13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

NEWS RELEASE
TSX Venture Exchange: NVC

NEOVASC INC. REPORTS FINANCIAL RESULTS FOR THE THIRD QUARTER OF 2010

--Advances Potential Breakthrough Product for Treatment of Refractory Angina and Reports Continued Growth in Tissue Business Revenue While Also Reducing Net Losses--

--Reports Exercise of 2.5 Million Warrants from February 2010 Financing for Net Proceeds of $1.0 Million--

November 9, 2010 - Vancouver, BC, Canada - Neovasc Inc. (TSXV: NVC), today announced financial results for the three and nine months ended September 30, 2010.

"In the third quarter of 2010 Neovasc continued to advance its key strategic priorities, reporting good increases in revenues from our tissue products business and achieving important progress in our Reducer product for the treatment of refractory angina," said Alexei Marko, chief executive officer of Neovasc. "Growth in our overall revenues for the quarter, while positive, was impacted by expected variability in the timing of revenues from our biological tissue and consulting services business. Nonetheless, we were able to report continued decreases in expenses and overall losses while also making major strides in our Reducer program, which we believe may represent a breakthrough for this disabling condition that currently has few treatment options."

Mr. Marko continued, "The initiation of the Reducer COSIRA trial to support our application for European regulatory approval was a major event for Neovasc during the quarter, and I am pleased to report that patient recruitment to date has been encouraging. This was followed by a high profile 'debut' for the Reducer product. It was featured in a 'live case' session in the main arena at TCT 2010, widely viewed as the most important interventional cardiology meeting in the world. The enthusiastic response of the panel of top cardiology experts witnessing the procedure was gratifying and bodes well for the future of this exciting late-stage development product."

Chris Clark, chief financial officer of Neovasc, added "We regard the early exercise of 89% of the remaining outstanding warrants as a strong show of support from our principal investors. We will use the accelerated funds to continue to advance the COSIRA trial and to execute on our plan to achieve a growing and profitable tissue business."

Financial Results
Results for the three and nine months ended September 30, 2010 and 2009 follow:

Revenues
Revenues increased one percent year-over-year to $1,014,500 for the quarter ended September 30, 2010 from $1,000,367 for the quarter ended September 30, 2009, and increased 55% to $3,040,261 for the nine months ended September 30, 2010 from $1,956,175 for the nine months ended September 30, 2009.

Sales of products for the three months ended September 30, 2010 were $639,356, compared to $573,777 in the same quarter of 2009, representing an increase of 11%. Sales of products for the nine months ended September 30, 2010 were $2,024,053 compared to $1,402,177 for the same period of 2009, representing an increase of 44%. Revenues in the first three months and nine months of 2010 include sales of Peripatch tissue products and contract manufacturing revenues, while in the prior periods they included Peripatch products, contract manufacturing revenues and Metricath catheter product sales. The Company ceased manufacture of its Metricath product at the end of 2009.

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

Revenue from consulting services for the three months ended September 30, 2010 were $375,144, compared to $426,590 in the same quarter in 2009, representing a decrease of 12%. Revenue from consulting services for the nine months ended September 30, 2010 were $1,016,208, compared to $553,998 for the same period of 2009, representing an increase of 83%. Because consulting service revenues are contract-driven, they can fluctuate from quarter-to-quarter as current projects are completed and new projects start. The Company believes that the underlying trend is for moderate year-over-year growth in its consulting service business.

Cost of Sales

The cost of sales for the three and nine months ended September 30, 2010 was $563,937 and $1,759,508 respectively, compared to $465,565 and $892,590 in the comparable periods in 2009. The overall gross margin was 44% for the third quarter and 42% for the first nine months of 2010, compared to gross margins of 53% and 54% respectively, reported in the same periods in 2009.

The decline in gross margins during 2010 reflects the impact of sales volume discounts to customers, a shift in product mix and exchange rates. In the nine months ended September 30, 2010, 95% of the company's sales were denominated in U.S. and European Union currency. A strengthening Canadian dollar has impacted the revenues and margins generated from these foreign currency denominated sales. In addition, in the current year there has been a shift in the product mix towards the Company's lower margin products. Neovasc is exploring a number of initiatives aimed at strengthening margins going forward, including implementing further manufacturing efficiencies and reviewing pricing strategies for certain products.

