



## **Connectyx Technologies Issues Letter to Shareholders Highlighting Development of Distribution Network**

STUART, FL--(Marketwire - 05/01/11) - Connectyx Technologies Holdings Group, Inc. (Pinksheets:[CTYX](#)) ("Connectyx"), [www.connectyx.com](http://www.connectyx.com), manufacturer and distributor of the MedFlash®, the nation's premier Personal Health and Wellness Management System (ePHM) for maintaining personal health records (PHR), released the following letter to shareholders from the management of Connectyx:

Dear Fellow Shareholders,

I am very pleased to be able to communicate to our loyal shareholders directly and to give you an update on our progress to date.

Over the past four months, management and the Board of Directors has continued with the company's organizational restructuring that has resulted in reducing overhead and, thereby, lowering our threshold to profitability. The company continues to interview potential corporate partners for the marketing and distribution of MedFlash, including member organizations that offer large membership bases. As we grow, the company has been monitoring potential investors to secure a long term capitalization plan for the Company to execute the MedFlash® Social Network business strategy.

Management still believes that the current CTYX market price is undervalued and the volatility is sensitive due to the low number of shares in the public float (only 31 Million as of March 31) but we remain 100% focused on growing the MedFlash® subscriber base, increasing company revenues, obtaining profitability and securing the long term capitalization plan.

Connectyx also released its 2010 annual report and disclosure statement on March 31<sup>st</sup> in accordance with the Pinksheets filing guidelines. These reports can be reviewed by visiting [www.pinksheets.com](http://www.pinksheets.com).



Connectyx's management team and its board of directors has continued to sign new membership contracts and affiliate programs that will, over the next six to nine months, ramp up at different intervals and increase both revenues and the overall MedFlash membership. .

- Signed a marketing agreement with Provider Services of America, (PSA). PSA maintains relationships with many physician networks and provides PSA with access to more than 400,000 physicians and urgent care centers as well as hospitals and other health-related business entities.
- Entered into a marketing agreement with Health Matters International, (HMI). HMI is an umbrella company including two new health divisions, Langdon Drugs and SurgicalEscape, focusing on prescription medications, diabetes, medical tourism/travel, pet medications, nutritional supplements, and over the counter (OTC) medications
- Selected Market Insurance Group, (SMIG) has chosen to offer MedFlash as part of its suite of health insurance benefits to its many customers; SMIG purchased 5,000 MedFlash licenses and is forecasting a total of 50,000 licenses to be purchased over the next twelve months.
- Atrium Travel Club is offering MedFlash to its many traveler members. Expected revenue impact going into summer travel/vacation season
- Net Savings Link.Com has added MedFlash as one of Net Savings' premier wellness products to its national member network.
- MedFlash® became a preferred vendor of the National EYEPA's twenty-seven state Independent Professional Associations (IPA) representing approximately 4,500 doctors -- 4,200 OD's (Doctors of Optometry) and 300 MD's and a total of 6,600 physician locations.
- CTYX received a follow-on order for an additional 10,000 MedFlash licenses from MASA Assist (MASA), one of the country's leading Medical Evacuation companies with over 500,000 members

These groups have the potential to give us access to millions of consumer members and we are testing a variety of new marketing programs to accelerate the customer acquisition process. It is important to note that Connectyx has continued to have new members sign up weekly and is generating revenue on a consistent basis with members from all fifty states. It is management's goal to continue to reduce its operating burn rate and to increase sales in order to achieve a positive cash flow position, which will lead to a profitable operating and sustainable business model. Early indications from our recent success in building our distributor network are very positive and we anticipate substantial revenue recognition in our current quarter.



Significantly, we currently are in negotiations with a number of large member organizations with the demographics that are the highest reported users of personal medical records that are offered by MedFlash. We anticipate these negotiations to result in at least one alliance/contract that will be very accretive to our revenues and profits.

Some of the newest features and benefits that have been, or are, in the process of being added to our health and wellness platform are:

- My Med Labs (mymedlabs.com), which offers the consumer direct access to basic lab testing completed at their own convenience without visiting their physician.
- MedFlash is adding a variety of new benefits that will allow for discounted drugs, wellness programs and other tools that will continue to empower its membership to become more engaged in managing key elements of their health profile.

It is also important to note that 2012 is the year when the health care community will be required to provide Personal Health Records to patients as part of its compliance with the "Meaningful Use," requirements of the Health Information Technology for Economic and Clinical Health Act (HITECH Act). New studies are clearly indicating more individuals are signing up for personal health and wellness programs as this market continues to grow-- a market in which Connectyx is developing into one of the leading companies in capturing early market share position.

