

FOR IMMEDIATE RELEASE

March 23, 2013

Statement from Dr. Carol Nacy, CEO of Sequella, Regarding World TB Day (March 24, 2013)

Rockville, Md. – "Antibiotic resistance is a critically important and growing public health problem. Antibiotics are prescribed by physicians to kill bacteria that cause disease, but some very important bacteria are now resistant to commonly used antibiotics and some are resistant to virtually all available antibiotics. These bacteria cause serious diseases that can be transmitted to others, including the bacteria that cause tuberculosis (TB), Mycobacterium tuberculosis.

The WHO estimates that by 2015 nearly 2 million people will be suffering from multi-drug resistant TB (MDR-TB). The discovery of TB bacteria resistant to all known antibiotics (TDR-TB) heralds a return to the pre-antibiotic era. In a world with porous borders, global business markets, and world travelers, the re-emergence of TB and the emergence of MDR, XDR-TB and TDR-TB is a global health threat that needs immediate attention.

Since 1997, Sequella (www.sequella.com), a private clinical-stage biotechnology company in Rockville, Maryland, has addressed the looming TB encroachment by developing new treatments and detection systems. With the U.S. National Institutes of Health (NIH, www.nih.gov), Sequella discovered a novel antibiotic with potent activity against the bacteria that cause TB. The drug is called SQ109, and it is currently being tested in TB patients in a pivotal MDR-TB trial in Russia and in an early efficacy clinical trial in Africa for drug sensitive TB in collaboration with a consortium of academic centers in Europe.

Sequella is not the only company to respond to this growing global crisis: the pharmaceutical companies J&J (bedaquiline), Pfizer (sutezolid), Otsuka (delaminid), Sanofi, (rifapentine), Astra Zeneca, GSK, and other small biotech companies understand the rising threat and critical unmet medical need of MDR/XDR/TDR-TB and have been working to find new drugs with better safety and efficacy that can be used for both drug sensitive and drug resistant infections. There are currently 5 newly discovered TB drug candidates in clinical development and several repurposed antibiotics. Of these, two have completely novel mechanisms of action: J&J's bedaquiline and Sequella's SQ109. Bedaquiline received accelerated approval for treatment of MDR-TB by the FDA after two early efficacy clinical trials; Sequella is currently raising equity capital from investors to fund a global MDR-TB clinical trial that will be used to apply for similar approval in the U.S. and E.U.

TB is caused by bacteria that can develop resistance to single drugs very quickly, so it is always treated with 3 or more drugs to improve efficacy and protect valuable drugs from development of resistance. Bedaquiline, the first new TB drug to be approved by the FDA in more than 40 years, received that status in December of 2012. The imperative now is to quickly move the other clinical-stage drugs through their trials and create the collaborations to develop an entirely new TB drug regimen, one that can successfully treat all forms of TB.



There are now both preclinical and clinical collaborations among drug makers, and therefore hope that several new TB drug regimens will be tested in the clinic in the next 2-3 years. In the meantime, we must raise awareness of the threat of TB and improve the funding available to move these studies to completion.

XDR/TDR-TB, a disease with few to no treatment options and an exceptionally high mortality rate, is a nightmare in the making, and brings to mind the old quote, "those who do not learn from history are destined to repeat it." In the pre-antibiotic era, prior to 1950, TB was the leading killer of U.S. citizens. It behooves us all to pay attention to our history and work together to solve the global TB epidemic now."

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About Sequella

Sequella is a clinical stage biopharmaceutical company focused on commercializing improved treatments for infectious diseases of epidemic potential. 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.