

PRESS RELEASE

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HEALTH DISCOVERY CORPORATION RELEASES SHAREHOLDER LETTER

WACO, Texas - January 8, 2004 /Send2Press Newswire/ -- Health Discovery Corporation, Inc. (OTC BB: HDVY) today released a letter to the shareholders from Dr. Stephen D. Barnhill Chairman and Chief Executive officer of Health Discovery corporation.

Dear Fellow Shareholders,

It is with great pleasure and excitement that I am writing to you today in my first shareholder letter since being appointed Chairman and Chief Executive Officer of Health Discovery Corporation. Some of you have been investors in Direct Wireless Communications Inc. for a very long time. For your faith and perseverance, you have my deep appreciation. Some of you are relatively new investors in Health Discovery Corporation. Thank you for your loyalty, dedication and interest. My appointment became effective October 23, 2003, immediately following the resignation of Bill Williams, former Chairman and Chief Executive Officer.

I will begin this shareholder update with a brief history of why the Company became Health Discovery Corporation. I will then discuss some of the early stage successes already achieved and then share our goals for the future.

Direct Wireless Communications Inc. was a telecommunications company with a proprietary technology that presumably would have provided a cost effective solution to increase quality and depth of services to wireless customers. Direct Wireless Communications, Inc. was organized in April 2001 by Direct Wireless Corporation, and then in October 2001, Direct Wireless Corporation distributed its entire holdings as a stock dividend to its shareholders. As a result of the dividend, Direct Wireless Corporation no longer owned any equity interest in Direct Wireless Communications, Inc., and Direct Wireless Communications, Inc. became a public company. The negative events that occurred over the next several years in the communications industry made it difficult for Direct Wireless Communications to fund the advancement of the Company's communication platform. As a result, Bill Williams, Chairman and Chief Executive Officer of Direct Wireless Communications made the decision to strategically change the overall direction of the Company from telecommunications to health discovery.

In order to formally effect this change in strategic direction, Direct Wireless Communications, Inc. acquired The Barnhill Group, LLC, on September 25, 2003. The Barnhill Group, LLC was engaged in the business of genomic and proteomic biomarker discovery, using Fractal Genomics Modeling (FGM) techniques to identify both diagnostic and drug targets. After completion of the acquisition of The Barnhill Group, LLC, I initially became the President and Medical Director of the Company effective September 25, 2003 and was then appointed Chairman and Chief Executive Officer effective October 23, 2003, charged with the responsibility of creating a world-class diagnostic and drug discovery company. Immediately following the acquisition of The Barnhill Group, LLC, Direct Wireless Communications, Inc. terminated the license with Direct Wireless Corporation, returning the licensing rights to the telecommunications technology previously granted by Direct Wireless Corporation. Additionally, at that time all payments due to Direct Wireless Corporation by Direct Wireless Communications, Inc. were terminated. This termination was a requirement of the transaction and needed to conclude the formal transition to Health Discovery Corporation.

Direct Wireless Communications, Inc. (OTC BB: DWCM.OB) officially became Health Discovery Corporation on November 6, 2003 at which time the new trading

symbol (OTC BB: HDVY.OB) for the Company became effective.

Health Discovery Corporation was established to become the world's first fully integrated biomarker discovery company by providing pharmaceutical and diagnostic companies with all aspects of "first phase" diagnostic and drug discovery from expert assessment of the clinical dilemma through proper selection and procurement of high quality specimens. We then plan to apply our proprietary analytical evaluation methods and state-of-the-art computational analysis to produce relevant and accurate clinical data, producing accurate biomarker and pathway discoveries, resulting in patent protection of our biomarker discoveries for future development.

Health Discovery - A New Direction and Focus

Intellectual property is the key asset in diagnostic and drug discovery. The primary asset base of Health Discovery Corporation will include an intellectual property portfolio, owned or licensed by the Company, which will include discovered biomarkers and pathways produced through our own internal research programs, as well as joint discovery efforts with leading medical institutions, universities, pharmaceutical and medical diagnostic companies. Our intention is to then sell or license these newly discovered, validated and patent protected biomarkers and pathways to diagnostic and pharmaceutical companies for further development into diagnostic tests or therapeutic agents. In addition to building our intellectual property portfolio, it is our goal to continue to acquire additional analytical and computational tools that will benefit our overall discovery program.

