

"Wheeze Rate - A New Paradigm in Asthma Management"

COMPANY ANNOUNCEMENT

First Sale of PulmoTrack® into Sleep Laboratory Market

HIGHLIGHTS

- Royal Melbourne Hospital Sleep Lab purchases PulmoTrack® system,
- Sleep disturbed patient analysis using PulmoTrack® clearly identifies wheezing in the absence of sleep apnea
- Publication in Journal of Sound and Vibration

7th May 2009: KarmelSonix (ASX: KSX or Company) Melbourne based subsidiary PulmoSonix Pty Ltd, is pleased to announce the first sale of its PulmoTrack® system of wheeze detection and quantification into the Sleep Laboratory industry.

The sale to the Royal Melbourne Hospital Department of Respiratory & Sleep Medicine (RMH) based in Melbourne, Australia represents an important milestone for KarmelSonix and opens up the sleep laboratory market to the Company's suite of wheeze detection devices, including the PulmoTrack® and the soon to be released WHolterTM.

Under the supervision of Dr Jeremy Goldin, a senior sleep physician at RMH, the PulmoTrack® has been used to assess patients who are being monitored for sleep disturbance. Overnight assessment using both Polysomnography (for sleep apnea) and the PulmoTrack® (for wheeze detection and quantification) has demonstrated that in a number of cases the rate of wheeze (or WheezerateTM) has been high, whereas sleep apnea has been mild or non existent.

Commenting on the use of the PulmoTrack in the overnight trials, Dr Goldin stated, "the trials conducted to date have demonstrated the value of the PulmoTrack as a sophisticated tool for distinguishing different types of sleep disorders, in particular sleep apnea on the one hand and wheeze-related disorders such as asthma on the other. The use of this tool not only for the differentiation but also ongoing monitoring and management of the sleep conditions is an important development".

At the same time the Company is also pleased to announce through its subsidiary, PulmoSonix, the publication of "A Novel Method for the Measurement of Mechanical Mobility" in the Journal of Sound and Vibration (JSV) featured in Volume 320 issue 3, 20 February 2009. JSV is an independent, peer reviewed journal.

As featured in PulmoSonix's VibroPulseTM device (US 7,201,721), the technology is one of PulmoSonix's range of active acoustic core technologies, and has been developed to provide a quantitative measure of lung inflation and lung conditions such as pneumothorax.

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The paper describes the application of the technology to determine the mechanical mobility of a structure and was completed at the Ritchie Centre for Baby Health Research in collaboration with Monash University, Victoria and KSX Subsidiary, PulmoSonix Pty. Ltd.

Finally, the Company is pleased to advise receipt of a further order for an additional 10 PulmoTrack units via one of the Company's distributors.

For additional information please contact:

Mr. Peter Marks, Chairman +61 (0)3 9824 8166 Email: Peter@karmelsonix.com Prof. Noam Gavriely, CMO +972 544 661 337 Email: Noam@karmelsonix.com Dr Henry Pinskier, Director + 61 400 313 732 Email: henry@karmelsonix.com

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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