

ASX ANNOUNCEMENT

10 March 2020

Japan Patent Office Issues Notice of Allowance for Cynata Therapeutics' Unique Stem Cell Technology

Melbourne, Australia: 10 March 2020: Australian stem cell and regenerative medicine company, Cynata Therapeutics Limited (ASX: CYP or "the Company"), announced today that a Notice of Allowance has been received from the Japan Patent Office (JPO) for a patent application covering its proprietary Cymerus™ mesenchymal stem cell (MSC) technology. The patent application entitled "Methods and materials for hematoendothelial differentiation of human pluripotent stem cells under defined conditions" is owned by the University of Wisconsin-Madison's Wisconsin Alumni Research Foundation (WARF) and is among the intellectual property licensed exclusively from WARF to Cynata.

"We are pleased that our patent application has been accepted in Japan, which we anticipate being an important commercial market for our Cymerus MSC therapies," said Dr Ross Macdonald, Managing Director & CEO of Cynata Therapeutics. "Several factors have created demand and excitement for innovative stem cell therapies in Japan, including high health care costs, an ageing population, government intervention and a solid research and development background in cell therapy. The Japanese regenerative medicine market is expected to grow to \$25 billion by 2050, a substantial slice of the global market, which is projected to reach \$380 billion by 2050 ¹. Additionally, our recent licensing partnership with Fujifilm further demonstrates the growth of the Japanese regenerative medicine market."

The Notice of Allowance is sent to the applicant when the JPO intends to issue a patent. The patent will extend the already strong IP protection of the Cymerus platform and its unique ability to manufacture MSCs at scale, from a single donation, to create therapeutic stem cell products.

The inventors named on the patent are Professor Igor Slukvin, founder, advisor and shareholder of Cynata, and Dr Gene Uenishi.

The patent has an expiration date of 12 March 2034.

-ENDS-

Authorised for release by Dr Ross Macdonald, Managing Director & CEO

CONTACTS: Dr Ross Macdonald, CEO, Cynata Therapeutics, +61 (0)412 119343, ross.macdonald@cynata.com Claire LaCagnina, U.S. Media Contact, +1 315.765.1462, clacagnina@6degreespr.com



About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited (ASX: CYP) is an Australian clinical-stage stem cell and regenerative medicine company focused on the development of therapies based on Cymerus™, a proprietary therapeutic stem cell platform technology. Cymerus overcomes the challenges of other production methods by using induced pluripotent stem cells (iPSCs) and a precursor cell known as mesenchymoangioblast (MCA) to achieve economic manufacture of cell therapy products, including mesenchymal stem cells (MSCs), at commercial scale without the limitation of multiple donors.

Cynata's lead product candidate CYP-001 met all clinical endpoints and demonstrated positive safety and efficacy data for the treatment of steroid-resistant acute graft-versus-host disease (GvHD) in a Phase 1 trial. Cynata plans to advance its Cymerus™ MSCs into Phase 2 trials for GvHD, critical limb ischemia and osteoarthritis. In addition, Cynata has demonstrated utility of its Cymerus MSC technology in preclinical models of asthma, diabetic wounds, sepsis, heart attack and cytokine release syndrome, a life-threatening condition stemming from cancer immunotherapy.