Biomarkers and Value Creation

According to Ken Rubenstein, Ph.D in his publication Revolutionizing Drug Development and Diagnostics published in September 2003, the market for post-genomic biomarker-based diagnostic products is projected to grow from \$100 million in 2003 to \$2 billion by 2008. As stated by Dr. Rubenstein, "The rise of new genomic, proteomic, and metabonomic technologies during the past decade has provided a major acceleration in the rate of biomarker discovery and major improvement in the quality and utility of the resulting markers. The availability of these new-wave markers provides pharmaceutical companies important new opportunities for improving the time- and cost-efficiency of drug development, as well as providing diagnostic companies access to new assays that promise vast improvement in early disease detection, prognosis, and monitoring." This biomarker discovery process is the primary focus of Health Discovery Corporation.

We believe building a world-class biomarker discovery company is a multi-step process, which includes: (1) bringing together, as a Scientific Advisory Board, an internationally recognized team of scientific and medical experts experienced in medicine, machine learning (artificial intelligence) and biomarker discovery, (2) creating a management team experienced in healthcare with a practical and thorough knowledge of the discovery, validation, commercialization and licensing of discovered biomarkers, (3) establishing a competent, knowledgeable and well respected Board of Directors, (4) building relationships with world renowned medical institutions, (5) establishing relationships with diagnostic and pharmaceutical companies world-wide, and (6) obtaining sufficient financial capital to implement the programs necessary to successfully implement the biomarker discovery programs established by the Company.

The Go Forward Plan

I will now summarize my initial actions and the current position of Health Discovery Corporation now that we have recently completed the first 100 or so days of implementing the strategic change in direction to health discovery.

First, I am honored to introduce the shareholders to the newly established Scientific Advisory Board for Health Discovery Corporation. The expertise provided by this group of world-renowned scientists will provide incredible insight to the future direction of biomarker discovery, which will be the

focus of our corporate development strategy.

Kary Mullis, Ph.D. - Recipient of the 1993 Nobel Prize in Chemistry for his invention of polymerase chain reaction (PCR) hailed as one of the greatest scientific accomplishments of the twentieth century, one that revolutionized genetic science and engineering. PCR has also been an enormous commercial success. The original patent was sold to Hoffman LaRoche for \$300 million and has generated hundreds of millions of dollars in revenues from royalties. In addition, Dr. Mullis was awarded the Japan Prize, one of international sciences most prestigious awards, the Thomas A. Edison Award, California Scientist of the Year Award, The National Biotechnology Award, The Gairdner Award in Toronto, Canada, the R&D Scientist of the Year Award, the William Allan Memorial Award of the American Society of Human Genetics and the Preis Biochemische Analytik of the German Society of Clinical Chemistry and Boehringer Mannheim. Dr. Mullis was inducted into the National Inventors Hall of Fame in 1998.

Bernhard Scholkopf, Ph.D. - Director at the Max Plank Institute for Biological Cybernetics in Tübingen, Germany and an elected member of the Max Plank Society. Dr. Scholkopf was recently appointed Honorary Professor for machine learning at the Technical University in Berlin and has taught at the Humboldt University in Berlin. Dr. Scholkopf won the Prize for Best Scientific Project at the German National Research Center for Computer Science (GMD) and his thesis on Support Vector Machines won the annual dissertation prize of the German Association for Computer Science. In addition, he is a former research scientist at AT&T Bell Labs, GMD-FIRST in Germany, the Australian National University, and Microsoft Research in the United Kingdom.

Isabelle Guyon, Ph.D. - Vice-President of the International Unipen Foundation (IUF). Dr. Guyon is an internationally recognized expert in statistical data analysis, pattern recognition and machine learning. She is an acknowledged leader in her field serving as an expert with the European Commission to review grant proposals. While Dr. Guyon was a Principle Investigator at AT&T Bell Labs, she pioneered applications of neural networks to handwriting recognition for pen computers. In addition, while collaborating with Bernhard Boser and Vladimir Vapnik, she invented the Support Vector Machine method of data classification, which has become an internationally validated reference textbook method of machine learning which is currently used in drug and diagnostic biomarker discovery world-wide.

