

## SOMNOMED SIGNS EXCLUSIVE AGREEMENT FOR COMPLIANCE MEASUREMENT

11<sup>th</sup> December 2012: SomnoMed Limited announced today that it has entered into a contract with BRAEBON Medical Corporation, a Canadian company based in Ottawa, to become a worldwide distributor for the DentiTrac®Base Station and DentiTrac® Micro-Recorder with exclusivity in Europe and parts of Asia Pacific and in SomnoDent's oral appliance design class in North America.

The DentiTrac® system has been developed by BRAEBON over the last few years. It is a micro recorder, which will be imbedded in SomnoDent® oral appliances and monitors the wearing time of the SomnoDent® device, as well as gather other information (oral temperature, movements and head position) relating to the patient's sleep pattern during the night. Information is transmitted wirelessly to the DentiTrac® base station and from there to the BRAEBON cloud. The detailed information about the patient's use of the SomnoDent® device, in short one minute intervals during every night of use over a long period of time, can then be downloaded by a medical specialist, SomnoMed network dentists or other authorized entities.

"We are very excited about our agreement with BRAEBON. Compliance measurement is the last question to be answered when it comes to oral appliance therapy. After the introduction of SomnoMed MATRx™ in June this year, which delivers immediate proof as to the efficacy of the SomnoDent® treatment and the optimal positioning of the SomnoDent® device, the question whether we can prove patient's compliance remained as the last question to be answered from a medical point of view," said Dr. Peter Neustadt, Executive Chairman of SomnoMed.

"The ability to prove compliance will widen the door to the medical market. The DentiTrac® system cannot be circumvented and delivers data in short intervals during the night. We believe this will not only allow us to broaden the acceptance from medical specialists but also gain greater support from insurers around the world, who require proof that the sleep apnea patient is compliant in their treatment. Compliance is now a major issue with CPAP and it is understandable that insurers demand compliance measurement. Clinical research shows that compliance is very high with the use of SomnoDent®, however DentiTrac® will now allow SomnoMed to enter into discussions with professional organisations which insist on nightly treatment of their sleep apnea diagnosed members (e.g. the US Trucker's Association with over 11 million members) and demand proof of compliance," said Dr. Neustadt.

The long term contract with BRAEBON gives SomnoMed exclusivity to market and distribute the DentiTrac® system in its application for oral appliance therapy in Europe and parts of Asia-Pacific and exclusivity for oral appliances in the dorsal fin oral appliance class of SomnoDent® in North America. DentiTrac® will become available during 2013, once all necessary regulatory approvals have been received.

Dr. Richard Bonato, co-founder and President and CEO of BRAEBON said, "We are very pleased to have joined forces with SomnoMed for the worldwide distribution of DentiTrac®. BRAEBON has invested years of development in this system and has created a system, which we believe is setting a high bar for accurate compliance measurement in oral appliances. SomnoMed is the global leader in dental sleep medicine and because of the quality of their SomnoDent® products and their global reach it is the ideal partner for our DentiTrac® system. We believe the worldwide potential for DentiTrac® is significant. Compliance measurement will contribute to the growth of oral appliance therapy as an alternative to CPAP. BRAEBON is in the process of obtaining regulatory approval and anticipate receiving this shortly for Canada, and Europe. We will be ready to supply product as soon as the DentiTrac® is cleared in a territory."

## About SomnoMed

SomnoMed is a public company providing diagnostic and treatment solutions for Sleep-related Breathing Disorders including obstructive sleep apnea, snoring and bruxism. SomnoMed was commercialized on the basis of extensive clinical research. Supporting independent clinical research, continuous innovation and instituting medical manufacturing standards has resulted in SomnoDent® becoming the state-of-the-art and clinically proven medical oral appliance therapy for obstructive sleep apnea. SomnoDent® is the most comfortable and effective design and treatment solution for over 100,000 patients in 22 countries. For additional information, visit SomnoMed at http://www.somnomed.com.

## **About BRAEBON Medical Corporation**

BRAEBON is a privately owned Canadian corporation and has been in business since 1998 developing and manufacturing medical devices in their ISO 13485:2003 manufacturing facility. BRAEBON's products are sold worldwide for use in the Sleep Medicine and Dental Sleep Medicine fields. BRAEBON is one of the world leaders in portable home sleep testing devices with its MediByte® and MediByte Jr.® as well as its line of Sleep Sensors and Accessories. For additional information, visit BRAEBON at www.braebon.com.