



NEWS RELEASE for December 13, 2007

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ISORAY'S CESIUM-131 MEDICAL ISOTOPE USED IN MILESTONE PROCEDURE
TREATING EYE CANCERS AT TUFTS-NEW ENGLAND MEDICAL CENTER

First application of IsoRay's breakthrough isotope beyond prostate cancer

Boston, MA (Dec 13, 2007) ... IsoRay (AMEX:ISR), a leading-edge developer and provider of brachytherapy seeds for the treatment of prostate cancer and other solid tumors, announced today that the world's first brachytherapy implants for cancer treatment of the eye using its Cesium-131 seeds were performed at Tufts-New England Medical Center on Wednesday December 12, 2007. This marks the first time Cesium-131 has been used in an application other than the treatment of prostate cancer.

IsoRay Chairman and CEO Roger Girard said, "Since Cesium-131 received FDA clearance, we've looked forward to when Cesium-131 could be applied to the fight against other cancers. Treating intraocular melanoma is a significant milestone for IsoRay as we strive to develop a variety of delivery tools in treating cancer using Cesium-131."

Cesium-131 is a proprietary product of IsoRay, and is marketed under the brand Proxcelan™. It has been used in over 1,900 prostate cancer brachytherapy procedures since October 2004. This fast-acting medical isotope source has demonstrated strong clinical results in the treatment of prostate cancer, and is being heralded as the first leap forward in seed brachytherapy in more than 20 years.

Three patients received implants for intraocular melanoma, which were performed with the support of Mark J. Rivard, Ph.D, Associate Professor of Radiation Oncology at Tufts University School of Medicine and Chief Medical Physicist at Tufts – New England Medical Center.

"Cesium-131's unique characteristics, including minimizing healthy tissue dose, which is a benefit for the patient, may offer significant clinical advantages," said Rivard, who is also a consultant to IsoRay.

During the procedures, Cesium-131 brachytherapy seeds—encased in a small disc-shaped shield (plaque) with a protective gold backing—were attached to the surface of the patients' eyes over the area to be treated. The plaques are scheduled to be removed on December 17, 2007.

Plaque brachytherapy is a proven radiation treatment for intraocular melanoma, with Iodine-125 being the most common isotope associated with this radiation treatment option to date. Advances in radiation therapies have led to a decrease in the number of patients treated by enucleation, or removal of an affected eye.

Rivard commented, "Cesium-131's higher photon energies provide improved dose homogeneity, and allows the delivery of the required dose while potentially reducing unnecessary dose to surrounding tissue."

Rivard explained that intraocular melanoma tends to be most common in individuals over 40 years of age and is most commonly detected in routine eye exams where the pupils are dilated. In other cases, symptoms may include a dark spot on the iris or blurred vision. The course of therapy is dictated by the size of the lesion, and whether the cancer has spread throughout the eye or beyond.

MORE-MORE-MORE

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“Brachytherapy has been most effective for small to medium sized tumors,” added Rivard. “Under those conditions, we anticipate that in most cases patients can be cured and their vision saved using brachytherapy.”

IsoRay Medical received FDA (510k) clearance to market its Cesium-131 seeds in March 2003. Cesium-131 is cleared for the treatment of soft tissue cancers including prostate, eye, breast, brain, liver, head and neck cancers, and other malignant diseases.

For more information on Cesium-131 and Proxcelan, visit www.proxcelan.com.

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About IsoRay Inc

IsoRay, Inc., through its subsidiary, IsoRay Medical, Inc., is the sole producer of the Proxcelan™ Cesium-131 brachytherapy seed, used to treat prostate and other cancers. The Proxcelan™ seed offers a significantly shorter half-life than the two other isotopes commonly used for brachytherapy, which results in a substantially faster delivery of therapeutic radiation, lower probability of cancer cell survival and reduction of the longevity of common brachytherapy side effects (a)(b). IsoRay is based in Richland, Washington. More information is available about IsoRay at www.isoray.com.

(a) Armpilia CI, Dale RG, Coles IP, et al. The Determination of Radiobiologically Optimized Half-lives for Radionuclides Used in Permanent Brachytherapy Implants. *Int. J. Radiation Oncology Biol. Phys.* 2003; 55 (2): 378-385.

(b) Prestidge B.R., Bice W.S., Jurkovic I., et al. Cesium-131 Permanent Prostate Brachytherapy: An Initial Report. *Int. J. Radiation Oncology Biol. Phys.* 2005; 63 (1): 5336-5337.

Safe Harbor Statement

Statements in this news release about IsoRay's future expectations, including: the advantages of our Proxcelan™ Cesium-131 seed, future demand for IsoRay's Proxcelan™ Cesium-131 seed, whether the use of Cesium-131 to treat intraocular melanoma will be successful in the initial and any future implants, and all other statements in this release, other than historical facts, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). This statement is included for the express purpose of availing IsoRay, Inc. of the protections of the safe harbor provisions of the PSLRA. It is important to note that actual results and ultimate corporate actions could differ materially from those in such forward-looking statements based on such factors as successful completion of future research and development activities, physician acceptance, training and use of IsoRay's products, IsoRay's ability to successfully manufacture, market and sell its products, IsoRay's ability to manufacture its products in sufficient quantities to meet demand within required delivery time periods while meeting its quality control standards, IsoRay's ability to enforce its intellectual property rights, whether additional studies support the conclusions of early clinical studies, whether initial implants of Cesium-131 to treat intraocular melanoma result in favorable patient outcomes, and other risks detailed from time to time in IsoRay's reports filed with the SEC.

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