Ramananda K. Madyastha, M.D., Ph.D. - Dr. Madyastha is the Recipient of the Raja Ravi Sher Singh of Kalsia Memorial Cancer Research Prize for outstanding contributions in the field of cancer research. He served on the Faculty of the Basic and Clinical Immunology and Microbiology Department at the Medical University of South Carolina. Dr. Madyastha has been an active member of the American Association of Cancer Research for more than 20 years. In addition, he is Board Certified by the American Board of Managed Care Medicine and is a licensed Clinical Laboratory Director. Dr. Madyastha was involved in the development of the first neural network based diagnostic tests for prostate and ovarian cancer.

Tin-Chuen Yeung, Ph.D., MBA - Dr. Yeung is a pharmacologist, MBA and currently the head of Strategic Development, Life Sciences for the Chicago Law Firm, Bell, Boyd & Lloyd, LLC. He is admitted to practice Patent Law before the United States Patent Bar. At Bell, Boyd, and Lloyd, LLC he is also with the intellectual property group responsible for patent prosecution in the areas of biotechnology, nanotechnology, pharmaceuticals, drug delivery technologies, medical devices and other life sciences. Prior to his current position, Dr. Yeung served as President of Everest International, Inc. consultant to Fortune 500 medical technology companies and start-up biotechnology companies. He also served as Director of Strategy and Business Development for the Biosciences Division at Baxter International, Inc, where he managed the strategic development for world-wide development, marketing and manufacturing of recombinant protein products, as well as, serving as Director of Corporate Development for Baxter, responsible for management of Baxter's acquisitions, technology development, licensing and strategic alliances. Dr. Yeung was formerly a research fellow at Harvard Medical School, Department of

Pharmacology, studying the action and toxicity of anti-cancer drugs

Key Management Additions

Second, I would like to introduce the shareholders to our Management Team. Ultimately, the strength of Health Discovery Corporation depends on the quality of its people. The success of the company and the achievement of our goals requires expertise in biomarker discovery, leadership, professionalism and teamwork. Our initial Management Team is well experienced in biotechnology, genomics, proteomics and biomarker discovery.

Stephen D. Barnhill, M.D., Chairman and Chief Executive Officer - As listed in a former Press Release: Stephen D. Barnhill, M.D. is a Physician trained in Laboratory Medicine/Clinical Pathology and a Pioneer in the development of Artificial Intelligence and Pattern Recognition Computational Techniques used in Medicine, Genomics, Proteomics, Diagnostics and Drug Discovery. Dr. Barnhill is a co-inventor on the first neural network patents used in medicine, which were acquired by Johnson & Johnson. He is also the inventor of the first support vector machine patents used in medicine for genomic discovery. Dr. Barnhill founded and was CEO of the Barnhill Clinical Laboratories, which was acquired by Quest Diagnostics. In addition, Dr. Barnhill is the sole inventor or co-inventor on numerous issued pioneer patents in artificial intelligence based machine learning techniques and diagnostic discovery; was instrumental in the development of neural network based diagnostic tests for prostate and ovarian cancer, led the team that identified and patented the genes that cause colon cancer; has numerous peer-reviewed publications in medical and scientific journals and has been a featured speaker at major medical conferences, both Internationally and in the United States.

David Cooper, M.D., Ph.D., President and Chief Medical Officer - Dr. Cooper was the former Chief Science Officer and Chief Operating Officer of the Quest Diagnostics, Nichols Institute, in San Juan Capistrano, California. While at Quest Diagnostics, Dr. Cooper coordinated the Nichols Institute's move to an ISO 9001 Company, expanded their HIV and Genetic Testing, and reorganized the Nichols Institute Research and Test Development efforts into a clinical specialty focus. Dr. Cooper also assisted in opening new markets in Asia, South America and Europe for Quest Diagnostics, Nichols Institute. Dr. Cooper also served as Vice President and Chief Science Officer at diaDexus in Santa Clara, California and Chief Medical Officer of NimbleGen Systems. While at NimbleGen Systems, Dr. Cooper established NimbleGen Systems of Iceland, LLC, which currently manufactures custom DNA arrays and related services to the scientific research marketplace worldwide. Dr. Cooper also served as Senior Scientific Advisor to Visible Genetics, Inc. of Toronto, Canada, where he assisted with the development of the FDA approved Tru-Gene HIV genotyping system.

