



**ASX ANNOUNCEMENT**

**17 December 2015**

## **Cynata Enters Letter of Intent (LOI) for a Commercial Partnership**

**Melbourne, Australia and Munich, Germany; 17 December 2015:** Australian stem cell and regenerative medicine company, Cynata Therapeutics Limited (ASX: CYP), announced today that it has signed a Letter of Intent (LOI) regarding a future option and license agreement with apceth GmbH & Co. KG, a leading company using modified MSCs to treat cancer and other life-altering conditions.

The LOI lays the path for a commercial transaction between Cynata and apceth pursuant to which, Cynata would grant to apceth certain rights, to develop and commercialise Cynata's proprietary Cymerus™ therapeutic mesenchymal stem cell (MSC) technology. During the coming weeks, under the LOI, the management teams of apceth and Cynata will evaluate and define the key terms of an option and license agreement.

"Cynata's Cymerus MSC technology provides important advantages in the development of apceth's proprietary modified MSC technologies for the treatment of cancer and other diseases and we are very pleased to be considering this partnership. apceth is already in clinical trial for advanced gastrointestinal cancer with our genetically modified MSC product and Cymerus, a truly scalable manufacturing technology for therapeutic MSCs, has the potential to provide a cost effective, standardised and consistent off-the-shelf product," said Dr. Christine Günther, Chief Executive Officer at apceth.

"The therapeutic use of MSCs is one of the most promising and fastest growing areas of medicine today. Engineering MSCs to enhance their properties through the unique approach taken by apceth, opens up a myriad of therapeutic options, especially in the treatment of cancer. We are very pleased to enter into the LOI with apceth and to work towards a partnership that would see the combination of our respective technologies. Our collective goal is to optimise and expand the application of MSC-based medicines," said Dr Ross Macdonald, Chief Executive Officer and Managing Director at Cynata.

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### **About Cynata Therapeutics (ASX: CYP)**

Cynata Therapeutics Limited (ASX: CYP) is an Australian stem cell and regenerative medicine company that is developing a therapeutic stem cell platform technology, Cymerus™, originating from the University of Wisconsin-Madison, a world leader in stem cell research. The proprietary Cymerus™ technology addresses a critical shortcoming in existing methods of production of mesenchymal stem cells (MSCs) for therapeutic use, which is the ability to achieve economic manufacture at commercial scale. Cymerus™ does so through the production of a particular type of MSC precursor, called a mesenchymoangioblast (MCA). The Cymerus™ MCA platform provides a source of MSCs that is independent of donor



limitations and provides a potential “off-the-shelf” stem cell platform for therapeutic product use, with a pharmaceutical business model and economies of scale. This has the potential to create a new standard in the emergent arena of stem cell therapeutics and provides both a unique differentiator and an important competitive position.

#### **About apceth GmbH & Co. KG.**

apceth is a pioneering clinical-stage biopharmaceutical company which is expanding its pipeline of next-generation cell-based therapeutics. apceth's modular gmMSC platform technology is based on genetically-modified MSCs, and the lead program Agenmestencil is a first-in-man, genetically modified MSC product for the treatment of cancer. In addition, apceth develops new cell therapy candidates for the treatment of lung diseases and inflammation. Based in Munich, apceth provides its know-how, expertise and GMP-certified facilities to industrial and academic partners around the world. apceth was founded in 2007 as a start-up company and is privately owned by its founders and private investors Santo Holding GmbH (Dr. Andreas Strüngmann and Dr. Thomas Strüngmann).