



8 November 2011

Companies Announcement Office
Australian Securities Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

**Cortical Dynamics Ltd – 3rd NEW ZEALAND PATENT GRANTED FOR BAR
MONITORING SYSTEM**

Please find attached an operational update from BPH Energy (**ASX: BPH**) investee company Cortical Dynamics Ltd.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "D Ambrosini", is written over a light blue circular stamp.

Deborah Ambrosini
Director and Company Secretary



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3rd NEW ZEALAND PATENT GRANTED FOR BAR MONITORING SYSTEM

BPH Energy Ltd (ASX:BPH) investee company Cortical Dynamics Ltd (“**Cortical**”) is pleased to announce the grant of a third New Zealand patent relating to its Brain Anaesthesia Response (**BAR**) monitoring unit. Currently, Cortical has patents awarded in Australia, New Zealand, Japan, the People’s Republic of China and the United States. The issued patent entitled ‘EEG Analysis System’, is valid to 06/06/2027. The New Zealand patent number is 573459.

Cortical has developed an extensive patent portfolio encapsulating the BAR monitor, providing critical patent protection across a number of key brain monitoring markets. Cortical’s chairman David Breeze said, “The grant of this 3rd New Zealand patent is a critical step in Cortical’s business strategy as it provides protection for a method that is capable of providing clinically relevant information beyond just hypnotic state. The grant of the New Zealand patent is a significant addition to Cortical’s suite of intellectual property”,

Cortical, has applied for admission to the Official List of the Australian Securities Exchange. The Board recently announced that the offer Closing Date has been extended to 5:00pm (WST) on Monday 31st January 2012.

About the BAR Monitor

The BAR monitoring system measures a patient’s brain electrical activity, the electroencephalogram (EEG), in order to indicate how deeply anaesthetised a patient is during an operation via an adhesive sensor applied to the forehead. The BAR monitor is designed to assist anaesthetists and intensive care staff in ensuring patients do not wake up un-expectedly, as well as reducing the incidence of side effects associated with the anaesthetic.



The BAR monitor improves on currently used EEG monitors by utilising advances in understanding of how the brain's electrical activity is produced, and how it is affected by anaesthetic and sedative drugs. The BAR's unique physiological approach is aimed at independently monitoring the hypnotic and analgesic states associated with anaesthesia, a feature no known existing EEG based depth-of-anaesthesia monitor is able to achieve. Objectively monitoring of hypnotic and analgesic state will lead to improved anaesthetic and surgical outcomes, by reducing recovery times and minimising drug costs.

About Cortical Dynamics

Cortical Dynamics is a medical technology company that was established in 2004 to commercialise intellectual property relating to brain function monitoring developed by Associate Professor David Liley and his scientific team at Melbourne's Swinburne University of Technology.

Yours Sincerely,

David Breeze
Chairman

Cortical Dynamics Ltd

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