

Mosaic Biomedicals accelerates clinical trials of first-in-class therapeutic antibody for cancer

Mosaic Biomedicals transformative deal

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Mosaic Biomedicals SL today announced a merger with Northern Biologics Inc. that will enable the accelerated development of MSC-1, a humanized antibody expected to begin clinical trials across several tumor types in 2017, with multiple sites planned throughout Europe and North America.

MSC-1 is a first-in-class antibody that targets LIF, a pleiotropic cytokine that is overexpressed in certain solid tumors. LIF promotes cancer progression by regulating the tumor microenvironment as well as inducing self-renewal in tumor-initiating cells.

Pioneering work on the role of LIF in oncogenesis, and the discovery of MSC-1, was performed under the leadership of Joan Seoane, Ph.D., a co-founder of Mosaic and Director of Translational Research at the Vall d'Hebron Institute of Oncology (VHIO).

Versant Ventures has expanded its series A commitment to the company and Celgene Corp. has exercised an option to acquire certain rights to the MSC-1 program under its existing agreement with Northern Biologics. Following the transactions, full funding is in place for the early clinical development of MSC-1, in addition to a preclinical portfolio of therapeutic antibodies.

Dr. Seoane, who has joined the Board of Directors of the merged company, observes: ***“This merger is a fantastic way for the Mosaic Biomedicals team to join forces with Northern and bring together the capital, know-how, talent, and international leadership required to develop the most effective therapeutic antibodies as quickly as possible.”***

“With the support of key partners and the financial strength to give MSC-1 the highest chance of success, this agreement represents unparalleled opportunity for Mosaic to reach its full potential,” added Dr. Judit Anido, co-founder and General Manager of Mosaic. Dr. José Baselga, also a Mosaic co-founder, will serve as Chair and Senior Medical Advisor on the Scientific Advisory Board of the newly merged company.

Benefit for patients and an economic engine for society

Mosaic was established by Dr. Seoane at VHIO, a comprehensive cancer center set within the privileged location of the Vall d'Hebron University Hospital. VHIO researchers and physician-scientists adopt a purely translational research model, working as multidisciplinary teams to accelerate and advance personalized and targeted therapies against cancer.

Mosaic is VHIO's first spinout company, set up in partnership with ICREA and the Vall d'Hebron Research Institute (VHIR). ***Public funding received from the Retos de Colaboración program, ENISA, CDTI and ERC's PoC, among others, have been essential in fueling Mosaic's creation, aimed at rapidly translating scientific discovery into benefits at the patient level. The company will also become an economic engine returning value to the very society that has invested in cancer research”*** say Dr. Seoane and Dr. Anido, who also gratefully

acknowledged the support received from the first Business Angels and friends who believed in the project from the outset and provided funding for the initial set-up steps.

Subsequent investment from Versant and Caixa Capital Risc, spurred further development of Mosaic Biomedicals and drove MSC-1 to the verge of clinical trials. The merger with Northern Biologics and significant new investment has further raised the team's ambitions and will bring the project to an exciting new stage in clinical development.

"None of this would have been possible without outstanding teamwork -- from within my research group in particular, working daily on what really matters, namely, pushing the boundaries in cancer science. This tremendous undertaking, now supported by optimal financial and technical conditions, will allow us to continue to progress and ultimately improve the treatment and care of an increasing number of patients with cancer," said Dr. Seoane.

About Mosaic Biomedicals

Mosaic Biomedicals is a Barcelona-based company that develops personalized cancer treatments with a dual mechanism of action to eliminate cancer stem cells and reactivate the tumor's immune system. Mosaic is a spin-off of the Vall d'Hebron Institute of Oncology, Institució Catalana de Recerca i Estudis Avançats (ICREA) and the Vall d'Hebron Institute of Research (VHIR), backed by Versant Ventures, Caixa Capital Risc and several angel investors.

About Northern Biologics

Northern Biologics was launched in June 2014 by Blueline Bioscience, a Canadian biotechnology incubator backed by venture capital firm Versant Ventures, in partnership with the University of Toronto and University Health Network's Princess Margaret Cancer Centre. Headquartered in the MaRS Discovery District of Toronto, the company is developing a portfolio of antibody-based therapeutics for oncology and fibrosis.