

NEWS RELEASE



Dynatronics

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NASDAQ Gives Dynatronics a Second Three-Month Extension for Minimum Bid Price Compliance

Salt Lake City, Utah (December 29, 2008) – Dynatronics Corporation (NASDAQ: DYNT) today announced that a second temporary grace period extension, filed by NASDAQ with the SEC, gives the company until approximately June 28, 2009, to comply with NASDAQ's \$1 per share minimum bid rule.

"We are pleased that NASDAQ has further extended the timeframe for compliance in light of the current market environment," stated Kelvyn H. Cullimore Jr., chairman and president of Dynatronics. "This will give us time to realize the impact of operating improvements that are emerging in part because of our recent agreement with Vici Capital, a private operations consulting firm that is assisting Dynatronics in identifying significant changes that we can implement to improve our bottom line over the next year."

In addition, Dynatronics' newly expanded catalog released in September is positively impacting sales, generating improved margins through adjusted product pricing.

"We are also facilitating greater order flow from our domestic dealers through an adaptation of our DynaClub direct sales program. This promises to be a source of increased revenue over the coming year as dealers embrace the benefits of this program," Cullimore continued. "We believe all of these improvements, together with the more than \$2 million in annual expense reductions we have previously implemented, should restore profitability and build investor confidence in owning our stock."

Dynatronics manufactures, markets and distributes advanced-technology medical devices, orthopedic soft goods and supplies, treatment tables and rehabilitation equipment for the physical therapy, sports medicine, chiropractic, podiatry, plastic surgery, dermatology and other related medical, cosmetic and aesthetic markets. More information regarding Dynatronics is available at www.dynatronics.com.

This press release contains forward-looking statements. Those statements include references to the company's expectations and include specifically the reference in this press release to increased revenues through the DynaClub direct sales program and the reference to restoring profitability. Such statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. Actual results may vary from the views expressed in the forward-looking statements contained in this release. The development and sale of the company's products are subject to a number of risks and uncertainties, including, but not limited to, changes in the regulatory environment, competitive factors, inventory risks due to shifts in market demand, market demand for the company's products, availability of financing at cost effective rates, and the risk factors listed from time to time in the company's SEC reports including, but not limited to, the report on Form 10-K for the year ended June 30, 2008.