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PsiNaptic Inc. Announces Closing of Common Share Offering

Dr. Hatim Zaghoul Acquires 4,200,000 Shares

Calgary, Alberta, February 9, 2006 – PsiNaptic Inc. (the "Corporation") is pleased to announce the closing, subject to receipt of final approval from the TSX Venture Exchange (the "Exchange"), of a private placement of 8,000,000 common shares ("Shares") of the Corporation at a price of \$0.05 per Share, for gross proceeds to the Corporation of \$400,000. The proceeds of this offering will be used for general working capital purposes.

A total of 2,400,000 Shares (30%) will be subject to a voluntary escrow, to be released upon the occurrence of certain events relating to the share price or the completion of a significant transaction, or, if none of such conditions are met prior to February 9, 2008, to be cancelled and returned to treasury.

The majority of the Shares taken up under this private placement were purchased by one subscriber. Hatim Zaghoul of 940 Riverdale Ave SW, Calgary, Alberta, T2S 0Y8 purchased 4,200,000 Shares directly, representing 52.5% of the private placement, for an aggregate purchase price of \$210,000. As a result of this acquisition, Dr. Zaghoul now owns a total of 4,220,000 common shares of PsiNaptic, representing approximately 13.3% of the issued and outstanding common shares. The Corporation has been advised that Mr. Zaghoul acquired the Shares for general investment purposes based on his longstanding belief in the future potential of the Corporation and the various opportunities available to such a corporation for mergers or acquisitions. Dr. Zaghoul has advised that he may acquire additional securities in the future depending on various circumstances.

Directors and officers of the Corporation also purchased an aggregate of 1,000,000 Shares, representing 12.5% of the private placement. As a result, the Corporation must comply with Policy 5.9 *Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions* of the Exchange ("Policy 5.9"), and Ontario Securities Rule 61-501, together with the companion policy, which are incorporated by reference into Policy 5.9. The relevant exemption from the formal valuation requirement and minority approval requirement is "Fair Market Value Not More than 25% of Market Capitalization" (pursuant to clauses 5.5.2 and 5.7.2).

The Shares sold pursuant to this offering will be subject to a hold period expiring June 10, 2006.

PsiNaptic markets technologies that enable electronic devices such as cell phones to find and interact with other electronic devices with no human intervention. Unlike other common technologies where the software drivers need to be pre-installed on both devices before data files can be exchanged, PsiNaptic's technology uses dynamic software whereby one device temporarily transfer its software drivers to another device where and when needed. PsiNaptic solutions operate on multiple platforms, across various networks including Bluetooth and WiFi and in all environments. With PsiNaptic technologies, networks of intelligent objects can dynamically exchange information and services on a single protocol, independent of how the underlying hardware or software is configured and/or managed.

For further information, please contact Aaron Dagan, President and CEO or Morris Bleviss, CFO by

telephone at 403-720-2531, by fax at 403-720-2537 or by e-mail adagan@psinaptic.com or mbleviss@psinaptic.com, or visit our website at www.psinaptic.com.

Statements in this release which describe the Company's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Corporation to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. The Company may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this release.