

## COMPANY ANNOUNCEMENT

### KarmelSonix Announces Board Restructure

**20<sup>th</sup> October 2010:** The Board of KarmelSonix Limited (ASX: KSX) advises that further to the ASX announcement of 2<sup>nd</sup> September 2010 regarding the proposed Board and Management restructuring the following changes are to be implemented.

Four new Board members will join the company effective immediately. KarmelSonix welcomes to the Board:

- Mr. Ross Haghghat
- Mr. Jerome (Jerry) Kortzen
- Mr. Paul Hopper
- Mr. Fabio Pannuti

In addition Mr. Paul Eisen (as a continuing director).

(Attached to this release are biographical details on the new directors).

In his role as Interim Chairman and CEO, Mr Haghghat welcomed the new appointments saying, “KarmelSonix has attracted Board members whose international business credentials are first class and whose experience will be invaluable as the company continues its outreach to global markets. The Board and management restructure provides solid leadership at a time when KarmelSonix is working to capitalise on important recent product approvals.”

“These new directors individually and collectively bring an enormous range of skills and experience to the Board and specifically, the new directors have been associated with the successful commercialisation of new technologies and have navigated the range of challenges associated with bringing new technologies to the market. These skill sets will be invaluable to KarmelSonix at this critical stage in its development”, Mr Haghghat said.

As part of the restructure current Board members will step down. They include:

- Mr. Peter Marks, Chairman & Director;
- Prof. Noam Gavriely, Executive Director & CMO;
- Prof. Nathan Intrator, Non-Executive Director;
- Mr. Amir Ohad, Executive Director; and
- Dr. Henry Pinski, Non-Executive Director

Mr. Paul Eisen, Managing Director, Asia Pacific & Europe will remain on the Board in the capacity as an Executive Director until a new permanent CEO has been appointed.

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Prof. Noam Gavriely whilst stepping down from the Board has agreed to remain in the key role of Chief Medical Officer. Prof. Gavriely will continue to work with the Medical Advisory Board and other key opinion leaders in conducting post-registration clinical validation trials necessary for securing the important engagement of other Key Opinion Leaders in the respiratory area. In addition, Mr. Peter Marks will stay on as an adviser to the Board during this important transitional phase of the company’s commercial development.

On behalf of the company Mr Haghghat thanked the retiring Board members for their dedication in helping to build KarmelSonix to its current position.

KarmelSonix specialises in world leading technology for acoustic respiratory monitoring developing and marketing devices to help manage chronic respiratory conditions for wheeze and cough in asthma, COPD and sleep disorders.

It is expected that the new Board appointments will be ratified by shareholders at the Company’s AGM which is scheduled to be held in in Melbourne in late November, 2010.

### **For additional information please contact:**

Mr. Ross Haghghat, Interim Chairman & CEO + 1 978 375 0085 [Rhaghghat@tritonsys.com](mailto:Rhaghghat@tritonsys.com)

Mr. Paul Eisen, KarmelSonix Managing Director Europe and Asia Pacific +61(0) 417069887 [paule@karmelsonix.com](mailto:paule@karmelsonix.com)

**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 early commercialization of its products particularly in the AsiaPac, European and North American markets.

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### **Ross Haghghat**

Mr. Ross Haghghat is a serial entrepreneur with nearly 25 years of experience in founding and transforming companies in the high tech fields of telecommunications, sensors and diagnostics, biotechnology, and specialty materials. He is the founding CEO of Triton Systems, Inc., a leading product venturing company headquartered in Chelmsford Massachusetts, a suburb of Boston and with offices in Boston, Washington DC, and Fargo, North Dakota. Mr. Haghghat serves on the Board of a number of for profit firms:

**Triton Systems** (tritonsystems.com) A privately held full service venture creation firm with locations in Massachusetts, Washington, DC and Fargo North Dakota;

**Aduro BioTech** (adurobiotech.com) a clinical stage biotechnology company developing novel therapies for cancer and infectious diseases;

**SI2 Technologies** (si2technologies.com) a commercial stage company developing a family of passive and active conformal electronic components;

**FRX Polymers** (frxpolymers.com) a commercial stage developer of a new family of non-burning plastics for electrical and electronic applications with locations in the US and Europe.

