



**FOR IMMEDIATE RELEASE**

**Theraclone Announces Pfizer Selects Next Target in Antibody Discovery Collaboration**

*Exclusive Discovery Research Partnership for Selected Infectious Disease and Cancer Targets*

**SEATTLE, WA — August 29, 2012** — Theraclone Sciences, Inc., a therapeutic antibody discovery and development company, today announced that Pfizer has selected a third target under its multi-year research and development collaboration with Theraclone. The collaboration, which began in January 2011, uses Theraclone's I-STAR™ technology to discover monoclonal antibodies against up to four undisclosed targets in the areas of infectious disease and cancer. I-STAR™ technology is used to screen and identify novel human antibodies to pathogenic agents and endogenous therapeutic targets.

Discovery efforts for the first and second target are successfully nearing completion. Pfizer receives an exclusive worldwide license to the therapeutic antibodies discovered under the collaboration. Theraclone will receive undisclosed funding as a result of the third target selection. Under the collaboration agreement, Theraclone is eligible to receive undisclosed royalties on sales of any developed products and up to \$632 million in research funding and milestone payments upon the achievement of discovery, development, regulatory and commercialization milestones.

“Under the direction of our Chief Scientific Officer, Kristine Swiderek, PhD, our collaboration with Pfizer continues to demonstrate the power of I-STAR™ technology to identify unique antibodies against novel targets,” commented Clifford Stocks, Chief Executive Officer of Theraclone.

“Pfizer’s selection of a third target increases confidence in our approach to search the human immune repertoire to isolate rare and powerful human antibodies that may be of use in the treatment of multiple diseases,” said Dr. Swiderek, adding, “we look forward to identifying antibodies for this new target and others that may result from this collaboration.”

**ABOUT I-STAR™ TECHNOLOGY**

The human immune system responds to pathogens, like viruses and bacteria, by evolving highly protective proteins, called antibodies, in real time. The immunological history of these protective responses is archived in human memory B cells, a specialized type of blood cell. The I-STAR™ platform allows comprehensive interrogation of this memory B cell archive. I-STAR™ technology is unique in its ability to rapidly test the function of tens of thousands of natural human antibodies and find those with exceptional biologic activity. The antibodies identified through this discovery process are potentially appropriate for further development as novel therapies to help patients fight existing conditions.

**ABOUT THERACLONE SCIENCES**

Theraclone Sciences is a Seattle-based biotech focused on the development of novel therapeutic antibodies for the treatment of infectious disease and cancer. The Company's I-STAR™ technology harnesses the power of the human immune system to identify rare, naturally evolved monoclonal antibodies from the blood cells of immunologically relevant human subjects. Theraclone has established discovery partnerships with Pfizer, Zenyaku Kogyo and the International AIDS Vaccine Research Initiative.

In addition, the company has two proprietary antibody programs in clinical development for pandemic and seasonal influenza and human cytomegalovirus (HCMV). [www.theraclone-sciences.com](http://www.theraclone-sciences.com).

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