



Versant Ventures Announces Milestone with Recent Northern Biologics and BlueRock Therapeutics Deals

Transactions bring total commitments to Versant's Canadian biotech portfolio to over CAD\$500 million

Toronto, Ontario, Vancouver, British Columbia, and Montreal, Quebec, December 19, 2016 – Versant Ventures today announced that Toronto-based portfolio company Northern Biologics Inc. has executed a transformational deal that expands its pipeline and financial resources. The merger of Mosaic Biomedicals SL with Northern creates a global oncology company backed by Versant and Celgene Corp. (NASDAQ:CELG) that will advance a promising first-in-class antibody into clinical trials in 2017.

This announcement also marks the fifth major investment by Versant in life science companies with Canadian operations. It closely follows last week's debut of BlueRock Therapeutics, a stem cell company that Versant and Bayer AG jointly launched with a series A commitment of CAD\$295 million, the largest-ever for a Canadian life science startup.

Both Northern and BlueRock are examples of harnessing top tier science and building sustainable companies with the necessary intellectual and financial resources to bring new medicines to patients.

In 2013, Versant undertook the challenge of expanding its global footprint and building a significant presence in Canada. The firm's goal was to source the country's best scientific opportunities and to manage those startups into successful global companies.

"Since launching investment activities in Canada three years ago, our progress toward building a world-class biotech portfolio has exceeded any of our expectations," said Brad Bolzon, Ph.D., Versant managing director. "It is a testament to the quality of the Canadian academic research community and the commitment of key stakeholders in government and the private sector to build a viable biotech ecosystem that can compete with all other global players."

Versant's recent activity in Canada also includes portfolio company Turnstone Biologics Inc., which completed one of the largest-ever series B rounds for a Canadian biotech in November. The financing will allow Turnstone to complete ongoing clinical trials of its lead oncolytic immunotherapeutic and also launch three additional clinical programs in the coming 24 months. Like BlueRock and Northern, Turnstone's foundation was built on scientific discoveries and new technologies developed at Canadian academic institutions.

Collectively these institutions include UHN and its affiliates the McEwen Centre for Regenerative Medicine and Princess Margaret Cancer Centre, as well as the Children's



Hospital of Eastern Ontario (CHEO), McMaster University, Ontario Institute for Cancer Research (OICR), Ottawa Hospital Research Institute (OHRI), and the University of Toronto.

To accelerate the development of its own investment portfolio in Canada, Versant has also established a network of laboratories across the country called Discovery Engines. These include Inception Sciences in Vancouver and Montreal, and Blueline Bioscience in Toronto. To date several new projects have been launched in the fields of oncology, ophthalmology and inflammatory diseases, some having secured series A backing from Versant and pharmaceutical partners like Bayer AG and Celgene.

“A common theme is to catalyze the creation of companies and accelerate their maturation with our own resources and those of global pharmaceutical partners,” said Jerel Davis, Ph.D., managing director at Versant. “Our pan-Canadian portfolio spans multiple indications, with new companies built on world-class science and strategic partnerships. These startups need the capital resources to be successful, which historically had been a shortcoming of Canadian biotechs.”

Canada has become a productive source of biotech investments for Versant. Versant’s Canadian footprint has grown to include three Discovery Engines that house more than 30 scientists, five fully backed companies, two seed investments and 10 academic grants supported by the firm. Together these investments represent more than CAD\$500 million in committed capital from Versant, syndicate members and pharmaceutical partners.

About Versant Ventures

Versant Ventures is a leading healthcare investment firm committed to helping exceptional entrepreneurs build the next generation of great healthcare companies. The firm invests across the healthcare sector and at all stages of company development, with an emphasis on the discovery and development of novel therapeutics. With \$1.9 billion under management and offices in North America and Europe, Versant has built a team with deep investment, operating, and scientific expertise that enables a hands-on approach to company building. Since the firm's founding in 1999, more than 65 Versant companies have achieved successful acquisitions or IPOs. For more information, please visit www.versantventures.com.

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