For Immediate Release
July 26, 2010

Two New Tuberculosis (TB) Drugs Show Significant Synergy *In Vitro*

Rockville, MD -- Sequella, Inc., a clinical-stage biopharmaceutical company developing drugs for treatment of life-threatening infectious diseases, announced today the publication of studies in the scientific journal *Antimicrobial Agents and Chemotherapy* on synergy between SQ109, its lead drug candidate for the treatment of TB, and TMC207, Tibotec lead TB drug candidate:

> Reddy, V.M., L. Einck, K. Andries, and C.A. Nacy. *In Vitro* Interactions between New Antitubercular Drug Candidates SQ109 and TMC207. *Antimicrob. Agents Chemother.* 54:2840-2846, Vol. 7, July 2010.

The results of the studies, a research collaboration between Sequella and Tibotec, demonstrated that the combination of SQ109 with TMC207 decreased the TMC207 minimal inhibitory concentration (MIC) by 4- to 8-fold for the etiologic agent of TB, *Mycobacterium tuberculosis*. SQ109 also improved the rate of killing of TB bacteria over the rate of killing by each single drug, and it extended the drug post antibiotic effect of TMC207 by 4 hours, with no observable antagonistic activities. The presence of rifampin (RIF) in three-drug combinations did not affect the synergistic activities of SQ109 and TMC207, and SQ109 also significantly decreased the MIC of RIF. SQ109 was active by itself, its activity was improved by TMC207, and it improved the *in vitro* activities of both RIF and TMC207.

"These results are very encouraging," commented Dr. Carol Nacy, Sequella CEO. "TMC207 and SQ109 are two of the first new TB drugs in forty years with the potential to form the foundation for a better treatment regimen for TB and MDR-TB patients everywhere. We look forward to the further substantiation of these results during the *in vivo* phase of our partnership with Tibotec. "

SQ-109 is a new diamine antibiotic intended to replace one or more of the current first-line anti-TB drugs to improve 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 has successfully completed its Phase I safety studies and will begin its Phase II clinical efficacy program 2H 2010 in a number of sites in Africa.

About Sequella
Sequella is a clinical stage biopharmaceutical company focused on commercializing improved treatments for life-threatening infectious diseases. The company leverages its global influence, R&D platforms, and 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.

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.

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