

## COMPANY ANNOUNCEMENT

### KarmelSonix Signs Distribution Agreements in the United States

#### HIGHLIGHTS

- KarmelSonix, USA signs new distributors
  - Recovery Medical - Illinois & Wisconsin
  - Nightingale-Alan Medical - Ohio, Michigan, Indiana, Kentucky, Tennessee, West Virginia, Western Pennsylvania
  - Wayne Morrill Group - Oklahoma, Texas, Louisiana & Arkansas
  - Medical Surgical Electronics - Minnesota, North & South Dakota, Nebraska and Iowa

**15<sup>th</sup> April, 2010:** The Directors of KarmelSonix Ltd (KSX or the Company) are pleased to announce that it’s wholly owned subsidiary, KarmelSonix, USA has entered into agreements with additional distribution groups to represent KarmelSonix products. These new agreements, along with the existing agreement with Respitech (covering Pennsylvania, New Jersey, Maryland, Delaware, North Carolina and Virginia), provide further direct coverage of the States of California, Arizona, New Mexico, Minnesota, North & South Dakota, Wisconsin, Iowa, Nebraska, Illinois and expand the Company’s presence to about 55% of US medical providers. The US subsidiary expects to have coverage across the entire United States within six months.

KSX’s most recent USA distribution addition is Nightingale-Alan Medical with a stocking order of 14 WheezoMeters for demonstration purposes. Mr. Rick Almasy, General Manager and owner of Nightingale-Alan recently commented: “In deciding to represent a given technology, our company places priority on innovative designs or concepts that enhance clinical outcomes, or reduces costs to the user. We are very excited about bringing Acoustic Technology to the forefront of clinically managing patients. I see KarmelSonix technology as becoming standard of care in the future of home asthma monitoring.”

The Wayne Morrill Group (WMG) has a long established and aggressive sales and marketing presence in the lower Mid-West areas. WMG employs four established representatives with a marketing emphasis in sleep diagnostic laboratories in addition to the physician and home care markets.

Medical Surgical Electronics is the other addition to the KarmelSonix USA sales and marketing efforts to promote its products in the upper Mid-West areas. Mr. Brad Bristol, Managing Director, brings over 25 years of marketing experience with recent emphasis in the

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polysomnography market. KSX is expected to benefit substantially from Medical Surgical Electronics’ established market presence and established client base and business relationships.

Commenting on the recent additions to the KSX US distribution channels, Steven Bartley, Director of Sales for KarmelSonix, USA said, “I’m very pleased with the quality of distributors that KarmelSonix has been able to attract with its Acoustic Respiratory Monitoring (ARM) technologies. Their professionalism and marketing experience is exactly what we need to expose the medical community to the latest technology available to the USA medical market.”

KSX’s Chairman, Peter Marks, commented that “these are important developments and part of the continuing push into the commercial marketplace for KSX’ products. The United States market with its population of 300 million and GDP per capita of over \$US 50k (2008 Census Bureau) is an important and dynamic medical device market. Our prospects in this leading market are very positive and we look forward to achieving excellent business outcomes working with our new partners.”

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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, Australian and North American markets.

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