In academia, Dr. Cooper held tenured Pathology faculty positions at Duke University Medical Center and the University of Pittsburgh Medical Center. While at the University of Pittsburgh, he founded the first division of Molecular Pathology in the United States, assisted in founding and served as the first Chair of the Association for Molecular Pathology (AMP), and was editor and founder of the journal, Molecular Diagnosis -- a journal devoted to the understanding of human disease through the clinical application of molecular biology. His academic honors include the prestigious Lichfield Lectureship, Oxford University, Oxford, England. Dr. Cooper is the author of more than 100 scientific and medical publications in molecular diagnostics and the development of novel gene therapies which were supported by numerous grants including grants from the National Institutes of Health, the American Cancer Society and the Department of Defense Breast Cancer Initiative.

Joe Fanelli - Director of Corporate Development - Mr. Fanelli brings to the Company extensive experience in strategic planning, as well as, business and product development in the biotechnology arena. Specifically, Mr. Fanelli has been in executive management positions for more than 20 years, including Beckman Instruments, which was acquired by SmithKline. He then joined Cetus Corporation as Director and General Manager of their Instrument Division which

was acquired 3 years later, along with the PCR amplification technology, by Perkin Elmer. Thereafter, Mr. Fanelli served at the Vice President level of Marketing, Sales and Business Development at emerging growth companies in the Biotechnology Market Sector including American Bionetics, Cangene Corporation, Microgenics Corporation, Quantum Biotechnologies and Structural Bioinformatics. He participated in the acquisition of two companies and played a key role in starting and growing multi-million dollar biomedical research companies; three of which had successful initial public stock offerings.

Sandy Shaw - Vice President, Fractal Technology - Sandy Shaw has over twenty years of experience at Bell Labs, Lockheed Electronics and the University of Hawaii. Mr. Shaw received his B.S. in Physics from University of Houston in 1976 and his M.S. ABD in Physics from SUNY at Stony Brook in 1978. Mr. Shaw has been a computer scientist and software engineer for over 20 years, working at companies and institutions such as Bell Labs, Lockheed Electronics, University of Hawaii, and University of California, San Francisco, where he was a postgraduate researcher in the field of bioinformatics. Mr. Shaw began studying dynamical systems theory (chaos theory) as part of his graduate research in physics in the late seventies. This later led to development of a fractal data compression algorithm for commercial use in 1988, which in turn led to his current research in data analysis and modeling using fractal surfaces. Mr. Shaw founded Fractal Genomics in 2001 in order to extend and commercialize this research.

Robert S. Braswell IV - Chief Administrative Officer, Secretary and Treasurer - Mr. Braswell served as President of Direct Wireless Communications Inc. from April 2001 until the acquisition of the Barnhill Group LLC in September 2003 and then assumed his current position. As President he guided the creation of Direct Wireless Communications Inc. and oversaw all administrative functions for both DWCI and Direct Wireless Corporation. Mr. Braswell has been president of Direct Wireless Corporation since December 1999 and a member of the board since January 1999. Before joining Direct Wireless Corporation, Mr. Braswell was an independent businessman engaged in business evaluations, real estate development, new home construction and running a working ranch operation. His administrative experience comes from eighteen years experience in the common carrier freight business, working for Central Freight Lines, Inc. from 1974 until 1992. Mr. Braswell graduated from the University of Houston in 1983 with a Bachelor of Business Administration in Organizational Behavior Management.

The current Board of Directors for the Company includes Stephen D. Barnhill, M.D., David Cooper, M.D., Ph.D. and Robert S. Braswell IV. The Company plans to identify additional non-affiliated Board Members in the near future.

