

Epinex G1A™ Test Featured in *Medical Device Daily*

The Epinex G1A™ test was the subject of the lead article in the October 31st, 2006 edition of *Medical Device Daily*, the subscription newspaper of record for the high-tech medical technology industry. *MDD* is relied on by thousands of industry insiders every business morning.

Prominent Diabetes Blog Advocates G1A™ Test

**TheDiabetesBlog.com receives
over 300,000 unique hits per day
Bridging The Gap To Reduce
Diabetic Complications**

Allie Beatty
Oct. 20, 2006

The hemoglobin A1c has been regarded as the undisputed champion for measurement of glycemic control...until now. Those of us running from diabetic complications understand the necessity of this test. Waiting 3 months (or more) gives these glycated red blood cells a lot of time to play havoc with our small blood vessels, over time resulting in a quagmire of diabetic complications. Glycation is the cause of the long-term complications of diabetes. There is a gap between the data provided by daily blood glucose testing and the information on the long-term health of the diabetic patient supplied by the HbA1c test.

Epinex Diagnostics developed the G1A to measure the albumin in the blood, not the hemoglobin...in contrast to daily blood glucose and semi-annual A1c testing, the G1A glycated albumin index offers a more accurate predictor of glycation by testing once a month, instead of testing the A1c every 3 or 6 months.

I'm not sure about you, but if someone said they know of a way to manage my diabetes that is more effective, less time consuming, and allows for earlier therapeutic intervention-- *sign me up!* The G1A has the potential to become the new industry standard for diabetes management. Ask your doctor if he or she has heard of it yet.

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THE DAILY MEDICAL TECHNOLOGY NEWSPAPER

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Epinex develops prototype for monthly Type 2 diabetes test

By KAREN YOUNG
Medical Device Daily Staff Writer

Development-stage company **EpineX Diagnostics** (Irvine, California) said it has completed the development of a proof-of-concept prototype for a monthly rapid test to monitor Type 2 diabetes.

The company said such a test might provide information sooner to diabetics about whether or not they are doing a good job of managing their blood glucose levels by providing a measurement of glycated albumin, compared to total albumin in a person's bloodstream. It says that albumin is the most abundant protein in the bloodstream and is subject to damage by excess levels of sugar in the blood.

"[Our test] measures serum protein glycation, specifically glycated albumin, and compares it to total serum albumin; that's how it gives an index as a percentage," David Trasoff, PhD, director of communications at EpineX, told *Medical Device*

• The full text of the article is available on the EpineX web site •

EPINEX ISSUES PRESS RELEASE FOR G1A™ TEST

On October 23rd, 2006 EpineX issued a press release through Biomedical Market News to a database of 250,000 email addresses in the biomedical market space. The release, *New Monthly Rapid Test To Monitor Diabetes Developed*, generated over 120,000 hits to the EpineX web site. Our information was viewed by government agencies, health care institutions, universities and major pharmaceutical and medical device companies, including: Agilent, BristolMeyerSquibb, Siemens, Roche, the US Dept. of Health & Human Services, the American Society of Health System Pharmacists, Cincinnati Children's Hospital, St. Jude Hospital, John Muir Health Hospital, Vancouver General Hospital-Canada, Robert Koch Institute-Germany, Children's Hospital of Philadelphia, London Health Science Center-Canada, and the University of Pittsburgh Medical Center.

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EPINEX DIAGNOSTICS INC.

CREATING A REVOLUTION IN BIOTECH-BASED DIAGNOSTICS

2nd Annual Epinex Open House: Board Meeting, Live Webcast, Conference

EPINEX MANAGEMENT AND FULL ADVISORY BOARD MEET TO MAP COMPANY STRATEGY

The Management and Advisory Board of Epinex Diagnostics met at 1:00 p.m. on October 27th to discuss recent developments within the Company, including completion of the proof-of-concept G1A™ Test Strip and Handheld Reader, and to engage in strategic planning to move Epinex to commercialization and marketing of the G1A™ test.



From far left, Azra Zaidi, Dr. Alejandro Gugliucci, Dr. Henry Smith, Asad Zaidi, Dr. Omar Ali, Jeff Byrd, Dr. Saul Ship, Pamela Comstock, Dr. George Bennett and Dr. Vern Roohk; seated in the boardroom at the Epinex company facility.

Articles Challenge Current Diabetes Care

Several recently published articles in leading medical journals have posed a challenge to the currently accepted model of diabetes care for Type 2 diabetics. In the October issue of *Diabetes Care*, Dr. Bart J. Thoolen, of Utrecht University, the Netherlands, concluded that imposing early and intensive monitoring for Type 2 diabetes patients using multiple daily blood glucose tests could affect patients' psychological outcomes, resulting in higher anxiety and less self-efficacy in taking the steps needed to control their disease. In other words, the stress of intensive daily testing had a negative effect on patients' ability to self-manage their condition. The Epinex G1A™ Rapid Diabetes Monitoring Index Test, taken once a month, will offer an alternative to this scenario.

