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Delphinus Raises Over \$39 Million in Capital

Large Series C Round Demonstrates Confidence in Company Leadership, Technology

PLYMOUTH TOWNSHIP, Mich. – Sept. 10, 2015 – Delphinus Medical Technologies, Inc., the leader in advanced breast ultrasound technology, announced today that it has secured an unprecedented venture round of \$39.5 million. The venture capital funding is the single largest amount ever raised for a healthcare imaging company in the Midwest, as well as the largest for a medical device company in Michigan.

Led by Venture Investors, the Series C round included new investment from Hopen Life Science Ventures and Waycross Ventures along with current investors Arboretum Ventures, Beringea, and North Coast Technology Investors. The oversubscribed financing round will be used to underwrite regulatory efforts and fuel the commercialization plans for [SoftVue™](#), Delphinus' breakthrough whole breast ultrasound system that allows physicians to image the entire breast, including the chest wall, for diagnostic imaging purposes.

“Delphinus has the potential to have a profound impact on the effectiveness of breast cancer screening for a significant population of women who have dense breasts,” said John Neis, managing director at Venture Investors. “Data from their innovative approach demonstrate the potential to detect cancers in women with dense breast tissue that are missed by mammography, without the unacceptable false positive rate that has plagued prior attempts using screening ultrasound. They have assembled a world-class team, and we are proud to help pull together this strong investor syndicate, giving them the resources to complete the necessary clinical studies and bring this life-saving tool to the market.”

Currently, 24 states have enacted legislation requiring that women who have dense breast tissue receive notification of it in their mammography report. The legislation covers nearly two-thirds of the women in the United States. Dense breast tissue increases a woman's chance of having breast cancer, yet presents a greater challenge in detecting it with mammography alone. Supplemental breast imaging, such as breast ultrasound, may benefit women with dense breast tissue.

As an ultrasound technology, SoftVue offers the potential to not only assist physicians in finding more cancers, but also to reduce the false positive rates that have troubled other breast imaging techniques. SoftVue's unparalleled, sophisticated design incorporates a circular ultrasound transducer, unique to medical imaging, presenting cross-sectional ultrasound slices through the entire volume of breast tissue. The multi-dimensional imaging captures not only reflected echoes in a 360-degree array, but also signals passing through the breast, depicting tissue characterization.

“Our series C financing demonstrates the confidence that sophisticated medical device investors have in our SoftVue automated whole breast ultrasound technology, and its potential to serve women with a transformational approach to breast imaging,” said Mark J. Forchette, president and CEO of Delphinus. “This syndicate of investors combines the robust strength of the Midwest venture capital community with investors in Silicon Valley to provide diverse support for our breakthrough system, which was invented right here in Michigan.”

Delphinus is planning to launch a large multi-site clinical study to support a PMA application for a supplemental screening indication for women with dense breasts. Later this year, the company will begin by prospectively imaging 10,000 women with SoftVue in eight centers around the country. Using the imaging, a reader study will then be conducted. The study will compare SoftVue to digital mammography, and demonstrate its effectiveness in finding cancers that are not seen with mammography, while reducing false positives, thereby reducing the need for follow-up testing. False positives have gained recent attention in other breast imaging technologies and have been implicated in driving up healthcare costs, as well as patient anxiety.

About Delphinus Medical Technologies, Inc.

Headquartered in Plymouth, Mich. with a satellite office in Sunnyvale, Calif., Delphinus Medical Technologies, Inc. is a pioneering medical imaging company that has developed SoftVue™, the first circular array transducer technology that has received sequential U.S. Food and Drug Administration clearances. The patented technology is a whole breast ultrasound imaging device that delivers no radiation, requires no compression, and images the entire breast with a single scan. SoftVue is indicated for use as a B-mode ultrasonic imaging system and is not intended to be used as a replacement for screening mammography. Delphinus was founded as a spin out of the Karmanos Cancer Institute in Detroit and is capitalized through principal investments by Arboretum Ventures, Ann Arbor, Mich., Beringea, Farmington Hills, Mich., North Coast Technology Investors, Ann Arbor, Mich., Venture Investors, Madison, Wis., Hopen Life Science Ventures, Grand Rapids, Mich., and Waycross Ventures, Menlo Park, Calif. For more information, visit www.delphinusmt.com.

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