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FOR IMMEDIATE RELEASE

**Study shows that the surgical method used to implant
Intelligent Medical Implants' *Learning Retinal Implant*[®]
in four blind patients is "feasible, safe and stable"**

**Data to be presented tomorrow at
*The Eye and The Chip: World Congress on Artificial Vision***

**"After five months, the first implantation clearly shows that
the implant is extremely well-tolerated. The fixation is stable and
no inflammatory reaction or cell proliferation has been observed."**

Gisbert Richard, M.D., Professor of Ophthalmology
University Medical Center Hamburg-Eppendorf (Germany)

DETROIT, June 14, 2006 — IIP-Technologies GmbH, on behalf of its parent company Intelligent Medical Implants AG ("IMI") (www.intmedimplants.com), announced today that results of a limited clinical study related to its ongoing Early Human Trial will be presented from the podium tomorrow at *The Eye and The Chip: World Congress on Artificial Vision* in Detroit. The results to be presented will demonstrate that IMI's patented, first-generation *Learning Retinal Implant*[™] enabled blind patients to see light—as well as simple patterns—via a wireless transmission of data and energy. This represented the first time in the history of the development of artificial vision that completely wireless transmission of data and energy into an implant in the eye of long-time blind persons has resulted in pattern recognition.

The *Learning Retinal Implant* has been successfully implanted in four patients for a duration to date of up to 27 weeks (the first implantation occurred in late-November 2005). Subsequent clinical testing of the IMI device with these patients commenced on schedule beginning in January 2006 at the University of Hamburg (Germany) Medical School under principal investigator Prof. Gisbert Richard, M.D., Professor of Ophthalmology.

"Our study concludes that it is possible to provoke pattern recognition by electrical stimulation," said Dr. Richard. "The wireless data and energy transmission into the implant allowed totally unrestricted eye movement and is therefore considered suitable as a long-term solution for blind persons." Dr. Richard is Chairman and Head of the Department of Ophthalmology at the University Medical Center Hamburg-Eppendorf (Germany) and General Secretary of the European Society of Retina Specialists (EURETINA).

"It is our intention that the Learning Retinal Implant System, along with rehabilitation, will facilitate patients' recognition of objects by allowing them to identify their size, as well as their position, movements and shapes," said Hans-Jürgen Tiedtke, CEO of IIP-Technologies, a subsidiary of IMI. "In short, a blind person, using our Learning Retinal Implant System, is expected to be able to move *independently* in an *unfamiliar* environment—thereby enabling him or her to lead an autonomous life. We have repeatedly said that development of a *wireless* visual prosthesis that can be *implanted permanently* with good results is surely the *Holy Grail* of artificial vision," added Mr. Tiedtke.

IMI's initial clinical-indication focus is blind persons with *Retinitis Pigmentosa* ('RP'), one of the two most common causes of vision loss in persons over the age of 50 by hereditary degenerative retinal diseases. RP is considered irreversible, and no treatment or cure is known to date. Several million people are affected worldwide.

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About *The Eye and The Chip: World Congress on Artificial Vision*

To be held in Detroit from June 15-17, 2006, *The Eye and The Chip* is the fourth biennial world congress on artificial vision organized by the Detroit Institute of Ophthalmology (DIO). Of the many scientists at work in the fields of neurobiology, visual physiology, nanoelectronics, ophthalmology and neurosurgery, 35 received invitations from the Congress selection committee, headed up by Philip C. Hessburg M.D., President and founder of the Detroit Institute of Ophthalmology; and Joseph Rizzo, M.D., of Harvard Medical School and the Massachusetts Eye and Ear Infirmary. At *The Eye and The Chip*, investigators from Australia, Belgium, Canada, China, Germany, Japan, Korea, Spain, Switzerland, and the United States will present their work.

About the Learning Retinal Implant™ System

IMI's *Learning Retinal Implant System* replaces the signal-processing functions of a healthy retina and provides input to the retinal nerve cells (the ganglion cells) that, in turn, provide input to the optic nerve and the brain. The System comprises three main components: (1) an implant, "The Retinal Stimulator", which is surgically placed into the eye of a patient, who wears (2) a pair of spectacles containing an integrated mini-camera and transmitter components for wireless signal and energy transmission ("The Visual Interface"). Via a cable, the spectacles are connected to (3) "The Pocket Processor" worn at the patient's waist. This device replaces the information processing function of the formally healthy retina. The use of a high-speed digital signal processor allows the provision of "intelligent information" to the implant (and the nerve cells) by using tuneable software to approximate the information processing normally carried out by the healthy retina. The entire process enables patients to optimize their visual perception during the learning phase. Indeed, using the patient's feedback on perception as an input for the tuning of The Pocket Processor is the unique, patent-protected feature of the System and constitutes the 'learning' capability of the Learning Retinal Implant System.

About Intelligent Medical Implants ("IMI")

Intelligent Medical Implants AG, based in Zug, Switzerland—with its subsidiaries IIP-Technologies GmbH and Intelligent Medical Implants Ltd. (collectively referred to as "IMI Group")—is developing the Learning Retinal Implant System, the first product of its developing neuro-prosthetics technology platform that aims to give blind people useful visual functionality. The technology integrated into the Company's first product will permit the development, marketing and licensing of further learning neural prostheses for active "intelligent" implantable medical devices. The primary shareholder of IMI is Polytechnos Venture Partners in Munich, Germany.

Safe Harbor Statement

This press release may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Company. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements.

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