



September 4, 2008

To our Shareholders,

September 2008 will be a pivotal month for our organization as we expect to initiate the first clinical use of our Hemopurifier® in HIV-infected individuals. We believe the Hemopurifier® can address the clearance of all HIV strains, thus curbing the proliferation of mutant strains that cause patients to fail their drug regimens. A therapeutic approach able to inhibit drug resistance has long been hoped for by the HIV-AIDS community. We hope to fill that treatment void.

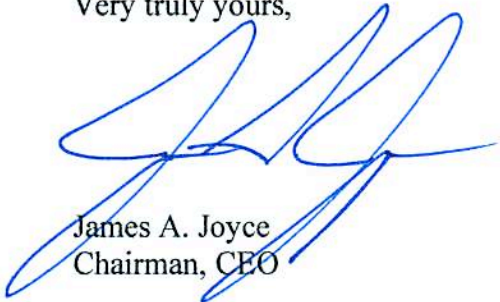
We are also moving towards completion of our human safety study being conducted at the Fortis Hospital in Delhi, India. While the pace of patient enrollment was slower than anticipated, I am pleased to disclose that our treatment protocol has been expanded to include patients infected with Hepatitis-C virus (HCV). As a result, preliminary HCV data, including changes in viral load resulting from Hemopurifier® treatment, should be available for dissemination in the coming weeks. The opportunity for new antiviral strategies to fight HCV is significant, as approximately 180 million people worldwide (3% of the world's population) are HCV infected. According to the World Health Organization (WHO), only 30-50% of infected patients beneficially respond to the established pegylated interferon-ribavirin treatment standard. Recognizing the exceptional challenge in treating HCV, we are cautiously optimistic that human data will reinforce the potential of our Hemopurifier® to improve treatment outcomes. Based on the magnitude of the HCV market opportunity, we also recognize that clinical stage organizations with promising HCV treatment candidates have been rewarded with enviable public market valuations.

Beyond pivotal milestone activities expected this month, it should be noted that our team has already been quite productive in 2008. In studies conducted at collaborating research centers, the

*in vitro* effectiveness of our Hemopurifier® to rapidly capture highly fatal H5N1 Avian Influenza Virus (bird flu), the reconstructed Spanish Flu Virus of 1918, Monkey Pox Virus, and West Nile Virus have all been documented since the beginning of the year. Thus, further reinforcing the broad-spectrum capabilities of our technology. Additionally, we expanded our robust intellectual property estate; provided a formal response to a pending U.S. government biodefense contract; and have initiated development of a family of pipeline products based on techniques and methods evolved in the creation of our core Hemopurifier® technology. This pipeline presently includes therapeutic filtration devices to remove high-dose chemotherapy agents, and growth factors that increase the spread of metastases in cancer.

Thus far in 2008, we have progressed our mission to establish the industry to treat infectious disease and cancer with therapeutic filtration devices. It is my hope that outcomes from near-term human treatment milestones will accelerate the evolution of our organization and establish appropriate shareholder value. On behalf of our team at Aethlon Medical, I thank you for your continued support.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'James A. Joyce', is written over a printed name and title. The signature is fluid and stylized, with a long horizontal stroke at the end.

*Certain of the statements herein may be forward-looking and involve risks and uncertainties. Such forward-looking statements involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Aethlon Medical, Inc to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Such potential risks and uncertainties include, without limitation, the Company's ability to raise capital when needed, the Company's ability to complete the development of its planned products, the ability of the Company to obtain FDA and other regulatory approvals permitting the sale of its products, the Company's ability to manufacture its products and provide its services, the impact of government regulations, patent protection on the Company's proprietary technology, product liability exposure, uncertainty of market acceptance, competition, technological change, and other risk factors. In such instances, actual results could differ materially as a result of a variety of factors, including the risks associated with the effect of changing economic conditions and other risk factors detailed in the Company's Securities and Exchange Commission filings.*