



FOR IMMEDIATE RELEASE

Theraclone Sciences Announces Initiation of Phase 1 Clinical Trial of TCN-032 for Influenza A

Seattle, WA – September 21, 2011 – Theraclone Sciences, Inc., a therapeutic antibody discovery and development company, announced today first dosing of subjects in a Phase 1 clinical trial of TCN-032, a broadly protective, fully human monoclonal antibody for the treatment of influenza A virus. This trial is supported in part by Theraclone’s multi-year research and development agreement with Zenyaku Kogyo Co., Ltd. to identify conserved, essential antibody targets and develop candidates for the treatment of pandemic and severe seasonal influenza. TCN-032 was discovered using Theraclone’s I-STAR™ platform.

“I-STAR™ has repeatedly demonstrated a unique ability to identify natural human antibodies with exceptionally broad biologic activity and therapeutic potential,” said Steven Gillis, Ph.D., Executive Chairman and acting CEO of Theraclone Sciences. “The initiation of this study is an important milestone on the path to a novel biologic for either prevention or treatment of influenza A, which remains a major threat to global public health.”

“Influenza presents a recurring challenge because of the unpredictable nature of the virus. Worldwide, influenza may lead to several hundred thousand deaths annually. TCN-032 is a potential universal treatment that may provide protection from a broad spectrum of influenza A strains,” commented Eleanor Ramos, M.D., Chief Medical Officer of Theraclone Sciences.

“Zenyaku Kogyo is committed to develop novel therapeutics to improve human health. Through TCN-032, we hope to provide benefits to patients at high risk for influenza infection and its complications,” said Kazuhiro Hashimoto, Chairman of Zenyaku Kogyo Company, Ltd. “We are excited to see the first candidate from our collaboration with Theraclone enter clinical development.”

The randomized, double-blind Phase 1 dose-escalation trial in healthy adult volunteers will assess the safety profile of a single intravenous administration of TCN-032 compared to placebo. The study will enroll 40 volunteers at a single U.S. site and will also provide pharmacokinetic and immunogenicity data. Study results are expected in the first half of 2012 and are a pre-requisite for commencement of proof of concept clinical trials.

Zenyaku Kogyo has an exclusive license in the territory of Japan to Theraclone’s influenza monoclonal antibody program. Theraclone retains worldwide development and commercialization rights outside of Japan.

About Influenza

Influenza is a contagious disease affecting the respiratory tract and sometimes other organs, which typically causes mild to severe illness, but, at times, can lead to death. Approximately 36,000 people die each year from flu-related causes in the U.S. Certain populations, including the elderly, young children and people with certain health conditions, are at particularly high risk for serious flu complications.

Influenza A viruses can replicate and mutate very rapidly. Reassortment or recombining of viral genetic material from human, swine and avian influenza strains presents the dangerous possibility of pathogenic

strains capable of causing widespread infection including pandemics, as was the case with the swine-origin influenza virus pandemic in 2009. To date, international governments have established multi-billion dollar stockpiles of drugs and vaccines in an effort to provide protection against future influenza pandemics. The development of new, complementary therapeutic approaches is a high international public health priority.

About Theraclone Sciences

Theraclone Sciences is a Seattle-based biotechnology company focused on the development of novel therapeutic antibodies for the treatment of infectious disease and cancer. The company's technology harnesses the power of the human immune system to identify rare, naturally evolved antibodies from the blood cells of immunologically relevant human subjects. Human monoclonal antibodies can be rapidly isolated using the I-STAR™ discovery platform and scaled for industrial production. Such human antibody drug candidates may be uniquely safe and relevant to combating disease across broad patient populations. Theraclone is a privately held company with venture investment from ARCH Venture Partners, Canaan Partners, Healthcare Ventures, MPM Capital, Amgen Ventures and Alexandria Real Estate Equities. For additional information, please visit www.theraclone-sciences.com

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