
PathoGenetiX Inc. completes first close of Series B Financing ...

Funds to Complete Development of First Commercial Genome Sequence Scanning-Based Systems WOBURN, MA. Aug. 1, 2011 - PathoGenetiX Inc., today announced that the Company has received \$4.0 million in the first closing of its Series B financing. The Company has received \$9.5 million in commitments from investors for the Series B. The funds will be used to complete development of PathoGenetiX's first commercial systems for identifying pathogens in complex biological samples using its proprietary Genome Sequence Scanning technology. Excel Venture Management led the financing, which also included investments from CB Health Ventures, HealthCare Ventures, and other investors who participated in the Company's Series A financing in the fall 2010.

The Company's Genome Sequence Scanning technology can simultaneously identify thousands of bacterial strains in a single test in three hours. The technology's rapid time to answer and ability to identify specific strains at low cost holds great potential for a wide range of applications, including: accelerating infectious disease diagnosis and improving the selection of antibiotic therapy; streamlining clinical trials; reducing the time for detection and source tracking of life-threatening food-borne pathogens from weeks to hours; enhancing biosecurity; and advancing research on microbial populations.

The clinical need and potential economic benefit from rapid detection and identification of pathogens at the strain level is enormous. Delayed or incorrect diagnosis results in more than 225,000 deaths, including 100,000 from hospital-acquired infections in the U.S. alone each year according to the Centers for Disease Control. Delayed diagnosis costs the U.S. healthcare system an estimated \$10 billion annually in extended hospital stays and medication costs. Food-borne contamination exacts a significant toll in illness and economic loss, despite more than \$1 billion spent per year on pathogen contamination testing. Food-borne illness affects an estimated 75 million people in the U.S. annually, resulting in 325,000 hospitalizations and 5,000 deaths.

"Genome Sequence Scanning is a revolutionary platform for providing an approach to pathogen detection and management that can improve outcomes for patients, improve food safety, and reduce costs," said Dr. Enrico Petrillo, MD, Managing Director at Excel Venture Management. "Rapid detection and identification of infectious pathogens at the strain level can provide clinicians and other users with more information, sooner, for making critical, time sensitive decisions."

Genome Sequence Scanning technology was initially developed with more than \$50 million in support from the United States Departments of Defense and Homeland Security under their advanced biosensor programs. The technology extracts genomic barcodes from microbial DNA as it flows through a microfluidic chip at 150 million base pairs per second. Complex clinical specimens can be scanned to identify thousands of pathogenic strains days faster and at lower cost than current diagnostic techniques.

"The financing reflects the outstanding progress we have made to demonstrate Genome Sequence Scanning's unique capabilities on a comprehensive range of samples including clinical, environmental, and food products, using commercial prototypes of the instrumentation systems," said John J. Canepa, PathoGenetiX CEO. "The funding will allow us to complete development of our first commercial systems, enter the rapidly growing research market for microbiome analysis, and advance the development of applications for food and product safety and clinical diagnostics."

About Excel Venture Management Excel Venture Management builds companies that apply transformative life science technologies to solve problems in healthcare and beyond. The Excel investment portfolio is balanced across healthcare IT and services, diagnostics, and medical devices, plus life science platforms that address adjacent markets including energy, chemicals, defense and agriculture.

About PathoGenetiX PathoGenetiX is developing an automated system for the rapid identification of pathogenic bacterial strains using proprietary Genome Sequence Scanning Technology. The company's approach, which employs a single reagent set to generate genomic bar codes based on bacterial DNA, can cost-effectively identify thousands of strains in a single test from complex samples in three hours. PathoGenetiX is developing its GSS platform for use in genomics research, food and product safety testing, and clinical infectious disease diagnostics, with initial commercial introduction into the research market planned for 2012. Learn more at www.pathogenetix.com.

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