

COMPANY ANNOUNCEMENT

KarmelSonix Expands European Distribution Channels

HIGHLIGHTS

- In growing response to its award-winning* acoustic respiratory monitoring, KarmelSonix has expanded its distribution network into the Czech Republic, Slovenia and Spain.
- A leading respiratory research physician based in Prague has adopted acoustic respiratory monitoring for clinical study.

* 2009 Frost & Sullivan International Innovation Award for Asthma Monitoring

16th November 2009 : The Directors of KarmelSonix Ltd (KSX or the Company) are pleased to announce the signing of an interim agreement with MR Diagnostics, SRO, as exclusive distributors for the Czech Republic and Slovenia. As part of the appointment PulmoTrack® systems will be purchased for demonstrations in both countries.

Additionally, the Directors are pleased to announce the signing of an interim agreement with Sanrosan, SA, as the exclusive distributor for Spain. As part of this appointment orders have been received for the PulmoTrack® system and for the recently FDA approved WheezoMeters™.

Commenting on both appointments, KSX’s Chairman, Peter Marks, said that they are continuing important developments in expanding the commercial marketplace for KSX products. “These two respected distributors are each engaged in the marketing of medical devices focused on respiratory diseases and treatment in the home. We are looking forward to a continuing and long-term collaboration with excellent business outcomes for both entities.”

Professor Simon Godfrey, Chairman of the KSX scientific advisory board and a leading medical authority on asthma commented: “the clinical study that we have just commenced with Professor Pohunek, Drs Svobodova & Gavriely at the Motol University Hospital in Prague, demonstrates the importance placed on early detection of asthma in young children (using the KSX PulmoTrack®). The stature of physicians using PulmoTrack® for research is impressive and this innovative study has been submitted to the American Thoracic Society for presentation at their annual international conference, in New Orleans in May 2010.”

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“Wheeze Rate – A New Paradigm in Asthma Management”

About KarmelSonix: KarmelSonix Ltd. focuses on supplying innovative non-invasive acoustic tools for disease management of asthma and related pulmonary disorders. Asthma affects 6-16% of the population in developed countries with a cost exceeding \$US15 billion in the US alone.

Acoustic Asthma Management is a breakthrough in monitoring of the asthmatic patient of all ages, including the very young, very old and others who cannot perform currently available tests. The technology that comes from extensive R&D and clinical validation in the US, Israel and Australia, facilitate continuous monitoring of patients at home, in the ICU and even during sleep. The Company is now focussing its efforts on the commercialization of its products particularly in the AsiaPac, European and North American markets.

“Wheeze Rate – A New Paradigm in Asthma Management”

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