



Cyterix Pharmaceuticals Raises \$9.2 Million in a Series A Venture Financing

Funding for the Development of Tumor-Selective Prodrugs

San Francisco, CA (June 7, 2011): Cyterix Pharmaceuticals, Inc. announced today that the company has raised \$9.2 million in a Series A financing from The Column Group and SV Life Sciences. Cyterix is developing novel cancer therapeutics based on a prodrug approach that targets extra-hepatic cytochrome P450 enzymes that are over-expressed in many cancers to a high frequency, but not in normal tissues. The company's goal is to discover and develop multiple classes of small molecule oncology prodrugs with a superior safety and efficacy profile to classical cytotoxic and molecularly targeted agents.

As part of the transaction, Tim Kutzkey, Ph.D., Partner at The Column Group, and Lutz Giebel, Ph.D., Managing Partner at SV Life Sciences, have joined the Cyterix Board of Directors.

Cyterix was founded in April 2010 by a team of three scientific/clinical experts in the development of prodrugs and biochemistry of cytochrome P450 enzymes. Prof. Steven A. Everett, MBA, Ph.D., now President and Chief Executive Officer, invented Cyterix's OncoCYP™-targeted prodrug discovery approach, which underpins the company's technology platform for the development of prodrugs specifically activated by extra-hepatic cytochrome P450s. The work was conducted while Prof. Everett was Head of the Drug Discovery and Translational Research Group at the University of Dundee in Scotland and was supported by Cancer Research UK. The intellectual property associated with this work has now been exclusively licensed to Cyterix on a worldwide basis. Cyterix's second founder, the late John Curd, M.D., was the former President and Chief Medical Officer of Threshold Pharmaceuticals and brought to the formation of Cyterix over 10 years experience in the clinical development of prodrug therapeutics. The company's third founder is Prof. Paul Ortiz de Montellano, Ph.D., a world-renowned expert in cytochrome P450 biochemistry, based at the University of California, San Francisco.

"The completion of this financing with two very experienced investor groups underscores the potential for safer, more efficacious anti-cancer drugs that is offered by Cyterix's targeted prodrug approach," said Prof. Everett. "Continuing in our cash-efficient business model, we expect these funds to advance our two lead compounds through IND-enabling studies, as well as further expand the development of our technology platform and our exploration of new targets within the extra-hepatic cytochrome P450 enzyme family. We are very grateful for the assistance and support that we've received to date from the University of Dundee, the funding body Cancer Research UK, and latterly the University of California at San Francisco – Mission Bay. We are also grateful to have benefited from the enormous knowledge and drug development experience of our late co-founder, John Curd."

"Currently approved cancer drugs may be effective against malignant cells, but often suffer from dose-limiting toxicities due to their effects on normal, as well as cancerous tissues," said Richard D. Klausner,

M.D., Managing Partner at The Column Group and former Director of the National Cancer Institute. “Cyterix has created a novel proprietary approach aimed at tackling one of the holy grails of cancer drug development - the ability to specifically and selectively deliver drugs into tumor cells.”

“Cyterix represents an excellent combination of innovative science, experienced management and a cost-efficient business structure,” said Lutz Giebel, Ph.D., Managing Partner at SV Life Sciences. “Together these factors, combined with the clear need for safer cancer therapeutics, make the company a compelling investment prospect.”

“We are delighted to be involved in this exciting venture and to see University of Dundee technology being translated through Cyterix, which is the University’s first US-based startup company,” said Diane Taylor, Director of The University of Dundee’s Technology Transfer Office.