Expenses

Total expenses, excluding amortization, for the three and nine months ended September 30, 2010 were $831,440 and $2,996,580, respectively, as compared to $1,188,672 and $4,806,555 for the same periods in 2009, representing a decrease of $357,232 and $1,809,975, respectively.

Sales and marketing expenses declined 57% to $40,763 for the three months ended September 30, 2010, from $94,412 for the same period in 2009, and declined 76% to $135,012 for the nine months ended September 30, 2010 from $560,980 for the same period in 2009. Neovasc terminated its direct sales force for its catheter products in the fourth quarter of 2008, while paying severance costs into the early part of 2009. The Company will continue to minimize sales and marketing costs while it focuses on continuing to grow its business-to-business revenue streams.

General and administrative expenses were $465,632 and $1,649,960 for the three and nine months ended September 30, 2010, respectively, as compared to $576,804 and $1,986,637 in the comparable periods in 2009, representing a decrease of 19% and 17% respectively. The decrease in general and administrative expenses reflected the Company's tighter business focus and continued implementation of rigorous cost-cutting measures.

Product development and clinical trial expenses were $325,045 and $1,211,608 for the three and nine months ended September 30, 2010, as compared to $517,456 and $2,258,938 for the same period of 2009, representing a decrease of 37% and 46% respectively. The decrease in product development and clinical trial expenses primarily reflected expense reductions at Neovasc's Israel operation. During the first nine months of 2010, product development expenditures were focused on activities supporting initiation of the Reducer COSIRA trial.

Amortization and Other Expenses

Amortization and other expenses for the three and nine months ended September 30, 2010 were $29,840 and $102,908, respectively, as compared to amortization and other expenses of $148,578 and $136,169 for the same periods in 2009. In the third quarter of 2009 the Company wrote down equipment in its Israel office to nil, incurring an amortization charge of $111,417, in comparison to $30,863 for the same period in 2010. In addition, in the third quarter of 2009 the Company incurred a foreign exchange loss of $35,607, as compared to a foreign exchange gain of $3,127 for the same period in 2010.

Net Losses
The consolidated net loss for the three and nine months ended September 30, 2010 was $410,717 and $1,818,735, or $0.01 and $0.05 basic loss per share, respectively, as compared with a net loss of $802,448 and $3,879,139 or $0.05 and $0.16 basic loss per share for the comparable periods in 2009.

The Company continues to strive for profitability by growing revenues and minimizing non-essential expenses, while advancing its development products toward regulatory approval and successful commercialization.

Liquidity and Capital Resources
Neovasc finances its operations and capital expenditures with cash generated from operations, lines of credit, long-term debt and equity financings. At September 30, 2010, the Company had cash of $841,421, as compared to cash and cash equivalents of $111,368 at December 31, 2009. In addition, at September 30, 2010 the Company had restricted cash equivalents related to a security on long-term debt of $50,000 (December 31, 2009 - $50,000) included in long-term assets.

At September 30, 2010 Neovasc had working capital of $1,432,708, as compared to a negative working capital of $28,502 at December 31, 2009. The increase in working capital during the first nine months of 2010 was predominantly due to the net impact of an increase in cash from completion of a non-brokered private placement in February 2010 and an exercise of warrants in April 2010, as well as an increase in inventory, as levels of tissue raw material were increased in anticipation of upcoming sales, and a decrease in accounts payable as the Company continues to pay down its prior debts.

Cash used in operations was $486,666 and $2,049,973 for the three and nine months ended September 30, 2010, as compared to $721,230 and $3,829,576 for the same periods in 2009. The decrease in cash usage for the three and nine months ended September 30, 2010 as compared to same periods in 2009 is primarily the result of the Company’s increased sales and decreased operating expenses.

Net cash used in investing activities was $74,122 and $101,690 on property, plant and equipment for the three and nine months ended September 30, 2010, compared to net cash used of $44,689 and $53,234, respectively, for the same periods in 2009. The Company made minimum purchases of equipment in both periods of 2009 and has undertaken some minor improvements to software and facilities in 2010, including an upgrade to the HVAC system in the clean room to allow for more manufacturing throughput and to reduce the risk of an interruption to manufacturing operations in the future.

