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**Proteus Biomedical Initiates Clinical Study of
Novel Technology for Heart Failure**

*Study To Assess Feasibility of First Application of Company's Proprietary Platform Technology to
Improve Myocardial Efficiency*

Redwood City, Calif., April 24, 2008 – Proteus Biomedical Inc., a pioneer in intelligent medicine, announced today the initiation of the RETIME 2.0 (Resynchronization using Electric Tomography to Improve Myocardial Efficiency 2.0) study. RETIME 2.0 is designed to assess the performance of Proteus Biomedical's cardiac electric tomography (CET) and multi-sensor lead system for the measurement of cardiac performance in heart failure patients undergoing implantation of a cardiac resynchronization therapy (CRT) device.

Cardiac electric tomography is a proprietary, operator-independent modality developed by Proteus Biomedical. The first product application, in the field of heart failure, is intended to improve heart failure outcomes by objectively assessing the relative hemodynamic effect of lead placement sites during and after CRT device implantation, and by quantitatively tracking a range of standard cardiac synchrony and performance measures over time. CET technology is designed to be fully integrated into any existing cardiac rhythm management system, and utilized without requiring additional complex pressure sensors or invasive procedures.

Data from preclinical studies and from the company's RETIME 1.0 study demonstrated that CET quantifies important aspects of cardiac performance using an automated, operator-independent technique that yields results comparable to Tissue Doppler Imaging (TDI). The RETIME 2.0 study will evaluate the system's ability to provide immediate, actionable physiologic feedback to determine optimal pacing sites in individual patients by correlating CET data with left ventricular pressure catheter readings, the current gold standard for measuring hemodynamic performance.

"Advances in technology are expanding the clinical utility of implanted networked devices to a much broader range of heart failure patients," commented William T. Abraham, M.D., professor of internal medicine and director of the Division of Cardiovascular Medicine at The Ohio State University Medical Center in Columbus, Ohio. "Cardiac electric tomography offers potential value in improving the efficacy of CRT as well as polypharmacy by providing objective, longitudinal measures of cardiac performance such as contractility, synchrony, and output."

Heart failure afflicts five million Americans and more than 30 million people worldwide, and is the single largest expense for hospitalizations in the United States, costing \$30 billion per year. Pharmaceutical therapy and device-based cardiac resynchronization therapy, targeted toward reducing the heart's workload and improving quality of life, are the standard of care for a significant number of patients. However, approximately 30 percent of patients fail to show improvement after receiving a CRT device, and almost a million patients are hospitalized in the United States each year for heart failure decompensation.

"Proteus' cardiac electric tomography extends the concept of the in-body network beyond programmable pacing to correlated real-time, machine-readable measures of left ventricular mechanical performance, which will help physicians evaluate the effectiveness of both pharmaceutical and device therapies in this patient population", said Andrew Thompson, chief executive officer of Proteus Biomedical. "This is another example of how we are executing on our vision of Intelligent Medicine – integrating advanced computers and sensors into existing device and drug therapies – to improve outcomes and lower healthcare costs."

The RETIME 2.0 study will enroll a total of 30 patients at three sites: Ohio State University, with Dr. William Abraham and Dr. Ayesha Hasan serving as co-investigators; the University of Southern California, with Dr. Ray Matthews and Dr. Michael Cao as co-investigators; and Cardiocentro Ticino in Lugano, Switzerland, with Dr. Angelo Auricchio as investigator.

About Heart Failure

Heart failure is a progressive disorder in which damage to the heart causes inadequate blood flow to tissues, leading to fluid congestion and further deterioration in pumping function. Symptomatic heart failure patients are prescribed a daily regimen of multiple pharmaceuticals, typically including angiotensin converting enzyme (ACE) inhibitors, beta-blockers and diuretics. Cardiac resynchronization therapy (CRT) relieves patient symptoms by improving coordination of the heart's contractions. Over time, CRT can return the heart's structure and function to more normal

states. CRT devices consist of an implanted pulse generator (IPG) placed under the skin in the upper chest as well as three electrode wires, or leads, that carry electrical signals to the heart.

About Cardiac Electric Tomography

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About Proteus Biomedical

Proteus Biomedical is pioneering intelligent medicine, an emerging field of advanced therapeutics that integrates in-body computer, sensor and communications technologies into existing medical device, pharmaceutical and hospital products. Proteus's proprietary computing and sensing technologies enable proven therapies to be personalized, offering broad potential benefits across a range of care settings and therapeutic areas, including cardiovascular, psychiatric, metabolic and neurologic disorders. The company's first product, a novel pacing and sensor-enabled device for Cardiac Resynchronization Therapy, is in development in collaboration with a world leader in cardiovascular implantable devices.

More information about Proteus Biomedical can be found at www.proteusbiomed.com.

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