FOR IMMEDIATE RELEASE
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Sequella and NIH Sign Exclusive Worldwide Licensing Agreement for SQ109 for New Infectious Disease Indications

Anti-Fungal, Additional Mycobacterial Indications Among Those Targeted

Rockville, Md. -- Sequella, Inc., a clinical-stage biopharmaceutical company focused on commercializing products to treat life-threatening infectious diseases, today announced that it amended an existing agreement with the National Institutes of Health (NIH) to significantly broaden the licensed therapeutic indications, or "field of use," for Sequella's lead drug candidate, SQ109.

SQ109, currently completing a Phase IB safety study in humans under its original tuberculosis IND, is a new chemical entity with broad antibiotic potential. It was co-discovered by scientists at Sequella and at the National Institute of Allergy and Infectious Diseases (NIAID), part of NIH, under an earlier Cooperative Research and Development Agreement. Sequella previously negotiated from NIH worldwide exclusive rights for SQ109's use against tuberculosis.

The new agreement will allow Sequella to pursue additional infectious disease indications targeting fungi and a variety of nontubercular *Mycobacteria*.

Dr. Carol Nacy, CEO of Sequella, said, "We see tremendous promise in the future of SQ109, both as part of a new tuberculosis regimen and as a therapeutic active against other infectious agents. IND-directed studies in support of these new indications are underway."

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About SQ109

SQ109 is a new diamine antibiotic intended to replace one or more of the current first-line anti-TB drugs and simplify patient therapy. SQ109 was granted U.S. FDA Fast Track designation and FDA/EMEA Orphan Drug Designation in 2007. SQ109 shows activity against drug sensitive and multi-drug resistant (MDR and XDR) *Mycobacterium tuberculosis*, the causative agent of TB. SQ109 is due to begin a Phase 1B study to assess safety and pharmacokinetics of multiple doses of SQ109 in healthy subjects.

About Sequella

Sequella is a clinical stage biopharmaceutical company focused on commercializing improved treatments for infectious diseases. The company leverages its global influence, R&D platforms and infectious disease expertise to proactively address emerging health threats. Through focused execution, clear commercialization pathways, and strategic partnerships, Sequella intends to commercialize a broad product portfolio designed to treat global health threats with significant market opportunity.

About NIAID and NIH

NIAID conducts and supports research—at NIH, throughout the United States, and worldwide—to study the causes of infectious and immune-mediated diseases, and to develop better means of preventing, diagnosing and treating these illnesses. News releases, fact sheets and other NIAID-related materials are available on the NIAID Web site at http://www.niaid.nih.gov.

The National Institutes of Health (NIH)—The Nation's Medical Research Agency—includes 27 Institutes and Centers and is a component of the U.S. Department of Health and Human Services. It is the primary federal agency for conducting and supporting basic, clinical and translational medical research, and it investigates the causes, treatments and cures for both common and rare diseases. For more information about NIH and its programs, visit http://www.nih.gov.

Forward-Looking Statement

This press release contains forward-looking statements that are subject to risks and uncertainties, and includes statements that are not historical facts. Actual results could differ significantly from results discussed. Sequella disclaims any intent or obligation to update forward-looking statements, except as required by law. The content of this release does not necessarily represent the official views of the National Institute of Allergy and Infectious Diseases or the National Institutes of Health.