Net cash used in financing activities was $10,062 for repayment of long-term debt for the three months ended September 30, 2010, and cash provided of $2,881,716 for the nine months ended September 30, 2010, compared to cash used of $9,828 on repayment of long-term debt for the three months ended September 30, 2009 and cash provided of $1,949,095 for the nine months ended September 30, 2009.

On February 19, 2010, the Company completed a non-brokered private placement of 5,691,658 units at the price of $0.27 per unit for aggregate gross proceeds of $1,536,748. Each unit consisted of one common share of Neovasc stock and one-half of one common share purchase warrant of Neovasc stock. Each whole warrant entitled the holder thereof to purchase one common share of Neovasc stock at the exercise price of $0.40 per share for a period of one year after the closing date of the offering. Share issue costs were $22,015.

On April 23, 2010, Neovasc issued 4,635,114 common shares upon the exercise of warrants issued as part of the Company’s April 2009 financing. Proceeds from the exercise of the 4,635,114 warrants amounted to $1,390,534. The remaining 126,788 warrants expired on April 23, 2010.

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

Subsequent Events
On November 8, 2010, 2,519,538 warrants were exercised for an equivalent number of common shares of the Company, generating proceeds of $1,007,815. There are now 326,293 warrants remaining from the financing completed on February 19, 2010, exercisable at $0.40, 197,122 of which expire on January 29, 2010 and the remainder on February 18, 2010.

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

Neovasc Inc.
Interim Consolidated Balance Sheets

	September 30, 2010	December 31, 2009
ASSETS		
CURRENT		
Cash	**$ 841,421**	$ 111,368
Accounts receivable	**488,381**	442,540
Inventory	**641,699**	404,309
Prepaid expenses	**57,643**	15,771
	2,029,144	973,988
RESTRICTED CASH EQUIVALENTS	**50,000**	50,000
PROPERTY AND EQUIPMENT	**1,252,089**	1,249,326
	$ 3,331,233	$ 2,273,314
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**$ 555,658**	$ 962,512
Current portion of long-term debt	**40,778**	39,978
	596,436	1,002,490
LONG-TERM DEBT	**326,994**	357,097
	923,430	1,359,587
SHAREHOLDERS' EQUITY		
Share capital	**63,590,510**	60,648,625
Contributed surplus	**5,002,275**	4,631,349
Deficit	**(66,184,982)**	(64,366,247)
	2,407,803	913,727
	$ 3,331,233	$ 2,273,314

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

Neovasc Inc.

Interim Consolidated Statements of Operations, Comprehensive Loss and Deficit

For the three and nine months ended September 30

	Three months ended September 30, 2010	2009	Nine months ended September 30, 2010	2009
SALES				
Product sales	$ **639,356**	$ 573,778	$ **2,024,053**	$ 1,402,177
Consulting services	**375,144**	426,589	**1,016,208**	553,998
	1,014,500	1,000,367	**3,040,261**	1,956,175
COST OF SALES	**563,937**	465,565	**1,759,508**	892,590
GROSS PROFIT	**450,563**	534,802	**1,280,753**	1,063,585
EXPENSES				
Selling	**40,763**	94,412	**135,012**	560,980
General and administration	**465,632**	576,804	**1,649,960**	1,986,637
Product development and clinical trials	**325,045**	517,456	**1,211,608**	2,258,938
Amortization	**30,863**	111,417	**89,015**	174,876
	862,303	1,300,089	**3,085,595**	4,981,431
LOSS BEFORE OTHER INCOME (EXPENSES)	**(411,740)**	(765,287)	**(1,804,842)**	(3,917,846)
OTHER INCOME (EXPENSES)				
Interest income	**119**	904	**348**	11,880
Interest on long-term debt	**(2,223)**	(2,458)	**(7,552)**	(7,987)
Gain / (Loss) on foreign exchange	**3,127**	(35,607)	**(6,689)**	34,814
	1,023	(37,161)	**(13,893)**	38,707
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**(410,717)**	(802,448)	**(1,818,735)**	(3,879,139)
DEFICIT, BEGINNING OF THE PERIOD	**(65,774,265)**	(62,966,654)	**(64,366,247)**	(59,889,963)
DEFICIT, END OF THE PERIOD	$ **(66,184,982)**	$ (63,769,102)	$ **(66,184,982)**	$ (63,769,102)
BASIC AND DILUTED LOSS PER SHARE	$ **(0.01)**	$ (0.03)	$ **(0.05)**	$ (0.16)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**37,832,943**	27,384,365	**34,852,714**	24,175,227
WEIGHTED AVERAGE NUMBER OF FULLY DILUTED SHARES OUTSTANDING	**38,606,793**	28,202,575	**35,634,827**	28,220,087

