



NEWS RELEASE

Visiomed appoints Singapore Distributor for Funhaler asthma spacer

- **Singapore distributor appointed**
- **International distribution of Funhaler commences ahead of schedule**
- **Major retooling and redesign of Funhaler to improve manufacturability**

Australia, 8 November 2005: Visiomed Group Ltd (ASX:VSG) subsidiary InfaMed Ltd. announced that they have appointed E-xclusif Medical Supply as its Singapore agent and distributor for the Funhaler, the company's award winning and patented paediatric asthma spacer.

E-xclusif Medical Supply, a leading medical product distributor specialising in nebulisers and respiratory care products, will distribute the Funhaler product to pharmacies, physician clinics and hospitals, initially into Singapore and subsequently into the rest of the Asia-Pacific market.

Visiomed CEO, Dr William F. Dolphin said: "Appointment of E-xclusif Medical Supply represents a major step for the company and its plans for the global commercialisation of the Funhaler®. Singapore is a gateway to the very large Asia-Pacific region. The commitment of E-xclusif to significant minimum purchases underscores their confidence in the product and the attractiveness of the Funhaler® to this market."

The Funhaler has been released in the Australian market and is now available in retail pharmacies following the recent successful completion of negotiations with the three leading pharmaceutical wholesale distributors in Australia - Sigma Wholesale (ASX:SIG), Australian Pharmaceutical Industries (ASX:API) and Mayne (ASX:MAY). The US FDA-cleared Funhaler® is covered by international patents issued and pending. This coverage already extends to protection of a wide range of alternative incentive modules and complimentary applications.

"Visiomed has made huge strides in recent months and is significantly on track, in fact ahead of its announced plans (April 2005) to enter the international markets in early 2006" said Dr. Dolphin.

The Company has commenced a major retooling project including a significant redesign of the Funhaler and implementation of new tooling to improve manufacturability. The new tooling, expected to come on line during the June quarter 2006 will reduce production costs by greater than 50% through design simplification and improved assembly and will allow the efficient scale up of manufacturing required to meet the anticipated demand for the Funhaler in overseas markets including the USA, Europe and Asia.

The proprietary and patented Funhaler® asthma spacer incorporates interactive incentive modules providing auditory and visual feedback to the child and parent. The incentive modules are designed to assist in developing and maintaining proper inhalation and exhalation technique for the user, encourage children to take their asthma medication in accordance with clinical prescriptions, and provide feedback to the guardian or caretaker that the medication is in fact being properly administered.

Independent, peer-reviewed clinical studies published in leading respiratory and paediatric medical journals have documented that use of the Funhaler® increases compliance and delivery of asthma medication; moreover, both children and their parents prefer the Funhaler® to other spacers and to the use of asthma medication “puffers” alone.

There has been great interest in the Funhaler® in the overseas markets; Visiomed will be attending MEDICA, the world's premier Health and Medical exhibition to be held from 16-19 November in Dusseldorf, Germany 2005 as part of the Austrade Innovation Australia Pavilion to progress discussions with international partners.

About Visiomed Group Ltd

Visiomed (www.visiomed.com.au) develops and commercialises innovative medical technologies for improved medication delivery and adherence in patients suffering from chronic respiratory diseases.

About the Funhaler®

The Funhaler® is a paediatric incentive spacer for the effective delivery of asthma drugs, developed in Australia. The Funhaler incorporates incentive modules that provide user feedback and assist in developing and maintaining proper inhalation technique. The product was designed to improve adherence by encouraging children to take their asthma medication in accordance with clinical prescriptions. Approximately 12% of children worldwide suffer from asthma. Long term clinical studies involving the Funhaler® are currently under way with support of a \$1 million grant from the US National Institutes of Health.

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