Executive Summary 2009

Corporate Overview

Sequella, Inc. is a clinical-stage biopharmaceutical company focused on the development and commercialization of new therapeutics for the treatment of infectious diseases. Our initial target was TB. In 2006, this therapeutic focus was expanded to include other bacteria and fungi based on biologic activity of our proprietary library of small molecule drugs. Drug compounds with activity against an essential bacterial enzyme, translocase 1, are also being developed as broad spectrum antibiotics.

Our product portfolio including multifunctional targeted drug candidates which address global health threats with significant market opportunity in disease areas of known or suspected infectious etiology such as:

- Systemic fungal infections *(Candida albicans, C. glabrata, and Aspergillus fumigatis)*
- TB *(Mycobacterium tuberculosis)*
- Pneumonias *(M. avium and Streptococcus pneumoniae)*
- Crohn's Disease *(M. avium paratuberculosis,* called MAP*)*

Business Model

Leverage core competencies in microbiology, infectious diseases, and anti-infective research and development to advance promising antibiotics and expand our therapeutic opportunities in target markets.

Target Markets

Infectious diseases caused by bacteria and fungi affect millions of people worldwide, with estimated treatment costs to the US of more than $20 billion per year.

In Established Market Economies (EME), the commercial market for new TB antiinfectives is $486 million. Specifically, the current US addressable population for new TB drugs is 365,000 patients; the EU and Japan have 93,000 active TB cases.

The addressable market for fungal antibiotics is 575,000 patients in the US. The total antifungal market opportunity is $8.7B. Sequella's potential market for a new antifungal is between $350-$400M annually in the US.

There are more than 600,000 Crohn's Disease patients in North America. A new antibiotic that eliminates a cause of this disease (MAP) would have potential US sales of >$500M.

Sequella Background

Incorporated: Founded, 1997
Therapeutic Focus: Infectious disease
IP Portfolio: 179 patents issued & pending in US, EU, Japan, EME, and ROW
Clinical Development: multifunctional, targeted anti-infective drugs
Lead Drug Candidate: SQ109 (Phase 1B)
Employees: 17 full-time
Financing To Date: $61 million ($34 million in grants and in-kind services)
Website: www.sequella.com

Key Management

Carol A. Nacy, Ph.D., CEO, Chair of the Board. Prior to joining Sequella, Dr. Nacy was Executive Vice President and Chief Scientific Officer at EntreMed (ENMD-NASDAQ); Former Chief Scientific Officer at Anergen, acquired by Corixa (CRXA-NASDAQ); Former President of the American Society for Microbiology; and Former Career Scientist and Science Manager, Walter Reed Army Institute of Research.

Marty Zug, MBA, CFO. Prior to joining Sequella, Mr. Zug was Vice President of the Washington Redskins where he managed three business units comprising over $42 million in annual revenue, former Director of Financial Projects for Snyder Communications, and a former investment banker at International Finance Corporation.

Gary Horwith, M.D., Chief Medical Officer. Prior to joining Sequella, Dr. Horwith was Vice President Clinical Research and Medical Affairs, NABI Biopharmaceuticals; former Vice President of Clinical Research and Drug Regulatory Affairs at Genetic Therapy, Inc., a Novartis company, and former director of clinical research at Liposome Company.

Leo Einck, Ph.D., CSO. Prior to joining Sequella, Dr. Einck was former Vice President for Research Operations, EntreMed (ENMD-NASDAQ); former Director of Operations, HEM (now Hemispherix Biopharma, Inc, HEB-AMEX); and, Former Scientist at the National Institutes of Health.

Alan Klein, MBA, EVP Corporate Development. Prior to joining Sequella, Mr. Klein had a15-year career in senior business/corporate development with over $700 million in transactions completed to date, and profit center/business unit management. Former companies include Curagen, GeneLogic, and Quintiles.

