XOFT MEDICAL DIRECTOR RECOGNIZED BY GOTHAM PRIZE FOR CANCER RESEARCH

Mark Carol, MD, Receives Ira Sohn Conference Foundation Prize in Pediatric Oncology for Novel Approaches for Using X-ray Based Radiation Therapy to Treat Cancer Patients

SUNNYVALE, Calif., April 3, 2008 – Xoft consulting medical director, Mark Carol, MD, has received the Ira Sohn Conference Foundation Prize in Pediatric Oncology for his research focused on novel approaches for using KV X-ray-based radiation therapy to treat patients with cancer.

According to Dr. Carol, Xoft's Axxent® Electronic Brachytherapy System, a proprietary technology platform designed to deliver localized, non-radioactive, isotope-free radiation treatment in minimally-shielded clinical settings, was the inspiration for his work that was recognized by the Gotham Prize for Cancer Research.

"After having spent more than 20 years in radiation oncology, I believe that without significant and dramatic new approaches to solve ongoing problems in cancer treatment, we will only see incremental advances to patient care," said Dr. Carol. "My first exposure to Xoft's internally delivered KV X-rays encouraged me to explore novel approaches to KV radiation delivery that might lead to such fundamental breakthroughs in cancer research and treatment. The work recognized by the Gotham Prize involves a technique for delivering external beam KV X-rays in such a way that they can attain therapeutic levels deeper in tissue, and selectively in cancer cells versus normal cells, than has been previously possible."

The Gotham Prize was launched in 2007 by hedge fund managers Joel Greenblatt and Robert Goldstein of private investment firm Gotham Capital, and respected medical researcher Dr. Gary Curhan of Harvard Medical School, with support from the Ira Sohn Conference Foundation and Ephraim Gildor of Axiom Investment Advisors. Inspired by the memory of Goldstein's mother, Hope Goldstein, who passed away from ovarian cancer, the founders sought a new way to accelerate progress in cancer research. The prize winners were selected by a distinguished panel of leading scientists from institutions including Harvard, Johns Hopkins and St. Jude Children's Research Hospital. The Ira Sohn Research Conference Foundation - which was founded in 1995 in honor of Ira Sohn, a successful Wall Street trader who died of cancer at the age of 29 - is providing support for both prizes.

"We commend Mark Carol, a highly distinguished physician and innovative medical technology entrepreneur for his groundbreaking work in developing external beam KV-based radiation therapy for use in pediatric oncology," said Michael Klein, president and CEO of Xoft. "While Mark clearly

explored whole new areas of executing the principles of radiation, we're proud of the fact that our Electronic Brachytherapy technology was the foundation and inspiration for his work.

"Now that Mark recently joined Xoft as a medical director, we look forward to evaluating synergies between our core technology and competency and the concepts he has been instrumental in developing, thereby identifying novel ways to apply this new approach to delivering radiation therapy."

About Electronic Brachytherapy

Previously cleared for accelerated treatment of early stage breast cancer, the Axxent® Electronic Brachytherapy System is now cleared for use in the treatment of other cancers or conditions where radiation therapy is indicated. As a platform technology, the Electronic Brachytherapy System is designed to address a variety of oncological and non-oncological indications. Xoft is actively working to extend the use of Electronic Brachytherapy to endometrial and rectal indications, which are pending FDA clearance. Designed to deliver electronic, X-ray-based radiation treatment, the proprietary Axxent treatment platform can be used in virtually any clinical setting under the supervision of a radiation oncologist. The Axxent System is designed to deliver non-radioactive therapy directly to cancer sites with minimal radiation exposure to surrounding healthy tissue. Eliminating the need for heavily shielded environments, it gives radiation oncologists the flexibility to deliver therapy in a broader range of clinical settings. As a result, tens of thousands of patients will have greater access to therapy that is delivered more easily and conveniently.

About Xoft, Inc.

Xoft is developing leading-edge new technologies for the practice of radiation oncology through Electronic Brachytherapy, which utilizes proprietary miniaturized X-ray tube technology. The Axxent® Electronic Brachytherapy System, Xoft's first treatment system, is currently being used in Accelerated Partial Breast Irradiation (APBI) for the treatment of early-stage breast cancer. This solution provides a therapeutic dose of intracavitary radiation directly to the region at risk without the complex handling and resource logistics necessary when performing brachytherapy using radioactive isotopes.

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