



VERTOS MEDICAL CLOSES \$15.5 MILLION SERIES D FINANCING

ALISO VIEJO, Calif. – October 20, 2009 – Medical device company Vertos Medical, Inc., developer of the *mild*[®] procedure for lumbar spinal stenosis (LSS), today announced it has completed a \$15.5 million Series D financing. New investor, ONSET Ventures, led the round with additional participation from existing Vertos investors CHL Medical Partners, Foundation Medical Partners, Aweida Venture Partners and DFJ Mercury. The funding will be used to continue U.S. commercialization of the company’s *mild* technology, the least invasive surgical procedure for treating LSS, with no implants left behind.*

“Vertos’ *mild* procedure represents a breakthrough treatment option for a huge and underserved market of LSS sufferers: those who are no longer responding to medical management, but who are not yet candidates for traditional invasive surgeries,” said ONSET Ventures Partner and new Vertos board member, John Ryan. “Behind this procedure are proprietary technology and a top notch management team with a strategic approach for driving market adoption. We believe this combination uniquely positions Vertos for significant growth and will provide a healthy return on our investment.”

Approximately 900,000 Americans are in some form of treatment for LSS every year.¹ Many address their LSS symptoms with pain medications or steroid injections, but these treatments tend to wear off or lose effectiveness over time. Furthermore, these patients may not be appropriate candidates for traditional invasive back surgery. *mild* offers an alternative image-guided procedure, performed through a portal that is smaller than the diameter of a pencil.

“This sizeable financing is an important milestone for Vertos and demonstrates recognition of the market potential of our *mild* procedure,” said James M. Corbett, president and chief executive officer of Vertos. “We are grateful to have the backing of high-caliber venture partners, including ONSET Ventures, as we endeavor to bring the *mild* solution to physicians and patients across the country.”

About *mild*

mild is the first minimally invasive surgical treatment to provide immediate and lasting relief for patients by addressing a primary cause of LSS. Using proprietary *mild* devices, the physician removes the bone or tissue that is causing pressure on the lower spinal canal nerves. Based on initial clinical use, *mild* patients experience an average 75 percent reduction in pain and greater than 70 percent increase in mobility.² Treating LSS earlier and least invasively, which *mild* allows for, reduces overall health care costs.

About Vertos Medical Inc.

Vertos Medical was founded in 2005 to develop a minimally invasive method for lumbar spine

decompression to treat patients with lumbar spinal stenosis (LSS), a degenerative, age-related narrowing of the lower spinal canal. Its first proprietary platform technology, called *mild*[®] (Minimally Invasive Lumbar Decompression), is the least invasive surgical procedure for treating LSS, with no implants left behind. * For more information, visit www.vertosmed.com.

* Vertos *mild* is FDA cleared for treating central canal stenosis of the lumbar spine.

¹ Derived from the longitudinal CMS database

² Data on file at Vertos Medical, Inc.

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