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SEQUELLA Incorporated

Drug Discovery and Development

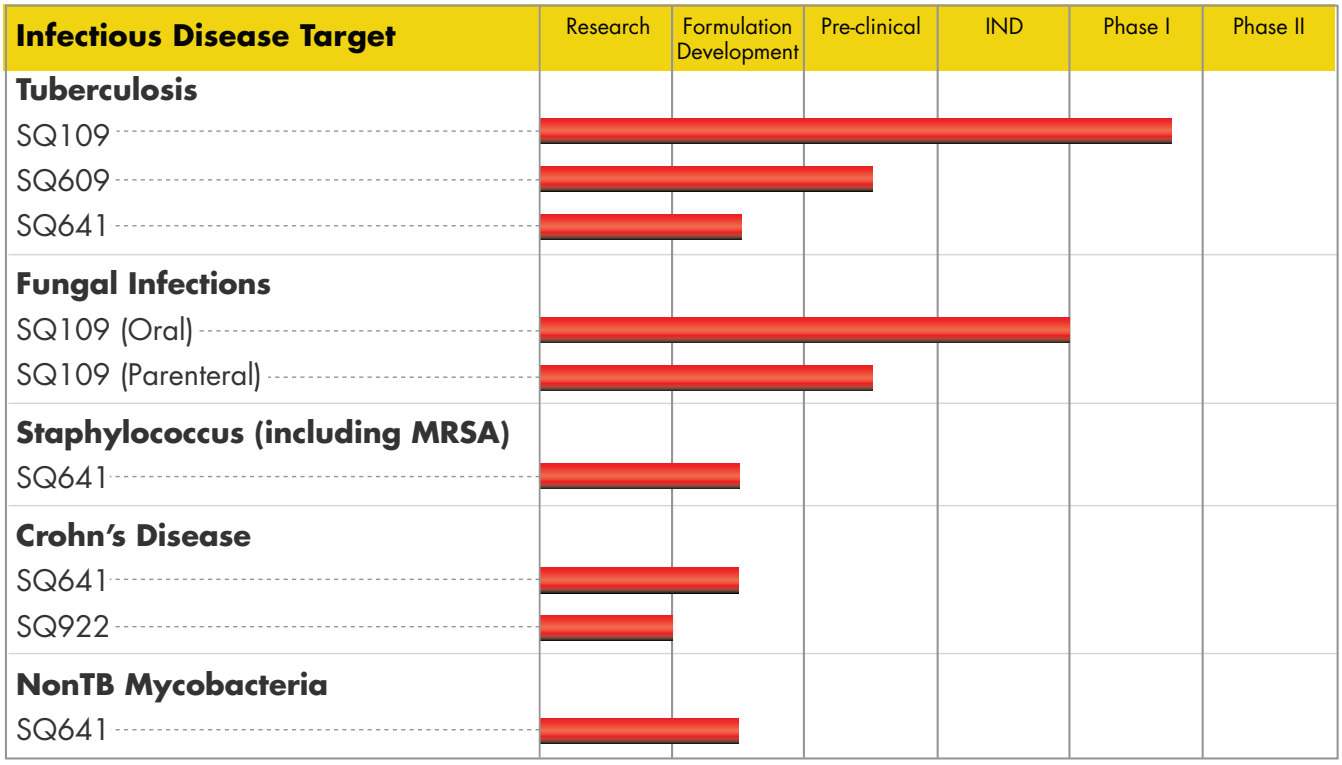
Sequella's in-house drug discovery program identified antibiotics with activity against a variety of important pathogens, including fungal agents and bacteria. The Sequella compound library of novel proprietary drugs includes:

- **Ethylenediamine antibiotics**
  - SQ109 is in Phase 1B human clinical trials
  - SQ73 (back-up compound) is in nonclinical research
- **Dipiperidine antibiotics**
  - SQ609 is completing nonclinical studies in preparation for IND-directed preclinical safety, pharmacology, and toxicology studies
  - SQ614 (back-up compound) is in nonclinical research
- **Translocase-1 inhibitors derived from capuramycin in-licensed from Daiichi-Sankyo**
  - SQ641 is in lead optimization for infections caused by mycobacteria
  - Several new capuramycins with broader spectrum of activity against highly infectious gram positive bacteria, i.e., MRSA

In addition to these class-specific compounds, Sequella has over 150,000 additional proprietary new chemical entities that it has synthesized and screened for activity against a number of pathogens. Sequella's lead drug candidate in Phase 1B clinical trials, SQ109, has both Fast Track status at the FDA and Orphan Drug status at the FDA and EMEA.

Sequella will pursue niche infectious disease acquisitions or partnerships that aligned with our business model and target markets.

Infectious Disease Focused Anti-Infectives Pipeline



For information on alliance opportunities, contact:

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