



PRESS RELEASE

For immediate release

PERCEPTRONIX ANNOUNCES COMPLETION OF ClearVu ELITE™ CLINICAL STUDY

VANCOUVER, BC, November 1, 07 – Perceptronix Medical Inc. (Perceptronix) announced today the completion of their clinical study entitled “Spectral Imaging of Early Lung Cancer and Pre-cancerous Lesions” using the Company’s ClearVu Elite™ system. Perceptronix is a laboratory service and medical device company focused on the development and commercialization of effective technologies that can improve the early detection, localization, diagnosis and follow-up of cancer. The Company’s initial focus is lung cancer.

The study, which was conducted using the Perceptronix ClearVu Elite™ system, aimed to develop a robust decision-making algorithm based on estimating physiological and morphological properties of lung tissue from the non- contact spectral measurement to detect early cancerous lesions. Historically, this process has been difficult to incorporate in imaging systems. Current clinical data suggests that by incorporating specific algorithms to the system the rate of false positive biopsies can be reduced by 50% with minimal or no loss of sensitivity compared with autofluorescence imaging alone.

“The positive results of this study are evidence that the estimated physiological properties of lung tissue can provide information which is useful in identifying early stage cancer. The results also provide valuable insight into a new endoscopic modality for imaging tissue physiology and functionality,” comments Dr. Yasser Fawzy, lead scientist in the study and inventor of lung modelling diagnostic algorithms.

ClearVu Elite™ is an endoscopy accessory system composed of a camera with its own digital imaging system designed to add practical, real-time spectral analysis to autofluorescence imaging. ClearVu Elite™ is able to offer assessment of suspicious tissue before a biopsy is taken. An innovation in cancer imaging, ClearVu Elite™ is anticipated to have significant clinical impact in the detection and localization of early lung cancer.

Four centers were involved in this international study, including one in Canada. The study was partially supported by the Canadian Research Council Industrial Research Assistance Program (IRAP). Preliminary data from one site was presented at the European Respiratory Society Annual Congress meeting in Stockholm, Sweden in September.

Perceptronix owns five US patents for this technology with additional patents filed or pending.

“Based on the encouraging results of this study, Perceptronix is planning to implement its developed modules into video endoscopy applications, including cancer detection, tissue



viability and ischemia detection, and micro-vascular anastomosis monitoring. We are currently examining potential partnerships,” remarks Dr. Bojana Turic, CEO of Perceptronix. “Applications such as these are proving that early detection diagnostics translate to live-saving results for patients.”

Lung cancer is the most common cause of cancer-related death in men and the second most common in women. Responsible for an estimated 1.3 million deaths worldwide annually, the most significant risk factor for developing lung cancer is long-term exposure to inhaled carcinogens, especially tobacco smoke. The two main types of lung cancer are small cell lung cancer and non-small cell lung cancer. Currently, the 5-year survival rates are poor, but advances in earlier detection products offer hope to patients in improving such outcomes.

About Perceptronix Medical Inc.

Perceptronix Medical Inc. (founded in 1999) is a private cancer diagnostics company based in Vancouver, Canada. Perceptronix commercializes early cancer detection technologies developed in partnership with the BC Cancer Agency, a world-leader in cancer care and research, with a particularly notable track record in pioneering early cancer detection programs.

Perceptronix is focused on offering quantitative image cell analysis services for early cancer detection. Perceptronix’ products and services offer an improvement over existing detection and localization technologies and provide physicians with increased options for prolonging and improving the quality of patients’ lives.

This news release is not, and under no circumstances, to be construed as, an advertisement, solicitation or offering of securities of Perceptronix Medical Inc. The statements made in this news release may contain certain forward-looking statements that involve a number of risks and uncertainties. Actual events or results may differ from the Company’s expectations.

- 30 -

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