About Cyterix’s OncoCYP™-targeted prodrug discovery approach

Cytochrome P450 enzymes are highly expressed in normal tissue; for example, phase 1 metabolism in the liver is a major pharmacological liability for many drugs during development. However, the Human Genome Project has identified a cohort of extra-hepatic cytochrome P450s that are over-expressed during the malignant progression of most cancers (both solid and hematological malignancies) but not in normal tissue. This apparent tumor-specific expression of, so-called OncoCYP™ enzymes, make them encouraging targets for prodrug therapy. OncoCYP™ substrate specificity has been poorly understood making the design of prodrugs specifically activated by these enzymes a major challenge. Research at the University of Dundee in Scotland, supported by the Cancer Research UK, has generated a technology platform, now exclusively licensed worldwide to Cyterix Pharmaceuticals, Inc., that overcomes the design issue and has the potential to generate multiple classes of tumor-selective prodrug therapeutics. Such therapeutics are inactive in the prodrug form, but once activated by OncoCYP™ enzymes they fragment to release a ‘warhead’ which kill the tumor cells but spare the normal tissue. Since certain OncoCYP™ enzymes are expressed in the majority of tumor cells, an analogy would be ‘carpet and precision bombing’ of the tumor. Cyterix is currently developing two lead prodrugs bearing different potent cytotoxic warheads (which exhibit broad anti-tumor activity) where the ‘free’ drug is an approved agent whose safety and efficacy profile is well understood in the clinic. Cyterix plans to advance one or more of the existing lead prodrugs through IND-enabling studies into phase 1 clinical trials in cancer patients to acquire proof-of-concept. In addition, the company will expand the technology platform to validate additional OncoCYP™ enzyme targets and generate multiple new classes of tumor-selective prodrugs with improved therapeutic index.

About The Column Group

The Column Group is a leading venture capital firm dedicated to creating the next generation of biotechnology companies. We will invest in approximately 10 disease-focused drug discovery companies per fund, each with the potential to become a leader in its respective field. These companies will be strongly supported by the unique and complementary skill sets of our team, which includes prominent authorities in the scientific, operational and financial arenas. TCG invests through the lifecycle of its portfolio companies from seed and early stage to later stages of development. The Column Group seeks to partner with exceptional scientific founders, entrepreneurs and investment organizations that share our vision for building the next generation of drug discovery and development companies. For more information on The Column Group, please visit <http://www.thecolumngroup.net>.

About SV Life Sciences

SV Life Sciences is a venture capital fund providing financing to businesses at all stages of development across the human life sciences sector, including biotechnology, pharmaceuticals, medical devices and instruments, and healthcare information technology and services. SV Life Sciences currently manages or advises five funds with capital commitments of approximately \$2 billion. See <http://www.svlsa.com> for further details.

About the University of Dundee

The University of Dundee is internationally recognized for its excellence in life sciences and medical research with particular expertise in cancer, diabetes, cardiovascular disease and skin diseases. The University has a top-rated medical school with research expanding from "the cell to the clinic to the community," while the College of Life Sciences is home to some of the world's most cited scientists and more than 800 research staff from 60 different countries. See <http://www.dundee.ac.uk> for further details.

About Cancer Research UK

Cancer Research UK is the world's leading cancer charity dedicated to saving lives through research. The charity's groundbreaking work into the prevention, diagnosis and treatment of cancer has helped save millions of lives. This work is funded entirely by the public. Cancer Research UK has been at the heart of the progress that has already seen survival rates double in the last forty years. Cancer Research UK supports research into all aspects of cancer through the work of over 4,000 scientists, doctors and nurses. Together with its partners and supporters, Cancer Research UK's vision is to beat cancer. For further information about Cancer Research UK's work or to find out how to support the charity, please visit <http://www.cancerresearchuk.org>.

About Cyterix

Cyterix Pharmaceuticals, Inc., a privately held cancer therapeutics company, is engaged in the discovery and development of new classes of small molecule prodrugs with improved safety and efficacy over traditional drugs. The company's approach, based on a proprietary technology platform, uniquely enables the design of multiple classes of anticancer prodrugs that are selectively activated by extra-hepatic cytochrome P450 enzymes that are greatly over-expressed in a broad range of solid tumor and hematologic cancers, but not in normal tissues. For more information on Cyterix, please visit our web site at <http://www.cyterix.com>.

####

Contacts:

Prof. Steven A. Everett
Cyterix Pharmaceuticals, Inc.
(415) 865 2059
Info@cyterix.com

Joan Kureczka
Kureczka/Martin Associates
(415) 821 2413
Joan@Kureczka-Martin.com