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RF SURGICAL SYSTEMS, INC. SECURES \$12 MILLION IN FUNDING TO FUEL GROWTH

NEW FINANCING TO SUPPORT RAPID GROWTH AND NEW PRODUCT DEVELOPMENT

Bellevue, Wash. – September 13, 2011 -- RF Surgical Systems, Inc., the market leader in the prevention and detection of [retained surgical items](#) (RSI), today announced the closing of a \$12 million round of fundraising led by new investor Split Rock Partners, a venture capital firm focused on emerging healthcare, software and Internet services companies. Previous investors Menlo Ventures, Stanford University and two of the company founders also participated in the round.

Since the release of the [RF Assure Detection System](#) in November 2010, the company has added more than 70 new hospitals and surgical centers to its extensive customer base. Because of the rapid acceptance of the technology in the market place, RF Surgical will use this funding to drive customer growth and product innovation. The company will focus on several strategic initiatives to accelerate market capture including the expansion of the company's sales and field support team. This funding will also allow the company to intensify key R&D programs such as the development of a market-leading solution to tag surgical instruments and other [patient safety](#)-related products.

"We are thrilled with the growing number of new hospital systems, across the country, deploying RF Surgical's Detection System to mitigate the highly preventable medical error of RSI," said Dr. Jeffrey Port, co-founder and chairman of RF Surgical. "This new infusion of financing will help drive our continued growth by enabling us to scale operations and continue to evolve to meet the needs of our customers in providing the utmost in patient safety."

“RF Surgical is well-positioned to continue to service major acute care hospitals throughout the U.S. by providing novel technological solutions to improve patient safety and reduce healthcare costs. Split Rock Partners is excited to join RF Surgical’s investment syndicate and we look forward to collaborating with the company’s management team and network of advisors to support future growth,” said Josh Baltzell, Managing Director, Split Rock Partners.

About RF Surgical Systems, Inc.

RF Surgical Systems, Inc. is the market leader in the detection and prevention of retained surgical sponges. The RF Surgical Detection System is the preferred solution in more than 1,500 operating rooms, trauma and labor and delivery suites nationwide. Since January 2011, more than 70 hospitals and surgical centers have joined the fast-growing list of care providers using RF Surgical Technology. RF Surgical Systems is based in Bellevue, Washington with R & D facilities in San Diego, California. The advanced technologies used in the RF Surgical Detection System are protected by U.S. patents. Regulatory clearance to market the system was granted by the U.S. Food and Drug Administration in November 2006. The company is online at www.rfsurg.com.

About Split Rock Partners

Split Rock Partners, with offices in Minneapolis and Menlo Park, seeks emerging opportunities in healthcare, software, and Internet services primarily in the Upper Midwest and West Coast. Split Rock was formed in June 2004 by the teams responsible for healthcare, software and Internet services investments for St. Paul Venture Capital (SPVC) and continues to manage SPVC's portfolio in those sectors. Split Rock closed a \$275 million inaugural fund in April of 2005, and a \$300 million second fund in May, 2008. Representative companies backed by Split Rock's team include Ardian, Atritech, BigFix, EBR, eBureau, Entellus, Evalve, HireRight, LowerMyBills.com, MyNewPlace, QuinStreet, and Tornier. Additional information about the firm can be found at www.splitrock.com.

About Menlo Ventures

Menlo Ventures provides long-term capital and management support to early-stage and emerging-growth companies. Menlo is one of Silicon Valley’s oldest venture capital partnerships, and has organized and managed ten venture funds since their inception in 1976. With over \$4 billion under management since inception, and a team with over two hundred years of collective experience in technology, marketing, sales and general management, they have the resources to support the most ambitious of projects. www.menloventures.com

About Stanford University

Located between San Francisco and San Jose in the heart of Silicon Valley, Stanford University is recognized as one of the world's leading research and teaching institutions. www.stanford.edu