



1 July 2004

COMPANY ANNOUNCEMENT (ASX:PBI)

PATENT GRANTED FOR AIRWAYCLEAR TECHNOLOGY

Melbourne, 1 July 2004 – Premier Bionics Limited (ASX:PBI) has received notification that the international patent application “Method and Apparatus for Determining Conditions of Biological Tissues” filed by its subsidiary, Pulmosonix Pty Ltd, in April 2001 has been granted in South Africa.

“This patent covers the technology Pulmosonix is using in its leading product, *AirwayClear*, an upper airway patency monitor designed in the first instance to improve the diagnosis of obstructive sleep apnea,” said Dr Martin Soust, CEO of Premier Bionics. “The granting of this patent represents an important step in the development of this device,” Dr Soust added.

Premier Bionics will be announcing the outcomes of this patent application in other jurisdictions as they come to hand.

Background on Premier Bionics

Premier Bionics was formed in December 2001 to invest in advanced, Australian-based research in medical devices and diagnostics. The company listed on the Australian Stock Exchange (ASX:PBI) in May 2002.

The directors of Premier Bionics identified a confluence of three factors that represented a large commercial opportunity. These factors are: The global medical diagnostics and devices market is estimated to be worth US\$170 billion annually; Australian researchers have a demonstrated capacity for creative contribution to innovation in medical devices and diagnostics; and later stage Australian R&D projects tend to be relatively under-funded.

Premier Bionics’ first investment is Pulmosonix Pty Ltd, a company formed to develop technology developed at Monash University’s Ritchie Centre for Baby Health Research. Premier Bionics has to date committed A\$2.35m in funding to Pulmosonix for an 83% stake in the company. Premier Bionics was also granted a 7-year exclusive right of first review, evaluation and commercialisation of technology produced by researchers at the Ritchie Centre in the field of respiratory disorders, sleep apnea and other sleep disorders, and chronic lung disease.

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