GYNESONICS ANNOUNCES NEW CPT CODE ESTABLISHED FOR SONATA™ SYSTEM

AMA Establishes Code for Reimbursement of the Innovative Procedure for Uterine Fibroids

Redwood City, CA – August 4, 2015 - Gynesonics, a women's healthcare company focused on the development of minimally invasive solutions for symptomatic uterine fibroids, today announced that the American Medical Association (AMA) Current Procedure Terminology (CPT) Editorial Panel has established a new AMA CPT® code specifically for Transcervical Uterine Fibroid Ablation with Ultrasound Guidance. Gynesonics applied for the new code, which was presented to the Editorial Panel in February.

CPT codes are used by medical practitioners including physicians, hospitals, and other healthcare providers, to report healthcare services to insurers for the purpose of reimbursement. This standardized nationwide system of identification provides a uniform language for reporting medical services.

The code has the following descriptor: Transcervical uterine fibroid(s) ablation with ultrasound guidance, radiofrequency. The announcement was posted and made available on the AMA website. The final code number will be released at a future date and will become effective on January 1, 2016.

The Sonata™ System from Gynesonics provides a uterus preserving, incision-free treatment option to women suffering from symptomatic uterine fibroids, including those associated with heavy menstrual bleeding. Sonata combines and integrates a high resolution, compact ultrasound probe at the tip of a radio frequency ablation device to provide a single handheld transcervical treatment delivery system under integrated sonographic guidance.

Gynesonics President and Chief Executive Officer Christopher M. Owens noted that the Company pursued the Category III designation in conjunction with beginning its pivotal IDE SONATA Trial.

"This initiative provides us the opportunity to establish a dialogue with the AMA CPT Editorial Panel, the gynecology societies and their advisors to ensure proper procedure coding, while completing our FDA SONATA IDE trial," Owens, said. "Widespread reimbursement coverage for the Sonata technology is essential to making it available to women with fibroids who can benefit from its application. In addition to the FDA IDE SONATA Trial, the company will continue to move forward with additional clinical and health economics and outcomes research trials. Our intention is to pursue reimbursement coverage and a migration to a CPT Category I code for the Sonata System upon FDA clearance."

About Sonata System

The Sonata™ System, the next generation of Gynesonics' technology platform (the previous generation referred to as VizAblate), uses radiofrequency energy to ablate fibroids under intrauterine sonography guidance. The Sonata™ System, including the SMART Targeting

Guide, enables the gynecologist to target fibroids and optimize ablations within them. Sonata™ System's design provides a straightforward, transcervical access for a uterus preserving, incision-free fibroid treatment. This intrauterine approach is designed to avoid the peritoneal cavity. In October 2014, Gynesonics announced FDA approval of the SONATA IDE pivotal trial for their latest generation Sonata™ System.

About Gynesonics

Gynesonics is a women's healthcare company focused on minimally invasive solutions for symptomatic uterine fibroids. Gynesonics has developed the Sonata™ System for the transcervical treatment of symptomatic uterine fibroids under intrauterine sonography guidance. The Sonata™ System is CE Marked and approved for sale in the European Union. Sonata™ System is not available for sale in the United States. Gynesonics is a privately held company with headquarters in Redwood City, CA.

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