Strategic Agreements and Partnerships

On October 31, 2003, we signed our first Agreement with The University of Texas, M.D. Anderson Cancer Center in Houston Texas. For the third time in four years, The University of Texas M.D. Anderson Cancer Center is ranked the nation's top cancer hospital in U.S. News and World Report's "America's Best Hospitals" survey, published in the magazine's July 28 issue. This agreement is for Health Discovery Corporation to provide analysis of a gene expression data base to identify new biomarkers and pathways involved in leukemia. Under the terms of the agreement, The University of Texas, M.D. Anderson Cancer Center, has granted the Company a first option to obtain an exclusive worldwide royalty-bearing commercial license to commercialize any discovered biomarkers or pathways identified by the Company. The Company is currently negotiating additional biomarker discovery opportunities with MD Anderson Cancer Center which will hopefully be signed in the very near term.

Commercialization of Discoveries and Value Creation

On October 1, 2003, the Company signed a binding Letter of Agreement to acquire Fractal Genomics in San Francisco, California. The acquisition closed on December 30, 2003. Fractal Genomics was founded by Sandy Shaw, a former bioinformatics specialist at the University of California, San Francisco and former computer scientist and software engineer with over twenty years of experience at Bell Labs, Lockheed Electronics and the University of Hawaii.

Fractal Genomics utilizes its patent protected technology to find, link and model patterns of similarity hidden in large amounts of information, such as the clinical databases used for diagnostic and drug discovery, and has patent protected protein and pathway discovery in leukemia and lung development, which could lead to the identification of novel proteins that could be used to develop diagnostic markers and drug targets. Fractal Genomics has successfully used its Fractal Genomics Modeling (FGM) software to analyze databases from MD Anderson Cancer Center, St. Jude Children's Hospital and the Alvin J. Siteman Cancer Center at Washington University.

The Company has already presented the results of its recently acquired, patent protected, proprietary, FGM software at a prestigious international medical meeting. Dr. Herbert Fritsche, from MD Anderson Cancer Center, a world renowned expert in cancer biomarkers, presented a newly discovered set of genes that was found using our FGM software, which can separate ALL-T-cell leukemia from ALL-B-cell leukemia with 100% accuracy, at the 31st Meeting of the International Society for Oncodevelopmental Biology and Medicine (ISOBM) in Edinburgh, United Kingdom. In addition, Dr. Fritsche presented new evidence discovered using our FGM software to link critical pathways in lung development, which could lead to new diagnostic markers and drug targets for lung cancer.

The Future

It is our intention to continue to build strong strategic relationships with companies involved in diagnostic and drug discovery. These relationships will allow us to continue to build our patent portfolio of discovered biomarkers for future development into new diagnostic tests and drug targets, which could then be used to better diagnose and treat patients with devastating diseases like cancer, heart disease, diabetes and AIDS. We also plan to continue to develop and acquire state-of-the-art technologies to improve our discovery efforts.

I look forward to working with our Board of Directors, Management Team, Scientific Advisory Board and Employees as we continue our efforts to build what we hope will become the world's first fully integrated biomarker Discovery Company to provide pharmaceutical and diagnostic companies worldwide with all aspects of "first phase" diagnostic and drug discovery.

We appreciate your patience and support as a valued shareholder, and we will notify you of the Annual Shareholders meeting to ratify Company business and elect Directors, which will take place in the near future. Until then, if you have any questions, please do not hesitate to call us. And remember, your input is always welcome.

I wish you all a healthy and happy new year

Sincerely,

Stephen D. Barnhill, M.D.
Chairman & Chief Executive Officer

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"), Health Discovery Corporation (the "Company") is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Reform Act) made by or on behalf of the Company herein, in other filings made by the Company with the Securities and Exchange Commission, in press releases or other writings, including in electronic form on its internet web site(s), or orally, whether in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will result," "are expected to," "anticipated," "plans," "intends,"

"will continue," "estimated," and "projection") are not historical facts and may be forward-looking and, accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements. These factors are described in further detail in the Company's Annual Report on Form 10-K and in other filings by the Company with the Securities and Exchange Commission and include, but are not limited to, our ability to achieve and maintain profitability, the extent to which the pharmaceutical and biotechnology industries are willing to collaborate with and fund third parties on their drug discovery activities, the ability of our collaborators and of Health Discovery to meet drug discovery objectives tied to milestones and royalties, our ability to continue to fund and successfully progress internal research efforts and to create effective, commercially viable drugs, and our ability to attract and retain experienced scientists and management. The Company cautions that these factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by or on behalf of the Company. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors. Further, management cannot assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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