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FOR IMMEDIATE RELEASE

FIRST PATIENTS RECEIVE TRANSOMA MEDICAL'S IMPLANTABLE ECG MONITORING SYSTEM

St. Paul, Minn., December 18, 2006 — Transoma Medical, the leader in implantable wireless diagnostic systems, announced that the first patients have received its Sleuth™ Implantable ECG (electrocardiogram) Monitoring System. The procedures were performed last week by Dr. Jose Alberto Arrocha and Dr. Andrew Krahn at the Clinica Marbella in Panama City, Panama.

"The first implantations of our Sleuth system represent an important milestone for our company," said Brian Brockway, Transoma Medical chairman and chief executive officer. "The Sleuth system is based on our implantable wireless monitoring technology platform that has facilitated the development of life-saving pharmaceuticals for more than a decade. We look forward to making the Sleuth monitoring system available to help the tens of thousands of patients who faint unexplainably each year. This is the first in a series of products for monitoring patients' hearts, at home and away, 24/7."

In these procedures, the Sleuth Implantable ECG Monitoring System, which is a small medical device about the size of a 50-cent coin, was placed under the skin and continuously monitors the patient's heart. The device gathers cardiac information, and then automatically and regularly forwards it to a computer for physician review. The data is then triaged by certified cardiac technicians, and reports of relevant cardiac event data are forwarded to the physician.

"This procedure required only a short amount of time and was much simpler than implanting a pacemaker. The Sleuth system is transmitting data as expected and is operating very smoothly," said Dr. Arrocha. "As a physician, I look forward to having more detailed, timely data to diagnose conditions and prescribe the right therapy for individual patients. I also believe my patients will find this system easy to use." Dr. Arrocha is an associate investigator at the Instituto Conmemorativo Gorgas de Estudios de la Salud I.C.G.E.S., also in Panama City.

(more)

"Certain cardiac conditions that occur infrequently, including unexplained syncope (fainting) and arrhythmias are particularly challenging to diagnose," said Dr. Andrew Krahn, director of the Arrhythmia Monitoring Unit, London Health Sciences Centre University Hospital in London, Ontario, Canada, who attended the Sleuth implants. "This remote monitoring system will be an important advancement in technology to monitor and improve the care of patients with chronic heart disease."

About the Instituto Conmemorativo Gorgas de Estudios de la Salud

The Instituto Conmemorativo Gorgas de Estudios de la Salud (ICGES) is a prestigious medical research institute established jointly by the Panamanian Government and the United States during the building of the Panama Canal. The ICGES is located in Panama City, Panama. Since 1990, the institute has been managed exclusively by Panama, in association with the Panama Ministry of Health. The ICGES is focused on investigations related to tropical diseases, preventative health, health management and the development and innovation of technologies. The research from the institute is presented throughout the world and the ICGES is consulted frequently by health organizations worldwide for its expertise in the identification and management of tropical diseases. For more information, visit the ICGES website at www.gorgas.gob.pa.

About Transoma Medical

Transoma Medical, a private company based in Saint Paul, Minn., is a leading provider of implantable wireless diagnostic systems for patients with chronic cardiovascular disease and for biomedical research. The company's products include small wireless sensors that transmit information from inside the body to a receiver via radio-frequency waves, as well as unique software to condense the data these devices provide into meaningful information.

Transoma Medical has two divisions. The Patient Management Device Division is leveraging the company's extensive technology platform by developing products that provide information to physicians to help guide therapies in patients with chronic cardiovascular disease at home and away. The Data Sciences International (DSI) Division provides innovative tools for life science researchers and plays a key role in drug discovery, preclinical evaluation of safety and efficacy, and other academic and government basic research. For more information, visit the company's Web site at www.transomamedical.com.

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