

COMPANY ANNOUNCEMENT

Grant of New Australian Patent

HIGHLIGHTS

- Australian Patent No 2004222800 granted by Australian Patent Office
- Determination of lung characteristics such as lung density and airway patency
- Monitoring and Diagnosis of Obstructive Sleep Apnoea, Emphysema

21st October 2008: KarmelSonix Melbourne based subsidiary, PulmoSonix Pty Ltd, is pleased to announce that Australian Patent No 2004222800 (Method and apparatus for determining conditions of biological tissues) has been granted by the Australian Patent Office.

This patent, together with previously granted patents, provides additional protection to PulmoSonix’s range of core technologies using active acoustic technology, as featured in PulmoSonix’s AirwayClear™, PulmoSonde™ and PulmoScreen™ devices. The technologies protected by this patent determine characteristics of the lung such as lung density and airway patency and may be applied to the monitoring, diagnosis and/or treatment of various lung and airway conditions such as Obstructive Sleep Apnoea and Emphysema.

This technology has also been combined with KarmelSonix’s core technology for passive monitoring of asthma patients in the implementation of the ASAM (Acoustic Severe Asthma Monitor) device, currently undergoing clinical trials at The Alfred Hospital in Melbourne. This device aims to provide best monitoring level for hospitalized severe asthma patients.

The granting of the Australian Patent represents a further important milestone for the company in the development and protection of intellectual property, adding to an increasing list of patents granted worldwide. These patents, in addition to the significant effort underway in expanding the Company’s intellectual property portfolio places KarmelSonix in a solid position to further develop non-invasive tools for other pulmonary disorders.

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“Wheeze Rate – A New Paradigm in Asthma Management”

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 focused on early commercialization of its products with special emphasis on the European and North American markets.

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