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

Neovasc Inc.
Interim Consolidated Statements of Cash Flows
For the three and nine months ended September 30

	Three months ended September 30, 2010	Three months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2009
OPERATING ACTIVITIES				
Net loss for the period	**$ (410,717)**	$ (802,448)	**$ (1,818,735)**	$ (3,879,139)
Items not affecting cash				
Amortization	**30,863**	111,417	**89,015**	174,876
Loss on disposal of property and equipment	**-**	-	**9,912**	-
Stock-based compensation	**92,748**	40,390	**401,792**	166,841
	(287,106)	(650,641)	**(1,318,016)**	(3,537,422)
Change in non-cash operating assets and liabilities				
Accounts receivable	**(83,874)**	(87,026)	**(45,841)**	(58,609)
Inventory	**(50,912)**	40,422	**(237,390)**	(144,164)
Prepaid expenses and other assets	**(5,378)**	31,594	**(41,872)**	25,430
Accounts payable and accrued liabilities	**(59,396)**	(55,579)	**(406,854)**	(114,811)
	(486,666)	(721,230)	**(2,049,973)**	(3,829,576)
INVESTING ACTIVITY				
Proceeds from disposal of equipment	**-**	-	**5,790**	-
Purchase of property and equipment	**(74,122)**	(44,689)	**(107,480)**	(53,234)
	(74,122)	(44,689)	**(101,690)**	(53,234)
FINANCING ACTIVITIES				
Repayment of long-term debt	**(10,062)**	(9,828)	**(29,303)**	(32,146)
Proceeds from share issue, net of costs of $22,015	**-**	-	**2,905,267**	1,979,686
Proceeds from exercise of stock options	**-**	-	**5,752**	1,555
	(10,062)	(9,828)	**2,881,716**	1,949,095
(DECREASE)/INCREASE IN CASH	**(570,850)**	(775,747)	**730,053**	(1,933,715)
CASH, BEGINNING OF THE PERIOD	**1,412,271**	1,340,471	**111,368**	2,498,439
CASH, END OF THE PERIOD	**$ 841,421**	$ 564,724	**$ 841,421**	$ 564,724
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest paid	**$ 2,223**	$ 2,662	**$ 7,552**	$ 19,952

13700 Mayfield Place, Suite 2135
Richmond BC V6V 2E4 Canada
P:604.270.4344 F:604.270.4384
www.neovasc.com

About Neovasc Inc.
Neovasc Inc. is a specialty vascular device company that develops, manufactures and markets medical devices for the rapidly growing vascular and surgical marketplace. The company's current products include the Neovasc Reducer™, a novel product in development to treat refractory angina, as well as a line of advanced biological tissue technologies that are used to enhance surgical outcomes and as key components in a variety of third-party medical products such as percutaneous heart valves. For more information, visit: www.neovasc.com.

Statements contained herein that are not based on historical or current fact, including without limitation statements containing the words "anticipates," "believes," "may," "continues," "estimates," "expects," and "will" and words of similar import, constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, both nationally and in the regions in which the Company operates; history of losses and lack of and uncertainty of revenues, ability to obtain required financing, receipt of regulatory approval of product candidates, ability to properly integrate newly acquired businesses, technology changes; competition; changes in business strategy or development plans; the ability to attract and retain qualified personnel; existing governmental regulations and changes in, or the failure to comply with, governmental regulations; liability and other claims asserted against the Company; and other factors referenced in the Company's filings with Canadian securities regulators. Although the Company believes that expectations conveyed by the forward-looking statements are reasonable based on the information available to it on the date such statements were made, no assurances can be given as to the future results, approvals or achievements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not assume the obligation to update any forward-looking statements except as otherwise required by applicable law.

###

Corporate contact:
Neovasc Inc.
Chris Clark
604 248-4138

U.S. media & investor contact:
GendeLLindheim BioCom Partners
Barbara Lindheim
212 918-4650