



Alethia Biotherapeutics

**Alethia Biotherapeutics secures C\$9.6 Million in Series A financing to fund its therapeutic monoclonal antibody product pipeline.**

**Montreal, September 7, 2010** – Alethia Biotherapeutics Inc., a privately held Montreal-based biopharmaceutical company focused on the development of monoclonal antibodies (“mAbs”) against therapeutic targets emanating from its STAR proprietary target discovery platform, announced today it has closed a C\$9.6M Series A round of financing. Alethia will use the proceeds to advance its lead pre-clinical programs into clinical development over the next 18 months.

Co-led by AgeChem Venture Fund (“AgeChem”) and existing investor BDC Venture Capital (“BDC”) with GO Capital (“GO”), the financing also included participation from Epicentre Technologies Corporation of Wisconsin, a long term partner and shareholder of the company.

“We are very pleased to welcome AgeChem Venture to our investor syndicate. Along with our current shareholders, AgeChem’s support provides us with the necessary financial resources to continue building Alethia’s therapeutic product pipeline, validating the potential of our target discovery platform and maximizing the value of our programs for partnership opportunities,” said Yves Cornellier, President and Chief Executive Officer of Alethia.

Concurrent with the closing of the financing, Alethia is also pleased to welcome two new members to its board of directors; Elizabeth Douville, Ph.D., General Partner at AgeChem and William J. Boyle, Ph.D., Founder and CEO of Peninsula Biopharma in California. “When considering the growth opportunities ahead, their respective business experience and strong scientific background will be invaluable in moving our lead candidates into the clinic,” said Luc Mainville, Chairman of the Board of directors of Alethia.

“We are very excited about working with the management of the company and our investment partners to build a leading target discovery and therapeutic mAb organization in Canada. We believe Alethia’s very sensitive proprietary target discovery platform favorably positions the company for building an excellent pipeline of therapeutic mAbs and forming strategic alliances,” said Elizabeth Douville from AgeChem.

“We continue to be supportive and enthusiastic about Alethia’s potential to address unmet medical needs in a variety of indications including cancer, as the company’s development activities begin to yield very promising therapeutic candidates,” said Ela Borenstein, Director at BDC and representing GO Capital.

**About Alethia Biotherapeutics Inc.**

Alethia is a Montreal-based biotechnology company that was created in 2002 aimed at discovering tissue-specific disease targets and developing monoclonal antibodies for use as focused therapeutic in areas of unmet medical needs. The Company’s most advanced monoclonal antibody targets a secreted factor called clusterin, which plays an important role in tumor progression and invasion. The lead antibody in this program was found to enhance chemotherapeutic response and inhibit metastatic invasion in animal studies. In ovarian cancer, a monoclonal antibody is being developed against an antigen called KAAG-1, that is over-expressed in greater than 90% of ovarian tumors. Studies in cancer xenografts have revealed that this antibody significantly reduces the dispersion of ovarian tumor cells, a process that remains a major clinical challenge with current standard of care. KAAG-1 was identified using Alethia’s discovery and validation platform, a sensitive discovery engine available for identifying novel disease-specific targets. This platform also yielded a promising target in the Company’s severe bone loss program, which addresses the differentiation of osteoclasts, the cells responsible for bone degradation in this disease. Monoclonal

antibodies that specifically target SIGLEC-15, a cell surface protein that is stimulated during early osteoclast differentiation, cause an inhibition of this process. In this latter program, two lead mAb candidates are currently under evaluation in animal models of severe bone loss.

#### **About AgeChem Venture Fund**

AgeChem currently has \$65 million under management. Principally, AgeChem is building a portfolio of companies developing novel therapeutics to treat metabolic disorders, cardiovascular diseases, cancers, diseases of the central nervous system, inflammatory diseases, ophthalmic diseases and numerous other age-related diseases.

#### **About BDC Venture Capital**

BDC Venture Capital has been involved in venture capital since 1975 and is a major venture capital investor in Canada. Active at every stage of the company's development cycle, from seed through expansion, BDC Venture Capital focuses on technology-based businesses that have high growth potential and that are positioned to become dominant players in their markets. To date, it has invested in more than 400 companies with investments totalling over \$1.2 billion in the life sciences, telecommunications, information and advanced technology sectors, as well as commitments of \$253 million in 19 funds. Visit [www.bdc.ca](http://www.bdc.ca) for more information.

#### **About GO Capital Fund**

GO is a \$50 million venture capital fund that invests in Quebec seed-stage technology firms in the fields of advanced technologies, information and telecommunications technologies, and life sciences. GO Capital is managed by its General Partner, the Business Development Bank of Canada (BDC).

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