NEWS RELEASE - For immediate release

AMORCHEM SPINS OUT ITS SEMA 3A TECHNOLOGY INTO SEMATHERA, WITH 1M$ SEED INVESTMENT.

Montreal, Quebec – January 11, 2017 – AmorChem is pleased to announce the creation of SemaThera, its second spin-off company focusing on a novel therapeutic approach to treat diabetic macular edema (DME) via the Semaphorin 3A (SEMA 3A) target. All rights to the SEMA 3A technology initially held by AmorChem have been transferred to SemaThera, with a first seed investment of 1M$CAD. This capital will allow SemaThera to select its lead candidate and start its early-stage development for the treatment of DME as a first indication.

The SEMA 3A technology has emerged from the laboratory of Dr Przemyslaw Sapieha, at the Hôpital Maisonneuve-Rosemont (HMR, CIUSSS de l'Est-de-l'Île-de-Montréal), who identified SEMA 3A as a novel target for ocular diseases. He discovered that SEMA 3A promotes vascular leakage and contributes to diabetes-related macular edema. His work identified increased levels of SEMA 3A in the early stages of DME in a mouse model, while VEGF levels remained as low as levels observed in non-diabetic controls. Inhibiting SEMA 3A with a biological TRAP appears to be a relevant approach to preventing vascular leakage, inflammation, apoptosis and pathological cytoskeleton remodelling. "Diabetic macular edema is a common feature of retinopathies and affects a fourth of diabetic patients. It is the most prevalent ophthalmologic condition faced by diabetic patients and the leading cause of vision loss in adults of working age. Today, up to 40% of DME patients are poor-responders to anti-VEGF therapies and intravitreal injections of SEMA 3A inhibitor is clearly seen as a promising option" explains Dr Elizabeth Douville, Managing Partner at AmorChem.

"The spin off of SemaThera validates again the AmorChem model; identifying academic projects with high commercial potential, validating them within the academic setting and then spinning them off into companies" adds Dr. Inès Holzbaur, Managing Partner at AmorChem.

SEMATHERA'S MANAGEMENT TEAM

Upon creation of SemaThera, AmorChem appointed Maxime Ranger, Ph.D., MBA, as Chief Executive Officer, and Dr. Przemyslaw Sapieha as Chief Scientific Officer of the company. As a serial entrepreneur, Dr. Ranger will ensure the transition of company activities, which will first select the lead biological TRAP and then conduct preclinical studies in view of clinical Phase I. Moreover, the next financing round remains a priority to support IND-enabling GLP studies and Phase I safety program. As CSO of the company, Dr Sapieha remains a key driver to build value around the SEMA 3A technology. His deep expertise in cellular biology and retinopathies will allow him to lead the development towards next-generation SEMA 3A inhibitors.

WORLDWIDE, EXCLUSIVE LICENSE SIGNED BETWEEN SEMATHERA AND UNIVALOR

SemaThera signed an exclusive, worldwide, license with Univalor on a series of SEMA 3A TRAP inhibitors to be developed and used in various retinopathies and other non-ocular inflammatory diseases. «Univalor is pleased by the creation of SemaThera to pursue the development of this novel therapeutic approach. This is an important step to ensure that millions of individuals affected by diabetic macular edema will eventually benefit from this academic research. » states Jacques Simoneau, CEO at Univalor.

"Today, about 30 million North Americans have Type 2 Diabetes, associated to DME. The anti-SEMA 3A approach provides great hopes to poor-responder patients suffering from retinopathies" says Maxime Ranger, Acting CEO, SemaThera.

ABOUT SEMATHERA INC

SemaThera (www.semathera.com) is a Montreal-based biotech company focusing on the development of novel SEMA 3A TRAP inhibitors for the treatment of various retinopathies, including diabetic macular edema. SemaThera is currently testing different SEMA 3A biological TRAPs for intravitreal administration. Development of these TRAPS could result in either stand-alone therapy or as adjunct to current therapeutic strategies to more effectively counter diabetic retinopathies.

ABOUT AMORCHEM L.P.

AmorChem L.P. (www.amorchem.com) is a venture capital fund located in Montreal focused on investing in promising life science projects originating from Quebec-based universities and research centres. The principal limited partners of this fund are Investissement-Québec, FIER Partenaires, Fonds de solidarité FTQ and Merck & Co. This fund is the latest addition to the GeneChem portfolio of funds, a fund manager in existence since 1997. AmorChem's innovative business model involves financing research-stage projects to enable them to reach pre-clinical proof-of-concept ("POC") in a semi-virtual mode within 18-24 months. The fund seeks to generate returns through a two-pronged exit strategy: sell projects having reached POC to large biotechnology or pharmaceutical companies; or bundle them into new spin-out companies. AmorChem using external resources will manage the projects. To that effect, AmorChem has established a strategic partnership with the Biotechnology Research Institute in order to access its R&D platforms. In addition, to enabling projects requiring small molecules as tools or drug leads, AmorChem has founded NuChem Therapeutics Inc., a medicinal chemistry contract-research company.

ABOUT UNIVALOR

Univalor (www.univalor.ca) is a university technology transfer organization. Since 2001, it commercializes scientific findings and technological innovations emanating from some 2,600 researchers at the Université de Montréal and its affiliated health centres, Polytechnique Montréal and HEC Montréal. It is supported by the Quebec Ministry of Economy, Science and Innovation (MESI). By creating links between the university and the business community, Univalor helps make businesses more competitive, generate revenue for research and, most importantly, enrich society.

ABOUT CIUSSS DE L'EST-DE-ÎLE DE MONTRÉAL AND HMR

The *Centre intégré universitaire de santé et de services sociaux de l'Est-de-l'Île-de-Montréal* (CIUSSS-Est, www.ciusss-estmtl.gouv.qc.ca) includes the Hôpital Maisonneuve-Rosemont (HMR), the Santa Cabrini Hospital, the Polish Welfare Institute, the Montreal Mental Health University Institute, the CSSS de Saint-Léonard and Saint-Michel, the CSSS de la Pointe-de- l'Île, and the Lucille-Teasdale CSSS. Its 43 points of service include nearly 15,000 employees and 580 physicians (full-time equivalent) serving a 500,000 people as population. The center offers a full range of front-line health and social services; general, specialized and cutting-edge hospital care; mental health care and long-term care in residential care. Affiliated with the Université de Montréal, CIUSSS-Est combines the three components of its mission: teaching, evaluation and research, with the training of physicians and health professionals. Its two major research centers are recognized nationally and internationally for their expertise in mental health, immunology, oncology, vision health, nephrology and cell therapy.

The HMR (www.maisonneuve-rosemont.org) hosts a major research center. Three sectors stand out at national and international levels: immuno-oncology, vision health, nephrology and cellular therapy. Each year, more than 4,000 students, future physicians, nurses and health professionals are welcomed.

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