An article in the October recent issue of *Family Practice News*, **Medicare Questions Role of Blood Glucose Self-Monitoring in Medicare Patients with Type 2 Diabetes**, headlined the high cost of blood glucose testing. The Centers for Medicare and Medicaid Services, the government agency that administers Medicare, is questioning whether or not patients with Type 2 diabetes benefit from self-monitoring of their blood glucose and whether Medicare should continue to pay for monitor and strips. In 2003, the program paid more than \$908 million for glucose testing strips.

Evening Conference Presents Company Plans

The evening reception held at the Irvine Marriott Hotel was preceded by a conference and discussion of Company milestones and future plans. Company officers and advisors made presentations in their areas of expertise. The topics of discussion were as follows:

Dr. David Trasoff
(Director of Communications)
• Overview of the diabetes market and the G1A™ Test.

Mr. Asad Zaidi
(CEO)
• Company vision, history, current status.

Dr. Henry Smith
(Chief Technology Officer)
• Technology of the G1A™ test.

Dr. Saul Ship
(Advisory Board – Marketing)
• Significance of the G1A™ test in the diabetes market; need and reception by the market.

Ms. Pamela Comstock
(Advisory Board – Marketing)
• Pharmacy & OTC perspective – how the test will work for the consumer.

Ms. Allison Beatty
(Diabetes community consultant-TheDiabetesBlog.com)
• Independent perspective from the point of view of the diabetes patient community, from a writer whose daily internet reports get over 300,000 hits per day.

Dr. Alejandro Gugliucci
(Advisory Board – Research)
• Review of the scientific significance of the G1A™ test.

Mr. Jeff Byrd
(Corporate Finance)
• Financial achievements and future milestones.

EpineX Hosts Open House at Company Facility, Followed by Reception at the Irvine Marriott

Guests Include Current and Prospective Investors, Advisors, Diabetes Specialists,
UC Irvine Faculty and Students, Vendors and Technology Partners



Dennis and Bunita Sponheim with Dan Thiel
at the EpineX facility



Dr. Alejandro Gugliucci (Advisory Board), Daniel Klein (Corporate Finance), Dipu Ghosh (President of Syprosoft Engineering, an EpineX Technology Partner), and Chief Technology Officer Dr. Henry Smith



EpineX CEO Asad Zaidi demonstrates Biodot visual analyzer to investors and UCI students



Advisory Board members Dr. Saul Ship and Pamela Comstock



Advisory Board members Dr. George Bennett, Dr. Vern Rookh and Dr. Alejandro Gugliucci with Asad at the Irvine Marriott



Advisory Board member Dr. Alejandro Gugliucci presenting at the EpineX G1A™ Conference, Irvine Marriott



EpineX investor Russell Haen and Marlene Fekete



Investors Dennis and Bunita Sponheim, with George and Alice Gomez in background

THE EPINEX TEAM – OCTOBER 2006



EPINEX DIAGNOSTICS 2ND ANNUAL OPEN HOUSE – October 27th, 2006; Marriott Hotel, Irvine, California

Standing, from left: Sana Zaidi, Office Assistant; Serop Gharibian, Office Manager; Mario Li, Accounting; 'Teddy' Kaisu Zhuang, Information Technology; Naomi Klein, Corporate Finance; Dan Thiel, Corporate Finance; Dr. Alejandro Gugliucci, Advisory Board; Dr. Vern Roohk, Advisory Board; Asad Zaidi, President and CEO; Dr. George Bennett, Advisory Board; Dr. James Smith, Regulatory Affairs; Dr. Omar Ali, Advisory Board; Dr. David Trasoff, Director of Communications; and Henna Zaidi, Office Assistant. Seated, from left: Daniel Klein, Corporate Finance; Pamela Comstock, Advisory Board; Jeff Byrd, Vice-President for Corporate Finance; Azra Zaidi, Director of Research & Development; Dr. Henry Smith, Chief Technology Officer; Allison Beattie, Diabetes Advocate; and Dr. Saul Ship, Advisory Board.

The Epinex Webcast Available on Company Web Site

The content of the live webcast, held on October 27th, 2006 at the Company facility in Irvine, California, is online at the company web site: www.epinex.com. Please follow the link from the home page. At present, the webcast may be downloaded either as Windows Media video file or as an audio file. You may also request a DVD of the webcast. We will make the webcast available for video streaming in the near future. We also have a DVD available of the conference held at the Irvine Marriott Hotel later in the evening.



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