

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings/Market Watch

Date: January 25, 2007

Subject: Rita Medical Systems, Inc. (RITA/RQE) Pending Merger With AngioDynamics, Inc. (ANGO)

On Monday, January 29, 2007, the shareholders of Rita Medical Systems, Inc. (RITA) will vote to approve the proposed merger with AngioDynamics, Inc. (ANGO). Pursuant to the merger terms each RITA share will be converted into the right to receive 0.1722 ANGO common shares plus \$0.5150 cash. Cash will be paid in lieu of fractional shares. **The merger is anticipated to become effective on a date to be announced.**

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding RQE options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
SYMBOL(s): RQE becomes QDU
STRIKE PRICE: No Change
POS/EXERCISE LIMIT: 125,000 contracts until January 2009 expiration; where the limits revert to 50,000 contracts
MULTIPLIER: 100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE: 1) 17 AngioDynamics, Inc. (ANGO) Common Shares
 2) \$51.50 Cash
 3) Cash in lieu of 0.22 fractional ANGO Common Shares

Rita Medical Systems, Inc. (RITA/RQE) (Before - Date To Be Announced)					Rita Medical Systems, Inc. (RITA/QDU) (Beginning - Date To Be Announced) (See New Deliverable Above)				
100 shares RITA									
			Calls	Puts				Calls	Puts
RQE	FEB	2 1/2	BZ	NZ	QDU	FEB	2 1/2	BZ	NZ
RQE	FEB	5	BA	NA	QDU	FEB	5	BA	NA
RQE	FEB	7 1/2	BU	NU	QDU	FEB	7 1/2	BU	NU
RQE	MAR	2 1/2	CZ	OZ	QDU	MAR	2 1/2	CZ	OZ
RQE	MAR	5	CA	OA	QDU	MAR	5	CA	OA
RQE	MAR	7 1/2	CU	OU	QDU	MAR	7 1/2	CU	OU
RQE	JUN	2 1/2	FZ	RZ	QDU	JUN	2 1/2	FZ	RZ
RQE	JUN	5	FA	RA	QDU	JUN	5	FA	RA
RQE	JUN	7 1/2	FU	RU	QDU	JUN	7 1/2	FU	RU
RQE	SEP	2 1/2	IZ	UZ	QDU	SEP	2 1/2	IZ	UZ
RQE	SEP	5	IA	UA	QDU	SEP	5	IA	UA
RQE	SEP	7 1/2	IU	UU	QDU	SEP	7 1/2	IU	UU

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Listings/Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.