As stated earlier, new members continue to sign up every week as our marketing efforts gain traction. We constantly are improving MedFlash to attract more subscribers, physician networks and member organizations. Since the beginning of 2011, we have improved MedFlash with the following new enhancements:

- MedFlash® members can now utilize the MedFlash Portal through their Mac computers
- A Mobile application for Smartphones
- Initiated a third phase of product development-- MedFlash III, Patient - Doctor Health and Wellness Social Network Portal-- which supports the doctor-patient relationship by providing a communication loop that allows the doctor's office to asynchronously communicate with their patients, both individually and collectively.

Some of the new enhancements that will be added to our online MedFlash portal over the next 45 days are:

- A medication analysis tool which will be an added benefit of maintaining drug safety records. With the increasing occurrence of many individuals being



- prescribed medications from multiple physicians and prescriptions being filled at more than one pharmacy, the importance of maintaining accurate drug records is critical and, in some instances, life saving. As an added benefit, MedFlash subscribers will have free access to this utility that will review all of their medications for possible side effects and contraindications as a result of taking multiple medications and the side effects of mixing them together producing, in some cases, a life threatening synergistic effects.
- In June, we are also launching a major advertisement with one of our strategic partners in a national travel guide to be published and distributed in all fifty states with 100,000's of copies that will be available on newsstands. Targeted to people planning vacations, the MedFlash half page advertisement will highlight the benefits of travelers having access to their personal medical records in the event of an accident or other emergency. Ready to brief any doctor, ER physician or other medical professional in an instant, MedFlash provides paramedics and emergency room staffs with access to the information they need to properly provide care when a patient is incapacitated or unresponsive. This national advertising initiative is designed to support the internal marketing of MedFlash to recently signed member organizations.

In closing, management has continued with its reduction of its use of capital through the efficient use of outsourcing when possible and, more importantly, redirected its efforts to a more cost-effective approach within the personal health and wellness marketplace. Management is continuing to market directly to large membership organizations where direct marketing of MedFlash to its members relieves CTYX of costly marketing costs. Moreover, in some cases they are amenable to providing MedFlash® as part of a membership package, thereby promoting it on our behalf. We have also had some early success in selling our licensing and revenue share models, which offers membership access to the portal without a USB device. This has allowed us to reduce our annual membership cost to our resellers and add a higher profit margin to our overall gross profits with the probability of an up-sell for the USB device at a later date.

Lastly, we would like to encourage all shareholders and interested investors to opt-in to our corporate e-mail database for corporate press releases and industry updates, by sending an e-mail to [investorrelations@connectyx.com](mailto:investorrelations@connectyx.com). We have a rather active press release and media schedule developing and CTYX would welcome the opportunity to keep all interested informed in a timely manner.

On behalf of all of us at Connectyx, I thank you for your continued support of our Company. Together we believe that we can profitably change the paradigm in consumer healthcare and lifestyle management and potentially help save lives while building shareholder value.



Sincerely,

A handwritten signature in black ink, appearing to read "R. Schuman", with a long horizontal flourish extending to the right.

Ronn Schuman  
President & CEO

About Connectyx :

Connectyx Technologies provides unique products for the healthcare market including MedFlash®, the electronic Personal Health Manager (PHM). Compatible with Google Health and Microsoft's Health Vault, the MedFlash® PHM is an easy to use Personal Health and Lifestyle Manager that is accessible using a powerful web portal suite. The MedFlash® PHM also features a 24/7/365 call center, a USB flash drive and our (soon to be released) smart phone applications. The MedFlash® PHM provides member benefits including instant access to your Emergency Medical Profile and Personal Health Record in the event of an accident or a medical emergency. Whether traveling, at work, or at home, First Responders have an invaluable advantage when they have access to this time critical information. Far more than just an emergency flash drive, the MedFlash® PHM can be accessed on any computer, securely and with complete privacy. There are also lifestyle and wellness features that provide significant health benefits to members and risk mitigation for employers and insurers alike. Connectyx products are developed with the needs of patients, families, doctors and First Responders in mind. For more information, please visit our websites at: [www.connectyx.com](http://www.connectyx.com) and [www.medflash.com](http://www.medflash.com)

Safe Harbor Act: This communication includes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that involves risks and uncertainties including, but not limited to, the impact of competitive products, the ability to meet customer demand, the ability to manage growth, acquisitions of technology, equipment, or human resources, the effect of economic business conditions, and the ability to attract and retain skilled personnel. The Company is not obligated to revise or update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this communication.

Source: Connectyx Technologies Holding Group, Inc.  
Connectyx Technologies Holdings Group, Inc.  
Investor Relations 772-600-2581