



ASX ANNOUNCEMENT

31 March 2017

Cynata Partner apceth GmbH & Co Completes Cymerus™ Evaluation

Melbourne, Australia; 31 March 2017: Australian stem cell and regenerative medicine company, Cynata Therapeutics Limited (ASX: CYP), announces that apceth GmbH & Co has completed its evaluation of Cynata's proprietary Cymerus™ mesenchymal stem cell (MSC) technology in its in-house cell culture and genetic modification systems. Cynata's Cymerus™ cells demonstrated characteristics appropriate for apceth's technology, an outcome both parties considered successful.

apceth's genetic modification systems are aimed at opening up new therapeutic fields for MSCs, not only in cancer but in other diseases as well. Since the agreement last year, apceth has undertaken a strategic review of its core therapeutic areas and has now shifted its focus to non-malignant indications.

The licensing rights in oncology have therefore returned to Cynata and the Company is undertaking its own research program in genetically modified MSCs in cancer through a collaboration with Massachusetts General Hospital/Harvard Medical School. Under the license option agreement, apceth retains an option to non-exclusive rights to several other disease target areas.

"During the evaluation in our in-house cell culture and genetic modification systems, Cynata's cells demonstrated the necessary characteristics required for use with our technology. We are pleased with the results of the evaluation and continue to work with Cynata to determine the next steps in regard to our collaboration. Its Cymerus platform has huge potential in the area of stem cell product development and its ability to create uniform cells using just one donation from one donor is truly revolutionary", said Dr Christine Günther, Chief Executive Officer at apceth.

"We're pleased with the outcome of the evaluation, which has proven the ability of our platform technology to successfully integrate with other technologies, giving us an even broader market application for our Cymerus MSCs. We look forward to continuing to work with apceth as they refine their therapeutic focus and to expanding the relationship at the appropriate time", said Cynata Chief Executive Officer and Managing Director, Dr Ross Macdonald.

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About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited (ASX: CYP) is an Australian clinical stage stem cell and regenerative medicine company that is developing a therapeutic stem cell platform technology, Cymerus™, originating from the University of Wisconsin-Madison, a world leader in stem cell research. The proprietary Cymerus™ technology addresses a critical shortcoming in existing methods of production of mesenchymal stem cells (MSCs) for therapeutic use, which is the ability to achieve economic manufacture at commercial scale. Cymerus™ utilises induced pluripotent stem cells (iPSCs) to produce a particular type of MSC precursor, called a mesenchymoangioblast (MCA). The Cymerus™ platform provides a source of MSCs that is independent of donor limitations and provides an “off-the-shelf” stem cell platform for therapeutic product use, with a pharmaceutical product business model and economies of scale. This has the potential to create a new standard in the emergent arena of stem cell therapeutics and provides both a unique differentiator and an important competitive position.

About apceth GmbH & Co. KG.

apceth is a pioneering clinical stage biopharmaceutical company which is expanding its pipeline of next-generation cell-based therapeutics. apceth's modular platform technology is based on genetically modified MSCs, and the lead program Agenmestencil is a first-in-man, genetically modified MSC product for the treatment of cancer. In addition, apceth develops new cell therapy candidates for the treatment of lung diseases and for immunomodulation. Based in Munich, apceth provides its know-how, expertise and GMP-certified facilities to industrial and academic partners around the world. apceth was founded in 2007 as a start-up company and is privately owned by its founders and private investors Santo Holding GmbH and FCP Biotech Holding GmbH.

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