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Assurance Biosense Issued European and Japanese Patents for Unique Pulse Oximetry Sensors and Monitoring Systems

Glastonbury, CT – November 16, 2012

Assurance Biosense, Inc., a wholly owned subsidiary of Xhale, Inc., a leading innovator in patient safety solutions, announced today the recent issuance of European Patent EP1513443 and Japanese Patent JP5134367, which include claims to novel sensors, devices, systems and methods for monitoring pulse oximetry.

The European patent, entitled “*Perfusion Monitor and System, Including Specifically Configured Oximeter Probes and Covers for Oximeter Probes,*” describes unique probes and probe sleeves for monitoring pulse oximetry across the vascular tissue of a lip or cheek. This monitoring location enables faster detection of oxygen saturation levels than finger sensors. “This technology can significantly improve optimal oxygen delivery to medical patients,” says Dr. Richard Melker, M.D., Ph. D., Chief Technology Officer of Xhale, Inc. “This patent protection will enable Assurance Biosense to market this and related technologies,” adds Melker. This patent was issued on October 3, 2012.

The second patent, “*Methods and Devices for Countering Gravity Induced Loss of Consciousness and Novel Pulse Oximeter Probes,*” was issued in Japan on November 16, 2012. This patent describes methods and devices of obtaining photoplethysmography (PPG) readings and utilizing PPG to identify when pilots are about to experience gravity-induced loss of consciousness (GLOC). Additionally, the patent claims GLOC monitoring devices and systems that include a pulse oximeter probe secured to a central source site on the nose, such as the nasal nares, nasal septum or nasal alar. Such systems can be used to warn a pilot that he is about to enter GLOC and if necessary direct the plane to take predetermined corrective actions to avert catastrophic damage or injuries.

Andrew E. Kersey, President of Assurance Biosense, stated, “We are pleased that our portfolio of protected technologies continues to grow, both in the US and internationally. The technology protected by these new patents, in concert with our other technologies, can provide unique solutions to reliably monitor PPG and oxygen saturation under the most extreme conditions.”

About Assurance Biosense:

Assurance Biosense, a wholly owned subsidiary of Xhale, Inc., is committed to providing clinicians with easy to use, cost effective diagnostic solutions that improve patient safety and reduce false alarms. Its Assurance PPG/oximetry sensors monitor central blood

flow to the brain through placement on the nasal ala, a region rich in vasculature, fed by the external and internal carotid arteries. The unique physiology of the site provides a much stronger signal than that from a fingertip or extremity, delivering more robust pulse oximetry signals, while simultaneously enabling the monitoring of a range of critical physiologic parameters, which cannot be monitored via conventional pulse oximetry.

About Xhale:

Xhale, Inc. is a medical technology innovator, developing products that transform healthcare and save lives. The company is a world leader in the use of sensors that analyze vapor and exhaled breath and is focused on novel patient-centric monitoring solutions. Its current product lines include SMART[®], the world's only definitive medication adherence monitoring system, and Assurance[™], a replacement for conventional finger-based pulse oximetry which will monitor multiple patient parameters from a single-point-of-contact sensor, more comfortably and conveniently than finger-based pulse oximetry with fewer false alarms.

(Note: Certain applications described above have not been reviewed by the FDA, and are therefore labeled for investigational use only).

For more information, please visit www.assurancebio.com or contact Investor Relations at the company at ir@xhale.com or 352.371.8488.