

ADVANCED VOICE RECOGNITION SYSTEMS, INC. UPDATES INTERFERENCE PROCEEDINGS BETWEEN AVRS, INC. (SENIOR PARTY) AND ALLVOICE DEVELOPMENTS LTD. (JUNIOR PARTY) AND THE LITIGATION BETWEEN ALLVOICE DEVELOPMENTS LTD. AND MICROSOFT CORP.

SCOTTSDALE, ARIZONA June 28, 2010 Advanced Voice Recognition Systems, Inc. (AVRS) OTCBB AVOI www.avrsys.com announced today developments to the interference proceedings resulting from the March 9, 2010 Declaration of Interference between AVRS's Holt App. S.N. 09/351,542 ("the Holt application") as the Senior Party and Allvoice Development Ltd (Allvoice)'s Mitchell Pat. No. 5,799,273 ("the Mitchell patent") as the Junior Party. Charles Gholz and his team at Oblon Spivak, in conjunction with the inventors and AVRS's expert witness Todd Porter, have prepared and filed five motions authorized by Administrative Patent Judge Sally Medley of the Board of Patent Appeals and Interferences requesting judgments that all of Allvoice's claims in interference are unpatentable over a prior AVRS patent ("the Holt patent"), AVRS's Digital Dictate product, for lack of enablement, for indefiniteness, and for lack of support for their means-plus-function claims.

The Mitchell patent is the subject of a lawsuit that Allvoice filed against Microsoft in August 2009 in which Allvoice alleged infringement of Allvoice's Mitchell patent. On March 25, 2010, Microsoft filed a motion to stay its litigation with Allvoice in the Eastern District of Texas (6:09-cv-366), pending the completion of the interference proceedings between the Mitchell patent and the Holt application. That motion was denied on June 4, 2010. The management of AVRS believes that the denial of that motion will make the result of the interference more important to Microsoft.

The inventors and AVRS were subpoenaed by both Allvoice and Microsoft for depositions in the litigation. Mr. McCabe (also of Oblon Spivak) filed a motion for a protective order in the Texas court limiting the scope of the discovery of AVRS requested by Allvoice and Microsoft. Even though it bears the burden of proof, Microsoft agreed to limit the scope of the discovery that it requested. However, Allvoice continues to seek discovery on issues that have nothing to do with Digital Dictate or the Holt patent.

In its opposition to AVRS's motion for a protective order, Allvoice relied on the fact that it had filed a motion for reconsideration in the interference again asserting that the declaration of the interference was unlawful. However, a three-judge panel of the Board of Patent Appeals and Interference (including Judge Medley) denied Allvoice's request for reconsideration on June 18, 2010.

President and CEO Walter Geldenhuys said, "the development of our speech recognition technology dates back to 1994. We are as committed to that field today as the day we started. We achieved remarkable goals with limited capital resources, including the issuance of a second patent in 2009 and the declaration of interference in March 2010. We understand the need for timely news and expect to post periodic

updates as events unfold. The AVRS team, in conjunction with Oblon Spivak, has worked extremely hard sorting through volumes of documents. I am very pleased with the progress made in the interference and our participation in the Allvoice v Microsoft case and expect the process to move forward in a timely manner. We are actively evaluating companies that we believe are profiting from our patented technology. This is a crucial step in the process. We intend to aggressively protect and enforce our intellectual property.”

FORWARD-LOOKING STATEMENTS

Note: This news release and the Company’s web site referenced in this news release contains "forward looking statements" within the meaning of the federal securities laws regarding the future plans and expected performance of AVRS that are based on assumptions that AVRS considers reasonable. These statements are subject to risks and uncertainties that could cause actual results and events to differ materially from those anticipated, including without limitation, the unpredictability of litigation and other contested actions, the availability of financing, general economic conditions and factors that are beyond the control of AVRS. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date of this release. AVRS undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date of this release or to reflect any change in the expectations of AVRS with respect to these forward-looking statements.

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