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PSYCHEMEDICS & TRUTOUCH ANNOUNCE US SALES/MARKETING DISTRIBUTION AGREEMENT FOR TRUTOUCH TECHNOLOGIES' RAPID OPTICAL ALCOHOL DETECTION & BIOMETRIC TEST

Acton & Framingham, MA February 28, 2013 -- Psychemedics Corporation, (NASDAQ: PMD) and TruTouch Technologies, Inc. today announced that they have signed an agreement to market TruTouch's rapid optical alcohol detection and biometric test in the US. The workplace sobriety assurance solution utilizes an optical based, non-invasive near infra red sensor that quickly and accurately measures alcohol consumption. This is simply done by placing the index finger on the optical sensor and waiting as few as 10 seconds for the initial results.

Raymond C. Kubacki, Chairman & CEO of Psychemedics Corporation stated:

"We are pleased to partner with TruTouch Technologies to address the important workplace challenge caused by the use of alcohol. TruTouch Technologies is the logical partner as they have clearly demonstrated the quality and effectiveness of their product in addressing the issue of alcohol in the workplace. We see this as an important addition to our patented drugs of abuse hair test – now offering our clients and prospects the highest quality services to address the major challenges of both drugs and alcohol in the workplace."

TruTouch's technology combines state-of-the-art alcohol testing with an integral biometric identity verification capability. The alcohol measurement is performed by transmitting light into the skin via contact with an optical touch pad. The collected light is analyzed to determine the tissue alcohol concentration. This new and novel approach to alcohol testing costs a fraction of the price of breath or blood alcohol testing and allows for self administered programs. The TruTouch technology offers organizations the opportunity to create a true alcohol deterrence program versus present day random screening initiatives. Psychemedics will exclusively distribute the TruTouch solutions to targeted organizations within the United States.

Dr Richard Gill, President & CEO of TruTouch Technologies stated:

"Psychemedics is the clear industry leader in testing for drugs of abuse using hair. Their technological leadership is clearly established with their patented hair test for drugs of abuse -- and their market leadership is established by serving over 10% of the Fortune 500 from a wide-variety and cross-section of businesses as the world's largest provider of drug testing using hair analysis. This partnership will allow us to bring our solution quickly and effectively into the many businesses that have to face the challenges and repercussions of alcohol use and consumption in their business operations."

COMPANY DESCRIPTION: TruTouch Technologies

TruTouch Technologies, Inc. develops, manufactures and sells patented noninvasive alcohol detection and biometric testing systems which provide companies with the only realistic, truly effective deterrent system available for unobtrusive verification of sobriety on a daily or routine basis. Inspired by the potential to place its passive, durable systems virtually anywhere, TruTouch's vision is to create a world where alcohol consumption is routinely intercepted before it does harm.

The TruTouch 2500 workplace sobriety assurance device is a tabletop instrument that detects alcohol concentration by directly measuring alcohol levels through the skin using a safe infrared light and an optical touch pad. The device also features biometric capability to verify user identity and ensure the integrity of the testing process. The TruTouch 2500 is targeted for commercialization in workplace as a preliminary screening tool for fit for-duty applications. TruTouch systems can be seamlessly incorporated into workflow and reporting tools allow management of networked and multi-site installations. The resulting reports generate integrated testing records that are not readily available from other alcohol testing approaches. During the last four years, TruTouch devices have completed more than 750,000 tests for customers. Published peer-reviewed clinical studies show a 96% correlation to forensic grade blood test results which are also as accurate as conventional, evidentiary grade systems such as breathalyzers.

For more information please visit <u>www.trutouchtechnologies.com</u>

COMPANY DESCRIPTION: PSYCHEMEDICS CORPORATION

Psychemedics Corporation is the world's largest provider of hair testing for drugs of abuse and has been successfully operating for over 25 years. Thousands of corporations, nationally and internationally, rely on the patented Psychemedics drug testing services. Psychemedics' clients include over 10% of the Fortune 500, many of the largest police departments both domestic and global and six Federal Reserve Banks. In addition, the Company serves schools and colleges around the world.

The Psychemedics web site is www.psychemedics.com

Cautionary Statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995: From time to time, information provided by Psychemedics may contain forward-looking information that involves risks and uncertainties. In particular, statements contained in this release that are not historical facts (including but not limited to statements concerning earnings, earnings per share, revenues, dividends, future business, new accounts, customer base, market share, test volume sales, marketing strategies, and technological advantages) may be "forward looking" statements. Actual results may differ from those stated in any forward-looking statements. Factors that may cause such differences include but are not limited to risks associated with the expansion of the Company's sales and marketing network, technological developments, intellectual property protection, development of markets for new products and services offered, the economic health of principal customers of the Company, government regulation, including but not limited to FDA regulations, competition and general economic conditions and other factors disclosed in the Company's filings with the Securities and Exchange Commission.