



## ALLOZYNE ANNOUNCES COMPLETION OF PHASE IA TRIAL BY AZ01, A LONG LASTING INTERFERON $\beta$ FOR TREATMENT OF RELAPSING REMITTING MULTIPLE SCLEROSIS

SEATTLE, Washington | January 10, 2011 – ALLOZYNE, Inc. announced today, the completion of its first Phase IA clinical trial in healthy individuals for AZ01, a PEGylated form of human interferon beta-1b which is being developed for the treatment of relapsing remitting multiple sclerosis. The objectives of the Phase IA trial were to assess safety and tolerability profile in addition to defining its pharmacological properties. The results demonstrate that single administrations of AZ01 were well tolerated at all dosage levels tested. In addition, drug serum levels and interferon activity biomarkers were maintained well after administration in the highest dose groups indicating that once a month dosing may be a viable treatment regimen to pursue. In addition to the possibility of monthly dosing convenience, the data suggests that patients treated with AZ01 will experience a reduction in the days per month with flu-like symptoms and minimal to no injection site reactions. A multiple administration Phase IB trial is underway with results to be announced in mid 2011.

ALLOZYNE's President and CEO, Meenu Chhabra stated: "The treatment of MS is a rapidly evolving arena with the advent of orals and big gun immunomodulators in the last 5 years. That said, we are looking to address a specific unmet need in the largest portion of this \$9 billion market which is to provide relief to the injection fatigued patient population from frequent dosing, injection site reactions and flu like symptoms. AZ01 offers the promise of a monthly dosing regimen without introducing additional safety risks. Thus, we are encouraged by the Phase IA results thus far and we remain cautiously optimistic about the probability of achieving monthly dosing which is heavily dependent on our manufacturing process. Thus, there will be a significant strategic focus in getting a commercial manufacturing process established in 2011. This will be a key value driver not just for AZ01 but also for our bioconjugation platform. Moreover, the observed AZ01 attributes, coupled with a longstanding interferon beta safety record, suggests that AZ01 will clearly differentiate itself from other late-stage MS therapeutics in development."

### About AZ01 and Multiple Sclerosis:

ALLOZYNE's lead program, AZ01, offers potential advantages over existing therapies through enhanced dosing convenience and superior tolerability to existing agents. Multiple sclerosis (MS) is a chronic inflammatory and degenerative disease of the brain, which leads to severe nerve damage. Symptoms include fatigue as well as cognitive and visual impairment. Approximately 2.5 million people worldwide suffer from MS. Global sales of therapeutics used to treat MS exceeded \$9 billion (USD) in 2009, with sales of commercialized interferons (IFN) approximating \$6 billion (USD). IFNs are currently the standard-of-care for first-line therapy in MS, with robust safety and efficacy data extending back to 1993 when the first short-acting IFN beta-1b was launched.

### About ALLOZYNE:

ALLOZYNE is a privately held, clinical stage biotechnology company, based in Seattle and was established in late 2005 to commercialize proprietary biociphering technology that it licensed, on an exclusive basis,

from the California Institute of Technology. Focusing specifically on autoimmune and inflammatory diseases, ALLOZYNE has created a pipeline of protein therapeutics with its proprietary biociphering platforms CAESAR and VIGENÈRE, and are able to site specifically modify any protein sequence through the substitution or addition of non canonical amino acids, in E. coli, yeast or mammalian systems. These amino acids possess unique chemical functions and create the opportunity to site specifically modify proteins through various conjugations that elicit improved efficacy, safety and tolerability. In essence, these unique amino acids unlock an advanced class of chemical reactions that are superior to conventional methods available for protein modification.

ALLOZYNE has raised \$39M and is supported by a top tier venture investor syndicate including MPM, Arch, OVP and Amgen Ventures. The funding has been used to rapidly progress the platforms to practice and build a significant clinical stage pipeline with distinct product opportunities that reflect the breadth of the platform and maintain the company's focus on CNS and autoimmune diseases.

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