Company has begun sales of the LC Bead™ in the United States. The new product is a minimally invasive embolization treatment for hypervascular tumors that blocks the blood flow feeding a tumor, causing it to shrink in size over time. Embolization is commonly used to treat hepatocellular carcinoma, the most common form of primary liver cancer, as well as neuroendocrine tumors.

"We completed our pre-marketing launch activities for the LC Bead ahead of schedule and were even able to begin shipping some of these products towards the end of the second fiscal quarter. Our pre-marketing launch activities included training our salesforce, placing the product into inventory at our distribution center, and calling on current LC Bead customers to ensure that the transition from the prior distributor went smoothly," commented Joseph DeVivo, President and CEO of RITA. "We are excited to bring this minimally invasive cancer treatment to market through our integrated sales and marketing platform, which remains solely focused on oncology medical devices. Our goal was to launch the product in the third quarter and based upon this success, recent feedback from the market, and the strength of our tenured sales force, we are very excited about the potential of the LC Bead products."

The use of the LC Bead for the embolization of hepatocellular carcinoma is reimbursed by Medicare and Medicaid. Reimbursement includes approximately \$1500 per procedure for physicians and a Medicare national average of \$6400 in facility fees for each in-patient embolization procedure. The LC Bead is cleared for the embolization of hypervascular tumors and arteriovenous malformations in the United States by the U.S. Food and Drug Administration (FDA). The product is distributed by RITA from its U.S. operations center in Manchester, Georgia.

RITA has an exclusive three-year supply and distribution agreement with the manufacturer of the LC Bead, United Kingdom-based Biocompatibles International plc (LSE: BII), to market the product in the United States and Canada.

About RITA Medical Systems, Inc.

RITA Medical Systems develops, manufactures and markets innovative products for cancer patients including radiofrequency ablation (RFA) systems for treating cancerous tumors as well as percutaneous vascular and spinal access systems. The Company distributes the LC Bead™ (Biocompatibles, UK) product which is used in arterial embolization of hypervascular tumors and arteriovenous malformations and has U.S. Food and Drug Administration (FDA) marketing clearance in the U.S. The Company's oncology product lines include implantable ports, some of which feature its proprietary Vortex® technology; tunneled central venous catheters; and safety infusion sets and peripherally inserted central catheters used primarily in cancer treatment protocols. The product line also includes the HABIB 4X resection device which coagulates a surgical resection plane and is designed to facilitate a fast dissection in order to minimize blood loss and blood transfusion during surgery. The proprietary RITA RFA system uses radiofrequency energy to heat tissue to a high enough temperature to ablate it or cause cell death. In March 2000, RITA became the first RFA Company to receive specific FDA clearance for unresectable liver lesions in addition to its previous general FDA clearance for the ablation of soft tissue. In October 2002, RITA again became the first company to receive specific FDA clearance, this time for the palliation of pain associated with metastatic lesions involving bone. The RITA Medical Systems website is at www.ritamedical.com.

The statements in this news release related to the commencement of sales of the LC Bead by RITA in the third quarter of 2006; RITA's ability to market and sell the LC Bead product using its existing sales force, including its ability to meet its minimum purchase requirements; and physician adoption of the LC Bead product are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those is such forward-looking statements. Such risks and uncertainties include but are not limited to: compliance with FDA regulations; competitive pressures; physician training efforts; RITA's historical and future operating results and profitability; and general economic and political conditions. Information regarding these risks is included in the Company's filings with the Securities and Exchange Commission.

SOURCE RITA Medical Systems, Inc. 07/11/2006

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