FOR IMMEDIATE RELEASE

Theraclone Sciences Announces Initiation of a Phase 1 Clinical Trial of TCN-202, an Antibody in Development for the Treatment of Human Cytomegalovirus Infection

Seattle, WA – June 14, 2012 – Theraclone Sciences, Inc., a therapeutic antibody discovery and development company, announced today first dosing of subjects in a Phase 1 clinical trial of TCN-202, a broadly protective, fully human monoclonal antibody in development for the treatment of human cytomegalovirus (CMV) infection. While a relatively common virus, CMV transmission during pregnancy can cause permanent disabilities in children, and CMV infection can be life-threatening in individuals with weakened immune systems.

"TCN-202 was discovered using Theraclone's I-STAR™ platform, which has demonstrated a unique ability to identify natural human antibodies with exceptionally broad biologic activity and therapeutic potential," said Clifford J. Stocks, CEO, Theraclone Sciences. "Broadly protective antibodies are important, as viruses like CMV are prone to mutations and, therefore, drug resistance. TCN-202 is directed against what we believe is a universal target within CMV variations, and this Phase 1 study is a significant step in bringing an important new treatment to patients with CMV infection."

"Complications of CMV infection are particularly significant in immunosuppressed individuals as well as in the setting of congenital infection, and TCN-202 has received Orphan Drug Designation for the latter," commented Eleanor Ramos, M.D., Chief Medical Officer, Theraclone Sciences. "We are excited to initiate the Phase 1 study of our antibody therapeutic in CMV disease and believe TCN-202 could fulfill the need for a safer and more effective therapeutic treatment for this disease."

The randomized, double-blind Phase 1 dose-escalation trial in healthy adult volunteers will assess the safety profile of intravenous administration of TCN-202 as compared to placebo. The study will enroll up to 80 normal healthy volunteers at a single site in the United States and will provide safety, pharmacokinetic and immunogenicity data. Study results are expected in the first half of 2013.

Theraclone holds worldwide development and commercialization rights for TCN-202.

About Human Cytomegalovirus

CMV disease remains an unmet medical need. In the US, the estimated prevalence of congenital CMV infection is ~1% of all pregnancies and is one of the leading causes of permanent hearing loss and neurological deficits in children. In immune compromised individuals, such as transplant recipients or those with leukemia or HIV infection, CMV can cause serious life-threatening disease and may significantly increase the risk of graft rejection.

About Theraclone Sciences

Theraclone Sciences is a Seattle-based biotechnology company focused on the development of novel therapeutic antibodies for the treatment of infectious disease and cancer. The Company's technology harnesses the power of the human immune system to identify rare, naturally evolved antibodies from the blood cells of immunologically relevant human subjects. Human monoclonal antibodies can be

rapidly isolated using the I-STAR™ discovery platform and scaled for industrial production. Such human antibody drug candidates may be uniquely safe and relevant to combating disease across broad patient populations. Theraclone is a privately held company with venture investment from ARCH Venture Partners, Canaan Partners, Healthcare Ventures, MPM Capital, Amgen Ventures, and Alexandria Real Estate Investment. For additional information, please visit www.theraclone-sciences.com.

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