**Sensera** (sensera.com) a company developing point sensing for biomarker detection.

### **Paul Hopper**

Paul Hopper has over 20 years international experience in the management and funding of life science and healthcare companies, and has served on the Boards of more than a dozen public companies in the US, Asia and Australia. Mr. Hopper is a Director of pSivida Corp, a Director of Fibrocell Science Inc, the Chairman of Viralytics Limited, and a Director of Somnomed Ltd. Mr. Hopper is Managing Director at the Los Angeles based Investment Bank, Cappello Group where he heads the Australia Desk and the Life Sciences practice.

### **Jerry Korten**

Jerry Korten was CEO and President of Versamed, Inc. an Israeli startup he helped establish as a US company that was sold to GE Healthcare. Currently, Mr. Korten, as General Manager of Strategic Markets, is working with GE Healthcare to identify new opportunities to advance technology in the field of cardiopulmonary therapy, monitoring and diagnosis. Mr. Korten also serves as a mentor to the New York City Investment Fund's BioAccelerate Program to catalyze the creation of a life sciences industry sector in the city by increasing the number of commercial spin-offs from New York's universities and research institutions.

Mr. Korten was educated at the University of Michigan where he obtained his BS degree in Neurobiology and his Masters degree in Bioengineering. After starting his career at Columbia University's College of Physicians and Surgeons, Mr. Korten became an entrepreneur and was responsible for the invention and design of products for startup companies ranging from internet based hardware technology to non-invasive medical diagnostics.

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He has served on the boards of diagnostic and therapeutic device companies including Versamed, Inc., Bunnel Inc. and Vitaltrends Technology, Inc. and brings operational expertise in running medical device companies, including engineering management as well as management of sales and marketing.

**Fabio Pannuti**

Fabio Pannuti has served on the board of several public companies listed in Australia, the United Kingdom and North America over the last 20 years and also a number of private investment vehicles. These companies have had significant and successful involvement in diverse areas including agriculture, property development, mining/oil and gas, telecommunications, wholesale debt purchase and biotech. These have included The Van Diemen's Land Company, to recently being Chairman of Mobi Ltd, a small diverse telco.

Fabio is currently Chairman of Cairngorm Leisure, a company involved in the development of a snow dome, hotel and leisure complex in Australia and also serves on the board of Leading Edge Instruments Ltd, a company that develops medical devices.

As a non executive director Fabio brings international and commercialization experience to KSX and a wide reaching contact and investor base to assist in the expedited growth of the business.

**Paul Eisen**

Paul Eisen is currently Managing Director Europe and Asia Pacific, and Member of the Board of Directors for KarmelSonix, having joined the company in September 2009. Paul has extensive experience in the respiratory and sleep market space throughout Europe, Asia Pacific and Australia. Prior to joining KarmelSonix Paul was Senior Vice President, Asia Pacific, with ResMed (NYSE:RMD) for 7 years, having also led the European business for 1 year.

Prior to his time at ResMed, Paul was a senior executive at General Electric Medical Systems responsible for the Medical Systems Division in Australia and New Zealand, with Asia-wide responsibilities. Paul has also held senior sales and marketing positions in the healthcare industry covering segments including high value capital imaging and pathology equipment. Paul had 8 years' experience at Roche Diagnostics developing the diabetes patient care and consumer market.

Paul sits on the Board of Directors of the Diabetes Vaccine Development Centre (dvdc.org.au), a non-profit joint venture between the Australian Government and the Juvenile Diabetes Research Foundation. Paul holds a degree in Diagnostic Radiography from Sydney Technical Institute and a Graduate Diploma in Marketing from the University of Technology, Sydney.

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