



Cardiac Network, Inc. Releases CEO Update Letter to Shareholders

Progress in Products, Healthcare Service Contracts and Marketing Programs

SAN FRANCISCO, October 8, 2008 -- The following letter from CEO Michael C. Swartzburg is being released by Cardiac Network, Inc. (Other OTC:CNWI.PK) to its shareholders:

To Our Fellow Shareholders,

It has been my pleasure to act as the Chief Executive Officer of Cardiac Network. The last month has been exciting and intense getting to know everyone and what it entails as the head of a major company that will revolutionize the way we take care of people with heart issues in the United States. Operating mainly from our San Francisco headquarters, I have undertaken in-depth reviews of our current status with regard to product sales and placements, healthcare service contracts and our marketing programs. I have especially focused on our market opportunities. Demand for cardiac monitoring services remains strong and we have been able actively to service our awarded commercial contacts and Medicare patients. I have also evaluated the positive results of our research and clinical studies that rate the quality of our cardiac monitoring products and services. The financial position of the company has been reviewed and the funding requirements to move the company to the next level have been discussed in detail with the Board of Directors. In conjunction with both my staff and Board of Directors, I also took the liberty of reviewing and refining both our short- and long-term business plans and aligning the organization with those plans.

I can report that the organization has strengthened its network of physicians and commercial healthcare organizations, and is ready for the 2009 calendar year with our dedicated and talented staff working closely to advance our goals. I am excited by the opportunity that the future holds for us. If I may, do allow me to elaborate on a number of items and progress we have made over the recent past months:

Products, Services and Technology:

Cardiac Network products have received FDA approval and can be prescribed by general practitioners and specialist physicians. Their patients' daily activities can be monitored with the help of our FDA-approved unique transtelephonic (by telephone) cardiac recorders, which provide patient diagnostic information back to primary physicians.

We also have developed a direct consumer cardiac monitoring system. Our exclusive HeartOne Club is used in monitoring individuals with heart conditions or at-risk patients. This service utilizes in-house medical technicians who interact with patients and their

doctors to determine if a patient is having any potential cardiac problem so they may obtain immediate medical treatment.

Finally, our manufacturing partner in Israel has also developed a technology breakthrough that can be incorporated into Cardiac Network's next generation of products. We currently have access to products that use GPS (Global Positioning System) as well a Panic Button technology in a form of a wrist watch. In the near future, we plan on releasing a Cardiac Network product which includes the combination of a cardiac monitor that can detect heart attacks along with the GPS/Panic features in each device.

Existing Contracts:

Contracts executed allow Cardiac Network to bill the patients and their medical insurance companies (healthcare service providers and Medicare) approximately \$325 each time the device is prescribed. Cardiac Network is currently able to bill under the following plans:

- Medicare: Cardiac Network received a Medicare Insurance Provider Number, allowing Cardiac Network to seek reimbursement for the over 44 million people covered under Medicare.
- Blue Cross/Blue Shield: Cardiac Network is able to bill patients covered by Blue Cross/Blue shield nationwide.
- Humana: Cardiac Network has a contract with Humana that covers its Florida subscribers.
- Kaiser: Signed a contract for Research/Clinical study in Southern California (7-day Halter Recorder).

Contracts expected within 30 to 90 days:

We are expecting several new contracts within the next 30 to 90 days that are expected to increase the number of lives insured under our commercial healthcare service providers and Medicare to approximately 60 million people. We will provide information relating to those new contracts as it becomes available.

For clinical treatment, there are approximately 53% of U.S. individuals covered under various forms of medical insurance, or approximately 160 million people. The other half of the U.S. population could be accessed through the direct-to-consumer heart monitoring and diagnostic services.

Financial Strategy 2008:

Finally, I would like to address our financial strategy. Cardiac is preparing to ramp up the company (sales, marketing, executive management, etc.) in order to service our signed and to-be-signed national healthcare service provider contracts. Our executive team, Board, and investment bankers have evaluated the Company's financial needs given our projected growth, and have developed several alternative plans to ensure that the Company has adequate funds to meet these needs.

In Closing:

I would like to close by giving you my personal assurance that I will do everything under my powers in providing to our shareholders in-depth and on-going communications in regards to our progress. Our prospects are very exciting and clear, and I am proud of the work we have accomplished this last year. I am looking forward to an even better coming year in 2009. My best wishes to you and your families.

Sincerely,

Michael C. Swartzburg
Chief Executive Office

About Cardiac Network, Inc.

Cardiac Network, Inc. is a medical technology company providing cardiac monitoring and diagnostic services to general practitioners and specialist physicians, for the investigation of patients with abnormal cardiac rhythm and function. The service uses unique transtelephonic (by telephone) cardiac recorders that monitor and provide diagnostic information to physicians and their patients. Cardiac Network also offers heart attack detection services to individuals which helps them quickly determine if they are having a heart attack or potential cardiac problem so they can obtain immediately needed medical treatment. Learn more about Cardiac Network Inc. by visiting, www.cardiacnetwork.net.

Forward-Looking Statements

Except for historical information contained herein, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are inherently unreliable and actual results may differ materially. Examples of forward-looking statements in this news release include statements regarding Cardiac Network's anticipated economically competitive products and services. Factors which could cause actual results to differ materially from these forward-looking statements include such factors as fluctuations in demand for Cardiac Network's products, Cardiac Network's ability to maintain strategic business relationships, the impact of competitive products and pricing, growth in targeted markets and the adequacy of Cardiac Network's liquidity and financial strength to support its growth. Cardiac Network undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact:

Cardiac Network, Inc.
Michael Swartzburg, 415-362-2020
MichaelS@cardiacnetwork.net