

FOR IMMEDIATE RELEASE

PhotoDynamic Secures Investment from the American Association of Orthodontists (AAO)

Closes \$2.3M of Financing for Novel Oral Hygiene Technology and Becomes the First Ever Investment for the Newly Established AAO Innovation Fund

Halifax, NS; January 27, 2020 – PhotoDynamic, Inc. has secured investment funding from the American Association of Orthodontists (AAO), completing a series of successful financing rounds totaling CAD\$2.3M. The Halifax-based company has developed a patented light-activated antimicrobial oral hygiene technology designed to kill bacteria which causes plaque and overcome challenges associated with traditional oral hygiene regimens. Discovered by Dr. Sherri McFarland, a world-renowned expert on photo activated chemistry, the technology completed successful clinical trials in 2018.

“While applicable to anyone’s hygiene regimen, our technology solves a particular problem for orthodontists and their patients who can face real difficulties maintaining good oral hygiene during treatment,” said Martin Greenwood, CEO of PhotoDynamic. Scheduled to launch this fall, the company’s daily oral hygiene technology combines a natural botanical foam and a light-emitting medical device. Greenwood explains that “Receiving the AAO investment provides a great opportunity to further connect with the orthodontic community and further promote the potential patient impact of our technology”.

In May 2019, the AAO established a fund to support innovation that advances the specialty of orthodontics. The fund can be used to develop new products and services for orthodontists and patients by building, partnering or investing. “The AAO thoroughly vetted PhotoDynamic. We were impressed with the clinical results and the potential to improve orthodontic patient care” said Dr. Gary O. Inman, AAO President. “We’re delighted to have Martin and the PhotoDynamic team as our first investment.”

In addition to the AAO and several dental angel investors, the \$2.3M financing round includes major investors Island Capital Partners and Natural Products Canada. Island Capital Partners is a Prince Edward Island based early stage venture fund supporting local innovation while Natural Products Canada is a national not-for-profit corporation with an investment fund dedicated to naturally derived products, technologies, and services.

“PhotoDynamic’s ground-breaking product is a perfect example of the power of natural compounds to create truly disruptive market opportunities,” says Shelley King, CEO of Natural Products Canada. “We are proud to invest in this high-potential company and support them in their commercialization journey.” Joining the PhotoDynamic board will be Stephen Ball, Regional Director (Atlantic) of Natural Products Canada, along with Ron Keefe, ICP partner and former CEO of Biovectra, and Dr. Michael Sherman an Orthodontist and Trustee with the AAO.

Greenwood adds, “We’ve gathered a group of strategic investors that can assist with our supply and sourcing on Prince Edward Island, elevate our expertise in developing leading edge natural products, and strengthen connections with our core orthodontic market; we couldn’t be happier with this investment round.”

About PhotoDynamic

PhotoDynamic Inc (PDI), was founded in 2012 to establish a new standard in oral hygiene and health, using safe natural compounds. Our core technology combines a patented botanical extract with light, in a process called natural photodynamic inactivation (nPDI), to control oral bacteria. This technology provides a convenient and effective oral hygiene alternative that overcomes many of the barriers that dental patients can encounter with traditional hygiene regimens. Our technology has been clinically demonstrated to reduce the build-up of dental plaque which leads to cavities and gum disease, and for orthodontic brace patients unattractive white spot lesions. PDI is headquartered in Halifax, Nova Scotia. Visit www.photo-dynamic.com.

About the AAO

The American Association of Orthodontists (AAO) represents 19,000 orthodontist members throughout the United States, Canada and abroad. Founded in 1900, AAO is the world's oldest and largest dental specialty organization. AAO is dedicated to, among other goals: (a) ethically advancing the art and science of orthodontics and dentofacial orthopedics worldwide; (b) improving the health of the public by promoting quality orthodontic care, the importance of overall oral healthcare, and advocating for the public interest; and (c) educating the public about the benefits of orthodontic treatment and the educational qualifications of orthodontic specialists. For more information, visit aaoinfo.org.

About Natural Products Canada

Natural Products Canada (NPC) is the driving force behind Canada's Natural Product Innovation Cluster—a strategic community of SMEs, research institutes, corporations, investors, government departments, and service providers who support the development and commercialization of naturally-derived products and technologies in health and life sciences, natural resources, agriculture and agri-food, and sustainable bioproducts. As part of its role in the Cluster, NPC offers a suite of Commercialization Programs to help companies and researchers advance high-potential products and technologies; provides connection and innovation scouting services to industry and investors through its Innovation Hub; and leverages its Investment Fund to help develop and de-risk promising Canadian opportunities. NPC has nearly 600 opportunities in its pipeline, has completed 10 investments, and has already experienced two exits. Established in 2016, NPC is funded by a range of public and private investors, including the Government of Canada's Centre of Excellence in Commercialization and Research (CECR) program, administered by the Networks of Centres of Excellence.

Visit www.naturalproductscanada.com

About Island Capital Partners

Island Capital Partners is a seed stage venture fund investing in high growth potential companies raising capital. The \$4.25 Million-dollar fund was founded in 2017 with initial investments ranging between \$150,000 - \$250,000. The management team of the fund is looking for strong founders with scalable innovative businesses. For more information, visit peislandcapitalpartners.com.

Legal disclaimer - Individuals and third-parties should not rely on the AAO's actions or representations regarding PhotoDynamic in making their own financial or practice decisions. The foregoing press release is for informational purposes only, intended to be an update, and is not and should not be considered financial, investment, tax or any other advice or guarantees of any kind. The AAO will not be liable for loss or damage of any kind, including lost profits (whether or not the parties have been advised of such loss or damage) arising in any way with individual's or third-parties' acts or omissions based on the foregoing AAO update.

Press Contact

PhotoDynamic

Martin Greenwood
Chief Executive Officer
PhotoDynamic Inc.
Phone: 902.209.2256
www.photo-dynamic.com
info@photo-dynamic.com

###