



Puretracks Launches First DRM-Free Digital Music Catalogue

In partnership with top independent music labels, Puretracks.com delivers unrestricted MP3s that will play on any device

TORONTO (February 21, 2007) — Puretracks.com today becomes the first large North American digital music store to launch a collection of unrestricted MP3s, without digital rights management (DRM), available for download immediately. With this announcement, Puretracks is responding to its customers and many of its important label partners to sell music that plays on any device.

Puretracks has partnered with major independent labels including Nettwerk Music Group, Independent Online Distribution Alliance (IODA), Beggar's Banquet, and Arts& Crafts, to give users full access to songs by The Barenaked Ladies, Sarah McLachlan, Broken Social Scene, and many other artists.

"So called DRM can be used to support unique business models, like subscription services, that deliver value to music fans. But equally, there is also the burning issue of device interoperability – one that can no longer be ignored," says Alistair Mitchell, President and CEO, Puretracks Inc. "There is a time and place for DRM and there is also a time and place for selling music without it. Together with the labels partnering on this undertaking, we're blazing a trail by giving our users choice and ultimate flexibility to enjoy their music any time, anywhere. "

To kick off the launch, Puretracks will be giving all users registered for its online newsletter a free MP3 download of the new Barenaked Ladies single *Sound Of Your Voice*.¹ Music fans will be able to play the track on their computers, phones, MP3 players and any other digital music players including iPods.

"Music should be allowed to flow from device to device. What better way to promote our artists than by having people experience their music without restrictions," says Ric Arboit, President, Nettwerk Music Group.

The Puretracks MP3 catalogue will initially feature 50,000 titles, priced from .79 cents per song. Additional tracks will be added to the Puretracks' MP3 collection on a weekly basis.

"Interoperability and portability are everything. Fans want access to their music whenever and wherever they are, and there's no better way to deliver on that promise today than the MP3," says Kevin Arnold, CEO, IODA.

¹ *Sound Of Your Voice*, by The Barenaked Ladies, from the album *Barenaked Ladies Are Me*, released in September 2006. Newsletter registration and free MP3 track available for download (as of February 27, 2007) at www.puretracks.com

"Fans who buy music should be free to experience and enjoy it as they wish. We are thrilled Puretracks has chosen to put music lovers first. It is our view that this can only benefit our artists," says Jeffrey Remedios, President, Arts&Crafts.

Puretracks and its label partners are poised to capitalize on the exploding digital music market, which doubled to about US\$2 billion in 2006. Digital sales, which currently account for about ten per cent of the music market, are expected to comprise at least one quarter of all industry sales worldwide by 2010.²

About Puretracks

Puretracks is a leading North American digital music service provider. Puretracks operates Puretracks.com, Canada's first and leading source of digital music, along with branded digital music stores for Internet service providers, retailers, broadcasters, music labels and consumer brands in Canada and the U.S. Licensed to provide over 1.3 million songs (in Windows Media and MP3 formats) from major record companies and leading independent labels from across Canada and around the world, Puretracks makes it easy for digital music fans to search and browse using a consumer-friendly, web-based platform.

Please visit the Puretracks online catalogue at www.puretracks.com.

About Nettwerk Music Group

Nettwerk Music Group is Canada's leading privately owned record label and artist management company. Nettwerk is responsible for managing some of Canada's biggest artists like Sarah McLachlan, Avril Lavigne, Barenaked Ladies and many others. Nettwerk has several offices located around the world including New York, Los Angeles and London; with our main office right next to Granville Island in Vancouver, B.C.

About The Independent Online Distribution Alliance (IODA)

IODA is an industry-leading digital distribution company for the global independent music community. IODA provides comprehensive services to record labels, physical distributors, and artists, including license negotiations; media encoding and metadata management; royalty payment administration and reporting; and promotional services. The IODA catalogue ranges from established classics to modern up-and-comers including Mac Dre, Jimi Hendrix, and Fall Out Boy. IODA distributes its client catalogue to all major digital music services including Puretracks.com, iTunes Music Store, AOL MusicNow and over 250 other retail outlets.

About Arts&Crafts

Arts&Crafts is a Toronto-based artist services company working as a global record label, publisher, management and merchandise company. Artists signed with Arts&Crafts include Broken Social Scene, Stars, Feist, and Jason Collett.

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For more information, or to arrange an interview please contact:

² IFPI Digital Music Report 2007. Available online: http://www.ifpi.org/content/section_resources/digital-music-reportb.html

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