



IMALUX SIGNS HONG KONG DISTRIBUTION AGREEMENT

For Release: Immediate

Cleveland, Ohio, August 25, 2005 – Imalux Corporation has signed an exclusive distribution agreement with BCT Advanced Diagnostic Technologies Limited of Hong Kong to promote, sell, and service the Niris™ Imaging System in Hong Kong and Macau.

Imalux developed, manufactures and markets the Niris Imaging System to assist physicians in their diagnosis, treatment, and therapeutic monitoring of disease in urology, gastroenterology, gynecology, dermatology, dentistry, and ENT applications.

BCT Advanced Diagnostic Technologies Limited of Hong Kong is directed by Dr. Paul Cheng, a clinical oncologist with training at Memorial Sloan Kettering in New York. Dr. Cheng's vast amount of clinical experience in the Hong Kong medical market, coupled with his excellent reputation and established relationships within the Hong Kong marketplace will greatly assist in the successful development of the Niris Imaging System in these markets.

Imalux personnel will conduct image interpretation, sales and service training within the upcoming months with the staff of BCT Advanced Diagnostic Technologies Limited and also train their key opinion leaders in the Hong Kong market on image interpretation and utilization.

J. Lloyd Breedlove, President and Chief Executive Officer of Imalux states: "the signing of the Hong Kong distribution agreement is the culmination of our diligence and desire to introduce Niris into strategic medical markets worldwide. In addition to Hong Kong, we are pursuing other distribution opportunities in key global medical markets, while we continue to develop the market for Niris domestically. We are especially pleased to be associated with Dr. Cheng and his organization. Dr. Cheng's experience and reputation are key factors in the development of an influential market such as Hong Kong."

About Imalux & the Niris Imaging System

The Niris Imaging System is based on Optical Coherence Tomography ("OCT"), which uses harmless, near infrared light to produce real-time images that allow clinicians to visualize normal and abnormal tissue microstructures. The Niris Imaging System recently received market clearance from the U.S. Food & Drug Administration.

The Niris Imaging System consists of a portable imaging console that is approximately the size of a desktop computer and a reusable fiber optic probe with internal electromechanical lateral scanning. The device allows physicians and surgeons to quickly evaluate tissue microstructure, to a depth of 2 millimeters in a clinical or surgical setting.

Imalux is a Cleveland-based corporation that is commercializing Optical Coherence Tomography ("OCT") technology; OCT is a proven technology that is on the verge of becoming the sixth major imaging modality. The Company's Niris Imaging System provides real-time, high spatial resolution, two-dimensional, cross-sectional depth

visualization of tissue microstructure. The compact, point-of-care System creates images utilizing harmless, near infrared light. The spatial resolution of the System is on the order of 0.01 mm, surpassing conventional ultrasound imaging by an order of magnitude. Imalux OCT technology has been under evaluation with physicians in a number of specialty areas and has been evaluated with more than 3,300 patients worldwide at leading medical institutions including The Cleveland Clinic Foundation, The George Washington University Medical Center, and University Hospitals of Cleveland.

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